

**THE DEPARTMENT OF HOMELAND  
SECURITY'S BORDER AND TRANSPORTATION  
SECURITY (BTS) BUDGET PROPOSAL FOR  
FISCAL YEAR 2005**

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**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON INFRASTRUCTURE  
AND BORDER SECURITY  
OF THE  
SELECT COMMITTEE ON HOMELAND  
SECURITY  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED EIGHTH CONGRESS

SECOND SESSION

MARCH 17, 2004

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**THE DEPARTMENT OF HOMELAND  
SECURITY'S BORDER AND TRANSPORTATION  
SECURITY (BTS) BUDGET PROPOSAL FOR  
FISCAL YEAR 2005**

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**Wednesday, March 17, 2004**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON INFRASTRUCTURE  
AND BORDER SECURITY,  
SELECT COMMITTEE ON HOMELAND SECURITY,  
*Washington, DC.*

The subcommittee met, pursuant to call, at 10:37 a.m., in Room 2237, Rayburn House Office Building, Hon. Dave Camp [chairman of the subcommittee] presiding.

Present: Representatives Camp, Smith, Diaz-Balart, Goodlatte, Shadegg, Cox (ex officio), Sanchez, Markey, Jackson-Lee, and Turner (ex officio).

Also Present: Delegate Christensen.

Mr. CAMP. The Subcommittee on Infrastructure and Border Security hearing will come to order. Today's business is to receive testimony regarding the fiscal year 2005 budget request for the Border and Transportation Security Directorate, BTS, mission and its various programs. The subcommittee will hear from Under Secretary for Border and Transportation Security from the Department of Homeland Security, the Honorable Asa Hutchinson.

Secretary Hutchinson, thank you for testifying today about your Directorate's fiscal year 2005 budget request. We appreciate your time and the effort that went into preparing your testimony. We look forward to the opportunity to ask you some specific questions regarding the BTS budget and how various programs and funding will impact the strategic objectives of the Department.

At this time, the Chair would urge—to allow sufficient time for testimony and questions will urge Members to give short opening statements and to submit their full statements for the record.

[The statement of Ms. Jackson-Lee follows:]

PREPARED STATEMENT FOR THE RECORD OF THE HONORABLE SHEILA JACKSON-LEE,  
A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Thank you, Chairman Camp and Ranking Member Sanchez for your diligence in holding today's hearing in order to allow this body to assess the President's Fiscal Year 2005 Budget proposal for the Department of Homeland Security's (DHS) Border and Transportation Security (BTS) Directorate. This hearing is very critical in light of the March 11 bombing of a Madrid subway and the loss of over 200 lives.

In the wake of the events that have occurred in Madrid yesterday, it is critical to note that, in our own spending for the Department of Homeland Security, there has been no effort to increase funding or to authorize new railroad security legislation. This means that a whole mode of mass transportation represents a major source of threat vulnerability-yet another reason for us to believe that we are not as safe as we need to be, over two years after the tragic 9/11 incidents.

While it is true that because there are some 1.5 million trips per day on commuter rails and passenger trains alone, it will be extremely difficult to institute airline-like security measures, we are charged with having the foresight to initiate rail security improvement programs *before* an incident such as the Madrid bombings occurs. Our critical infrastructure can no less withstand the impact of region-wide blackouts than it could a series of explosions as occurred in that situation. In Houston, the new MetroRail system counted 558,000 riders in January, its first month. During the four-day Super Bowl weekend, rail riders outnumbered bus riders, even after the city shut down service during some nighttime hours because of safety concerns for crowds. Without the installation of rail security equipment and the hiring of DHS-rail security staff, this new light rail system will represent a major source of vulnerability for Houston.

Therefore, the Fiscal Year 2005 Budget proposal needs to be severely scrutinized for its shortfalls relative to rail security.

Several years ago, we debated the desirability of dividing the former Immigration and Naturalization Service (INS) into two bureaus, an enforcement bureau and a benefits bureau. I expressed concern about the possibility that the enforcement bureau would become the focus of most of our resources to the detriment of the benefits bureau. We no longer debate whether INS should be divided into different bureaus for enforcement and benefits purposes. The establishment of the Department of Homeland Security has made that separation a reality. On the enforcement side, we have the Bureau of Customs and Border Protection (CBP) and the Bureau of Immigration and Customs Enforcement (ICE), and, on the benefits side, we have the Bureau of U.S. Citizenship and Immigrant Services (USCIS).

I wish I could say that I was wrong, that my fears were unfounded, but my fears were not unfounded. The enforcement bureaus are receiving most of our resources to the detriment of the benefits bureau. The fiscal year 2005 request for the two enforcement bureaus is \$10,214 million, whereas the fiscal year 2005 request for the benefits bureau is only \$1,711 million. In other words, the Administration is proposing to spend 6 times more on enforcement than on benefits. The real disparity, however, can be seen more clearly in the increases that these amounts represent. The Administration is requesting an increase of \$538 million for the enforcement bureaus but only is requesting a \$58 million increase for the benefits bureau. In other words, for every additional dollar the Administration is requesting for the benefits bureau, it is requesting 9 dollars for the enforcement bureaus.

I am not opposed to providing sufficient funding for the enforcement bureaus. My concern is that the Administration is not requesting adequate resources for the benefits operations. The Bureau of U.S. Citizenship and Immigrant Services (USCIS) has not been able to keep up with its work load. USCIS has a backlog of more than 6 million benefits applications.

The Texas Service Center presently is working on visa petitions that U.S. citizens and lawful permanent residents filed for unmarried sons and daughters on October 30, 1998. These applications sit for more than 5 years before anyone begins to work on them. Such delays do not just affect the people in other countries who are the subjects of the petitions. The petitioners who file family-based and employment-based visa petitions are lawful permanent residents and citizens of the United States and American employers. In fact, when such a petition is denied, the foreign person who is the subject of the petition does not have standing to file an appeal. The right to the immigration benefit lies with the American petitioner, not with the alien who is the subject of the petition.

Despite this crisis, the Administration's proposed fiscal year 2005 budget for USCIS only allocates \$140 million for backlog reduction. Even with the addition of the \$20 million USCIS expects to receive from increased processing fees, this is not sufficient to eliminate the backlog. The magnitude of the backlog problem can be

seen in the fact that during the 3-year period from fiscal year 2001 through 2003, USCIS's reported operating costs exceeded available fees by almost \$460 million. Since the beginning of fiscal year 2001, the number of pending applications increased by more than 2.3 million (about 59 percent) to 6.2 million at the end of fiscal year 2003. This increase occurred despite additional appropriations beginning in fiscal year 2002 of \$80 million annually to address the backlog.

Meanwhile, \$340 million is allocated for the US-VISIT program, which may turn out to be a waste of resources that could have been used elsewhere, such as for reducing the benefits applications backlog. The stated objective for US-VISIT is to enhance the nation's security while facilitating legitimate travel and trade through our borders. According to a September 2003 report (GAO-03-1083) from the General Accounting Office (GAO), US-VISIT is a very risky endeavor, the potential cost of the program is enormous, and it may not be able to measurably and appreciably achieve its goals.

I am not sure that US-VISIT will increase the security of our borders even if it is fully and successfully implemented. US-VISIT only screens foreign visitors seeking admission on the basis of nonimmigrant visas, it does not screen nonimmigrant visitors from the 27 countries participating in the Visa Waiver Program or anyone who presents a green card, and it will be years before the system is fully operational at all of the land borders.

I believe that we need to pay more attention to benefits operations and that we much use our resources more wisely.

Thank you.

Mr. CAMP. The hearing record will remain open for 10 days after the close of the hearing. Members are advised they will receive an additional 3 minutes during the questioning time if they waive their opening statement.

I will at this point submit my statement for the record, and ask the Ranking Member Congresswoman Sanchez if she has an opening statement.

Ms. SANCHEZ. I actually do. And thank you, Mr. Chairman. And the statement is actually quite long, but I am going to try to skip to a couple places to get it on the record, and I will submit the full thing.

Again, welcome, Secretary Hutchinson. As you and I were speaking earlier, I think I mentioned to you that I think, quite frankly, that you have the most difficult job of anybody over at DHS, maybe in the entire administration, because there is just so much to oversee in this entire area of Customs and Border Protection and infrastructure, et cetera. So you certainly have a lot of people under you, 110,000 people stationed all over the country and around the world.

Your Directorate also has a broad mission, and even though you have a request of \$19.6 billion in the budget, I really believe that it is not enough, it is really not enough to get done what we hope that you can get done in this coming year. I think you need more resources. I think that within the different categories you might need to spread them over differently, and I hope that is some of the dialogue that we can have today.

One of the areas of particular mission that I would like you to address either in questions or during your testimony is the whole issue of the TSA, the Transportation and Security Administration, funding, mostly because we see a lot, almost all, of the budget being spent on the airports; and yet under the jurisdiction of that, of course, is quite a few other areas including rail security. And given what we see happen in Madrid just in the last week, obviously that is a hot topic, and there are questions about what are we doing as a Nation to protect ourselves in mass transit and on

rail systems. And I think you only have about 2 percent of your total request going towards some of that.

The other issue, of course, is also what are you doing in the port system? And the last area of concern are the new regulations or the discussion going on about just what type of civil employment employees within your Directorate actually have. And I will ask those questions. But I hope you will address or give us some idea of the outline that you see with respect to hire and fire and some of the nontraditional grievance procedures that employees under your direction might have.

Thank you, Mr. Chairman.

Mr. CAMP. Thank you.

Does the Ranking Member Mr. Turner have an opening statement?

Mr. TURNER. Yes, Mr. Chairman. Thank you.

Secretary Hutchinson, welcome. Good to have you with us once again. We are all very much aware that we are meeting here less than a week after the devastating explosions in Madrid that killed 200 and injured over 1,500 rail passengers, and our thoughts are still and our hearts go out to those victims and their families. It is again a reminder of how vulnerable we all are no matter where we may live around this globe.

It appears from all information I have heard, and you, I am sure, can verify this, that Al-Qa'ida was the culprit in this brutal attack. And it also, I think, serves as an ominous warning sign once again to us and this country that we must be ready and prepared to deal with whatever may come next to our people. You would have thought maybe that we wouldn't need a reminder, obviously we are 2-1/2 years after September 11th of 2001, but it did strike me as somewhat disturbing when I looked at the House Budget Committee's proposal that Chairman Nussle is laying out that reduces the President's budget request for homeland security by some \$887 million over the next 5 years. Many of my colleagues, all of the Democrats on this committee, wrote to Chairman Nussle yesterday urging him to reverse those cuts, and, in fact, call for increases, in spending for security for the American people.

Many of those areas where we urged additional funding clearly fall under your umbrella, Mr. Secretary and your Department, of course, has about 60 percent, I think, of all the employees of the Department of Homeland Security.

It is clear we have made progress in the last year in border and transportation security, and I commend you on your efforts and your leadership, Mr. Secretary, but there are some concerns that I want to raise with you and hope you will have the opportunity to address them in your statement.

In light of the attacks in Madrid, I think it is important for us to focus renewed emphasis upon rail security. As you know, we have 140,000 miles of train routes in this country, 500 Amtrak stations, and 500 major urban transit operators. Ten million trips are made on trains and subways every day in these United States.

While the TSA requests 5.3 billion for next fiscal year in your budget request, only 147 million, as I read it, or less than 3 percent of the total, is dedicated to modes of transportation other than airplanes. This striking disparity indicates to me that we are not plac-

ing enough emphasis on trail, trucking, buses, ferries, and other forms of transportation that clearly represent vulnerabilities.

I recognize that the Department has a \$50 million grant program outside of TSA for rail and transit security, but estimates of what is truly needed across the country range upwards of \$2 billion. That includes funding for items such as sensors, communications equipment, security cameras, which I understand you feel constitute the right approach to rail and transit security. This area obviously has not been a core concern of the Department nor of the Congress, and I think this must change.

You mentioned during an interview this week that perhaps we need to make greater investments in this area, and I certainly agree. And I hope you will share your thoughts with us on what additional efforts you believe the Department needs to make beyond what may be in the President's budget to do a better job of security transit systems.

Beyond rail security, I am concerned about other transportation issues. The TSA budget for next year is an \$892 million increase over the current level, and yet almost all of this increase is devoted to airport screening operations. Funding is flat, for example, for air cargo screening and technology development, and there appears to be no new initiatives in this critical area. Air cargo only undergoes, as we all know, random searches which are often conducted by shippers whose security practices are not regularly verified by the Department. I think it is important for us to come to grips, and perhaps if you could help us on this, give us some date by which you feel we will be able to screen all of our cargo that travels on passenger planes with us every day.

Another issue that gives me concern is the current pace of installing these radiation portals at our Nation's major border crossings. These portals are very valuable in helping to detect weapons of mass destruction.

Mr. CAMP. The gentleman's time has expired.

Mr. TURNER. I will try to follow up, Mr. Secretary, on the other items I have in my remarks as we get into your questions. But thank you very much.

Mr. CAMP. Thank you.

Are there any other requests for opening statements?

Ms. SANCHEZ. Mr. Chairman.

Mr. CAMP. Yes. I would recognize the Ranking Member for her comment.

Ms. SANCHEZ. Mr. Chairman, I just want to thank you for your recent pledge to work with me to schedule hearings that address budget details from the Border and Transportation Security Directorate component agencies, such as TSA and Customs and Border Protection. And I ask for unanimous consent to submit the letter from me to you with requests for that and your response. And there are copies for the members here of the committee to have, if they would like.

Mr. CAMP. Without objection, those letters will be submitted to the record.

[The information follows:]



**SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER  
SECURITY**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY,  
*Washington, DC, March 10, 2004*

Hon. DAVE CAMP,  
*Chairman, Subcommittee on Infrastructure and Border Security,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: As we approach the upcoming authorization legislation for the Department of Homeland Security, the Democratic members of our subcommittee are concerned that the Select Committee has not yet heard from a sufficient number of witnesses to properly guide our authorization process.

In light of this fact and pursuant to Rule 4 of the Committee Rules, we request that additional witnesses be added to the hearing of the Subcommittee on Infrastructure and Border Security tentatively scheduled for Wednesday, March 17 at which Under Secretary Hutchinson is expected to testify. We respectfully request that officials from the Transportation Security Administration, United States Coast Guard, Office of Domestic Preparedness, Bureau of Immigration and Customs enforcement, and Bureau of Customs and Border Protection be called to testify about the agencies' budget submissions. As provided by Rule 4, these witnesses could either appear following Under Secretary Hutchinson or on a separate "day of hearing."

We realize this change could make for a long hearing, but it is our strong feeling that we must hear from these witnesses in order to get the information we need to make the proper choices as we go forward with the authorization process.

Very truly yours,

Loretta Sanchez, *Ranking Member.*  
Benjamin Cardin, *Representative.*  
Norm Dicks, *Representative.*  
Sheila Jackson-Lee, *Representative.*  
Bill Pacrell, *Representative.*  
Peter DeFazio, *Representative.*  
Barney Frank, *Representative.*  
Edward Markey, *Representative.*  
Louise Slaughter, *Representative.*



**SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER  
SECURITY**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON INFRASTRUCTURE AND BORDER SECURITY,  
*Washington, DC, March 10, 2004*

Ms. LORETTA,  
*Ranking Member, Subcommittee on Infrastructure and Border Security, Washington, DC.*

DEAR MS. LORETTA: Thank you for contacting me with your request to invite additional witnesses to the Border and Transportation Security Budget hearing on March 17, 2004. As you know, on February 13, 2004, we sent a joint invitation letter requesting that Undersecretary Asa Hutchinson appear before our Subcommittee on that date and did not request any additional witnesses.

As the head of the BTS Directorate, Undersecretary Hutchinson is accountable for the entire BTS budget request and can be expected to answer questions on the range of issues cited in your letter. Given the shortage of dates available to hold hearings, it is in the best interest of the Committee to move forward with our agenda and build budget and authorization components into those hearings. Your request for testimony from Customs and Border Protection, Immigration and Customs Enforcement, Transportation Security Administration, and the U.S. Coast Guard is duly noted and I pledge to work with you on upcoming hearings to make sure that these agencies are represented.

I understand that there is concern that, due to the size of the BTS Directorate and the number of different programs, Members will not have sufficient time to address each issue. If time permits, please be assured that I will extend the questions for a second round during the hearing to give Members additional time to question the witness. Additionally, I will work with you to ensure that any outstanding issues are addressed in upcoming hearings.

Again, thank you for your request. I appreciate your hard work and dedication as a Member of the Subcommittee and I look forward to working with you to move the agenda of the Subcommittee forward as we conduct oversight of the Department.

Sincerely,

DAVE CAMP,  
*Chairman.*

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Mr. CAMP. And seeing no additional requests for time, I think we can proceed and welcome Under Secretary Hutchinson. We have received your written testimony, and ask that you would briefly summarize your statement in 5 minutes. Thank you for being here. You may begin.

**STATEMENT OF ASA HUTCHINSON, UNDER SECRETARY,  
BORDER AND TRANSPORTATION SECURITY, DEPARTMENT  
OF HOMELAND SECURITY**

Mr. HUTCHINSON. Thank you, Mr. Chairman, Congresswoman Sanchez, Ranking Member Turner, Congressman Smith. I am very pleased to be with you today and the other members of the committee.

I want to, first of all, express my appreciation to the partnership that I believe that we have developed with this committee and with the Department on the ongoing security needs and assessments of where we are in Homeland Security. And we could not get the job done without your support, confidence, and counsel.

I do believe that we have accomplished a great deal in the last year together in enhancing security in every arena, and the President's 2005 budget that is the subject of this hearing reflects the continued enhancements of security. It includes a 10 percent increase overall in the Directorate of Border and Transportation Security.

And if you look back on some of the things that we have accomplished that led to the 2005 budget, we have consolidated our border security efforts under one face at the border where Immigration, Customs, Agriculture are combined together into one effective organization. We have expanded the Container Security Initiative, the Customs-Trade Partnership Against Terrorism Program, protecting the supply chain in our supply routes of cargo coming into our country. We have enhanced substantially, as we have acknowledged, aviation security with increasing the effectiveness of the Federal air marshals, increasing the baggage screening, checking the names of master air crew lists, and additional measures in aviation security. We have implemented new technologies from US-VISIT to the SEVIS, which identifies and tracks foreign visitors and students, made those programs effective. We have enhanced air cargo inspections. We have increased the work on pursuing the illegal hiring of undocumented workers, and we have complied with the congressional requirements to develop visa security programs, which also gives the greater capability of looking at people who come into our country to make sure they do not pose a security risk.

The 2005 budget builds upon these initiatives by increasing the CSI initiative, Security Container Initiative, by \$25 million, increasing the funding for the Customs-Trade Partnership Against Terrorism Program, increasing the amounts for the National Targeting Center that will allow us to do more effective risk assessments.

One of the topics that has been mentioned today is what we are doing in rail and transit security, and as was mentioned, we certainly have looked at what has happened, the tragedy in Madrid. We obviously naturally look at what our vulnerabilities are in our transit systems here in the United States.

And it is important to note that this is not the first time we have looked at transit security. We are working very aggressively in this arena in which we allowed \$115 million in grants since May of last year for enhancing security in the transit arena. We have in combination with that issued \$894 million in Urban Area Security

Grants, some of which of that money can be used for enhancing the security of our transit and rail systems. In addition, the 2005 budget, of course, builds upon that with a \$1.45 billion amount being provided for the Urban Area Security Grants.

But to give you a flavor for how we deal with this whenever we see an incident like what happened in Madrid, we, first of all, handle, from an operational standpoint, making sure that we are in communication and provide information to the major transit systems in the major cities. I personally talked with chiefs of police, the transit operators and got an understanding of what we are doing to enhance security, to make sure that is done; increase law enforcement presence, expanding the use of explosive detection equipment, public announcements, awareness as to the danger and what they can do to alert us to unattended packages. And many of them also instituted transit riders.

We have through the TSA the Maritime and Land Security Division, which is working with the rail security and the transit authorities to enhance security through best practices, through pilot projects, and we are going to continue to build upon that. We look forward to working with you to see other means in which we can make sure that our transit riders and our passengers and the rail are secure, and that we continue our efforts to secure the borders of the United States.

Thank you, Mr. Chairman.

Mr. CAMP. Well, thank you very much, Secretary Hutchinson.

[The statement of Mr. Hutchinson follows:]

PREPARED STATEMENT OF THE HONORABLE ASA HUTCHINSON, UNDER SECRETARY FOR BORDER AND TRANSPORTATION SECRETARY, DEPARTMENT OF HOMELAND SECURITY

Mr. Chairman, Congresswoman Sanchez and Members of the Subcommittee:

I am honored and pleased to appear before the Committee to present the President's fiscal year 2005 budget for the Border and Transportation Security (BTS) Directorate. I want to thank you for your strong support of BTS components, especially for the resources you provided in fiscal year 2004, and look forward to working with you in the coming months on our fiscal year 2005 budget.

The \$16 billion BTS request represents a 10 percent increase in resources over the comparable fiscal year 2004 budget, and reflects the Department's strong and continued commitment to the security of our homeland. The fiscal year 2005 budget is a \$1.5 billion increase over fiscal year 2004, and it includes funding for new and expanded programs in border and port security, transportation security, immigration enforcement, and training.

The Border and Transportation Security Directorate made great strides during the first year of operations. Over 110,000 employees and a budget of \$14 billion were reassembled and brought under BTS. The Directorate was quickly established and successfully began operations on March 1, 2003—bringing together the legacy agencies and programs that now make up BTS—Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE), Transportation Security Administration (TSA), Federal Law Enforcement Training Center (FLETC), and the United States Visitor and Immigrant Status Indicator Technology (US-VISIT) program. Customs, border, immigration, transportation security and training activities have been rejuvenated under their new agencies, increasing the effectiveness of our dedicated employees. BTS continues to create new ways to enhance security by sharing information and intelligence and by coordinating operations within the Department among levels of governments, and horizontally across agencies and jurisdictions. Through the hard work of our dedicated and talented employees, America is more secure and better prepared than we were one year ago.

In addition to the stand-up of the Directorate, we have achieved many results since our creation, including:

- providing fused and enhanced security coordination among our components and other federal, state and local security providers and stakeholders, especially

during Operation Liberty Shield and the recent holiday season, including the establishment of the Transportation Security Coordination Center (TSCC) to coordinate intelligence sharing and command and control activities for our national transportation sector;

- strengthening border security through the “One face at the border” initiative, which is cross-training officers to perform three formerly separate inspections—immigration, customs, and agriculture—allowing us to target our resources toward higher risk travelers;
- expanding the container security initiative (CSI) and Customs-Trade Partnership Against Terrorism (C-TPAT) to provide improved security to the global supply chain;
- instituting new cutting edge systems, like US-VISIT, to identify and track foreign visitors and students, recording the entry and exit of foreign visitors to strengthen our immigration system;
- safeguarding air travel from the terrorist threat by: increasing the presence of Federal Air Marshals, establishing a Federal Flight Desk Officer program, instituting 100 percent checked baggage screening, issuing new regulations for enhanced air cargo security, expanding the use of explosives detection canine teams, checking names of master cockpit air crew lists, and streamlining and training federal passenger and baggage screeners deployed at airports across the Nation;
- eliminating potential weaknesses in security by suspending transits without visa (TWOV);
- negotiating an agreement with the European Union with respect to Passenger Name Record (PNR);
- negotiating a memorandum of understanding with the Department of State to ensure a coordinated and increasingly effective visa issuance process; and
- establishing a visa security office to provide oversight and guidance on Section 428 of the Homeland Security Act, including establishing two offices in Saudi Arabia to review 100 percent of visa applications;
- standing up a SEVIS tiger team to process foreign students during the summer 2003 back-to-school season; and
- effecting improvements in security capabilities, capacity, training, and infrastructure.

#### *Fiscal Year 2005 Budget Request*

The Fiscal Year 2005 budget for the Directorate builds upon the significant investments and accomplishments effected and in progress.

#### *Strengthening Border and Port Security*

Securing our border and transportation systems continues to be an enormous challenge. Ports-of-entry (POE) into the United States stretch across 7,500 miles of land border between the United States and Mexico and Canada, 95,000 miles of shoreline and navigable rivers, and an exclusive economic zone of 3.4 million square miles. Each year more than 500 million people, 130 million motor vehicles, 2.5 million railcars, and 5.7 million cargo containers must be processed at the border and POE.

In fiscal year 2003, CBP processed 412.8 million passengers and pedestrians arriving in the U.S.—327 million at land borders, 70.8 million at international airports, and 15 million at sea ports. The fiscal year 2005 CBP budget seeks \$2.7 billion for border security inspections and trade facilitation at ports of entry and \$1.8 billion for border security and control between ports of entry.

During fiscal year 2005, we will continue to strengthen our border and port security. The CBP budget seeks an overall increase of \$223 million to maintain and enhance border and port security activities, including the expansion of pre-screening cargo containers in high-risk areas and the detection of individuals attempting to illegally enter the United States illegally.

Specifically, the budget includes an increase of \$25 million for the Container Security Initiative (CSI) which focuses on pre-screening cargo before it reaches our shores, and an increase of \$15.2 million for Customs Trade Partnership Against Terrorism (C-TPAT). C-TPAT focuses on partnerships all along the entire supply chain, from the factory floor, to foreign vendors, to land borders and seaports. As of late January 2004, nearly 3,000 importers, 600 carriers, and 1,000 brokers and freight forwarders are participating in C-TPAT, surpassing the Department’s original goal of participation of the top 1,000 importers.

As well as continuing development for secure trade programs, the budget also seeks an increase of \$20.6 million to support improvements for the National Targeting Center and for multiple targeting systems that focus on people, cargo and conveyances. These systems use information from diverse sources to provide auto-

mated risk assessments for arriving international air passengers, shipments of goods to our country, and land border passenger traffic.

The United States Visitor and Immigrant Status Indicator Technology (US-VISIT) program's goals are to enhance the security of our citizens and our visitors; facilitate legitimate travel and trade across our borders; ensure the integrity of our immigration system; and respect the privacy of our welcomed visitors. US-VISIT represents a major milestone in our efforts to reform our borders. We deployed the first increment of US-VISIT on time, on budget, and met the mandates established by Congress, including biometric capabilities ahead of schedule. The budget seeks a total of \$340 million in fiscal year 2005, an increase of \$12 million over the fiscal year 2004 level for the program. As of late February, over 1.5 million foreign nationals had been processed for entry, generating 125 watch list alerts, and resulting in 51 criminals apprehended. The 2005 funding will further strengthen border security, and enable modernization of border management systems and capabilities. Specifically, funding will be used to expand the entry system to 115 land POEs, beyond the busiest 50 that will be covered by the US-VISIT program in fiscal year 2004. Funding will also be used to expand implementation of an exit solution at our air and seaports. Alternatives are being developed and tested, and will be implemented at 80 airports and 14 seaports in fiscal year 2004.

Within the BTS component budgets, over \$100 million is included for detection systems, a critical element in the war on terrorism. The CBP budget seeks an increase of \$64.2 million to enhance land-based detection and monitoring of movement between ports, and \$10 million to deploy and operate unmanned aerial vehicles. In order to protect the homeland against radiological threats, the CBP budget seeks \$50 million for radiation detection monitors and equipment. The ICE budget request includes an increase of \$28 million to increase the flight hours of P-3 aircraft by 200 percent. In addition to providing vital detection and monitoring capabilities in the source and transit zones containing mountainous terrain, thick jungles and large expanses of water, the P-3 provides an important capability for domestic airspace security missions.

#### *Improving Aviation Security*

We have made great strides in rebuilding and reinvigorating of our aviation transportation security system. We have made significant investments in baggage screening technology—over \$2 billion to purchase and install Explosives Detection Systems machines (EDS) and Explosives Trace Detection machines (ETD) to the nation's airports—and established a robust technology research and development program. We have deployed 45,000 federal passenger and baggage screeners at the Nation's airports, expanded the National Explosives Detection Canine Team program, and trained pilots to be Federal Flight Deck Officers.

The fiscal year 2005 TSA budget seeks an increase of \$892 million to enhance transportation security, a 20 percent increase over the comparable fiscal year 2004 level. Specifically, to strengthen interwoven, concentric layers of transportation security, the budget requests increases of \$20 million for credentialing systems (i.e., Transportation Worker Identification Credential, Hazardous Materials transporters, and foreign student pilots); \$25 million for operating the Computer Assisted Passenger Prescreening II System; and \$113 million to and improve screener performance through training and the deployment of information technology. A substantially improved air cargo security and screening program was implemented last year, and the \$85 million request sustains funding to continue program enhancements and associated air cargo screening technology research and development. We are providing another \$400 million for EDS equipment to improve airport operational efficiency.

#### *Enhancing Immigration Security and Enforcement*

The ICE budget request of \$4 billion, which is an increase of \$300 million over the fiscal year 2004 level, seeks to strengthen immigration security and enforcement. Comprehensive immigration security and enforcement extends beyond efforts at and between the ports-of-entry into the United States. It extends overseas, to keep unwelcome persons from arriving in our country, and removing persons now illegally residing in the United States. Pursuant to section 428 of the Homeland Security Act, and the Memorandum of Understanding between the Departments of Homeland Security and State, the ICE fiscal year 2005 budget request of \$14 million includes an increase of \$10 million to support a new visa security unit (VSU). The BTS personnel stationed at overseas posts, including Saudi Arabia, will continue to work cooperatively with U.S. Consular Officials to enhance security and the integrity of the visa process.

As announced on January 7, 2004, the Administration is committed to enhanced immigration integrity and border security. My Directorate will be working to imple-

ment a program that meets those goals, while benefiting the economy. Current ICE immigration enforcement programs and the enhancements in the fiscal year 2005 ICE budget request support and are consistent with a number of elements in this initiative, particularly worksite enforcement. Specifically, the fiscal year 2005 request includes an increase of \$23 million to more than double the number of investigations currently performed by ICE—providing an additional 200 investigators. With these resources, ICE will be able to facilitate the implementation of the President's temporary worker program initiative by establishing a traditional worksite enforcement program that offers credible deterrence to the hiring of unauthorized workers.

The request also includes nearly a \$100 million increase for the detention and removal of illegal aliens. Detention and Removal of illegal aliens present in the United States is critical to the enforcement of our immigration laws, and the requested funding will expand ongoing fugitive apprehension efforts, the removal from the United States of jailed illegal aliens, and additional detention and removal capacity.

As part of our overall immigration enforcement strategy, ICE will continue to analyze data generated through the Student and Exchange Visitor Information System (SEVIS) and US-VISIT program to detect individuals who are in violation of the Nation's immigration laws and pose a threat to homeland security. The fiscal year 2005 budget requests \$16 million to support these compliance efforts.

Immigration fraud poses a severe threat to national security and public safety because it enables terrorists, criminals, and illegal aliens to gain entry and remain in the United States. An aggressive, focused, and comprehensive investigations and prosecutions program will detect, combat and deter immigration fraud. The \$25 million included in the fiscal year 2005 budget will provide stable funding to the benefits fraud program by replacing funding previously provided through the Immigration Examinations Fee Account.

#### *Building Departmental Infrastructure*

The fiscal year 2005 request includes an increase of \$5 million for the Federal Law Enforcement Training Center to support our security program enhancements and capability sustainment. The FLETC not only serves federal client groups, but also provides training to state and local law enforcement providers. In addition, to enhance global law enforcement efforts, FLETC develops and offers a curriculum that includes international applications.

#### *Conclusion:*

Our homeland is safer and more secure than it was a year ago, thanks in part to the dedicated and talented team we have in BTS which excels at coordinating and effecting cross-component activities. Through their efforts, and with the support of our partners in government and the public and private sectors, we will continue to substantially improve our nation's security. I thank the Congress for its support, which has been critical to bringing us to this point. With your continued support for our fiscal year 2005 budget, we will continue to improve the security of our nation.

I am grateful to be here today to outline our efforts for a safer and more secure America. Thank you for inviting me to appear before you today, and I look forward to answering your questions.

Mr. CAMP. It is clear that this budget makes significant progress in smart security initiatives and programs. And I think implementing prescreening programs such as Nexus, FAST, and C-TPAT, which really help commercial truckers, travelers who cross the border frequently and with some regularity—I think that helps us move these low-risk cargo and travelers through ports of entry and allowing the resources to be applied to high-risk and sort of unknown.

My question to you is can you just expand a little bit on these preclearance programs and what might be happening in terms of facilitating legitimate trade and travel in terms of your Department?

Mr. HUTCHINSON. Well, the President's 2005 budget builds upon these initiatives that gives us more information in advance of when the cargo leaves the foreign ports. We have obviously implemented

the 24-hour rule, which requires information of those cargo shipments before they leave the foreign ports.

The budget provides for \$25 million to enhance the National Targeting Center, and this is money that will allow us to more effectively take the information that we get, analyze it, and target those at-risk shipments that should have physical inspections. We first, of course, invest in nonintrusive inspection equipment, and if that points out some anomalies, we take it a step further with a physical inspection. And it was actually a \$20 million increase for the National Targeting Center. It is a \$25 million increase for the Container Security Initiative. We have continued to expand from the megaports to the second tier of ports where we can deploy our personnel to help screen with our foreign counterparts those shipments that might pose a risk to us.

A big part of it is the partnership with industry, where we have 5,000 partners that have signed up to enhance their own security in the supply chain, and we are going to build upon that.

Mr. CAMP. Are you looking at ways to have greater participation in these programs, such as additional enrollment centers or facilities, expanding dedicated lanes, adding programs at other points of entry? And I think particularly in the container initiative, I know that there has been a great effort in adding as many ports as possible. If you could talk a little bit about the progress that you have made there, I think that would be interesting to the committee.

Mr. HUTCHINSON. Well, we are working to expand the dedicated lanes for our FAST, which is Free And Secure Trade lanes, for those commercial trucks that have their drivers and their companies with background checks, with added security measures, where they could move through those dedicated lanes more rapidly. And we are expanding those lanes, Nexus on the northern border, and we are expanding that technology on the southern border as well. We will be continuing that rollout where you have infrastructure investment and the expansion of those lanes.

In terms of the enrollment centers that you mentioned, we are trying to make those accessible to those that want to utilize this and make them efficient with our Canadian counterparts for the processing of those. I would be happy to get the specific number that we will be expanding to this coming year, but we are working very diligently to expand the number of those dedicated lanes.

Mr. CAMP. I think we are all very interested in the integration and coordination of the various marine functions that are in the Department of Homeland Security. Do you have some insight in how you are evaluating, developing the best strategy to maximize these resources? And does that include the acquisition of equipment, aircraft, detention machines, boats and that sort of thing?

Mr. HUTCHINSON. That is very important. And in reference to our air assets, we have a Joint Procurement Committee in which the Coast Guard, the Customs, Border Patrol, or ICE look at acquiring additional air assets. They are to coordinate through that Joint Procurement Committee to make sure we are not duplicating. And if there is some ability to achieve greater leverage by bringing those procurement bidding process together, we will do that.

But in addition, operationally, I just came back from the Arizona border, Congressman Shadegg's territory down there, and we rolled

out our Arizona Border Patrol Initiative. One of the very important parts of it is having an integrator there that will integrate the coordination of the various assets that are used in patrolling the border. So we are doing operationally as well as from a procurement standpoint.

Mr. CAMP. There has been a great deal of discussion regarding the Homeland Security Department's plans to develop a regional structure for Customs and commerce issues. And I understand there has been an announcement of 7 to 10 regional directors positioned around the country to be points of contact in the event of an emergency. Is this a priority in the 2005 budget, the regional structure? And how would those regional centers differ from Customs management centers that are currently in place?

Mr. HUTCHINSON. Well, the Customs management centers, of course, are solely focused on the organizations of Customs and Border Protection. And, of course, the regional concept would be DHS, which would include all 22 agencies that would be a part of DHS, and would give a regional director, through acting on behalf of the Secretary, the capability to coordinate the operations of those various Homeland Security agencies, particularly in the event that there was an incident or a crisis to manage. But it would also help to facilitate communication with our State and local counterparts, carrying out exercises and training programs more efficiently.

That program of regions was mentioned in the President's 2004 budget. We continue to support that. We are working very diligently to make sure we have the right strategy and waiting to move forward with this before it is actually announced to the public and implemented. But we are getting much closer to getting a working model of that regional concept.

Mr. CAMP. I think the concern is that all Federal policies and laws be enforced uniformly in that kind of a system. Do you have any management controls or policies in place to help ensure that?

Mr. HUTCHINSON. Well, the first goal would be to make sure that there is the national policy that is implemented, so you don't want to wind up having, you know, regional directors determining various regional policies in terms of implementing our national strategy.

So it will be a national strategy that will have operational flexibility. And I think that might be what you are getting at, that they will have the flexibility to design operations consistent with what is needed in that particular region. And I think that is what has been somewhat missing in the past. So national policies, but regional flexibility in operations.

Mr. CAMP. Thank you.

The gentlewoman from California, the Ranking Member, may inquire.

Ms. SANCHEZ. Thank you, Mr. Chairman.

And again, thank you, Asa, for being before us.

The first question I have for you has to do with the Transportation Security Administration, which has a mission of securing all modes of transportation, and the recent GAO report that talked about the lack of clarity or relationship between the transfer of all of this happening between TSA and Department of Transportation. In fact, quoting them, they said: The roles and the responsibilities

of TSA and DOD and Transportation Security have yet to be clearly delineated, which creates a potential for duplicating or conflicting efforts as both entities move forward with their security efforts.

And it also said: DOT and TSA have not yet formally defined their roles and responsibilities in securing all the modes of transportation.

And in talking to staffs, we sort of get this, well, that is not ours, that is theirs. Everybody is pointing, but—a lot of it, but we are not getting answers about who is doing what. And I think it is reflective of the fact that we spend \$92 million a week, I think—is that true—a week on airport screening under TSA, but you only spent \$115 million in all grants for public transit in the past year.

So I would like you to give me your idea of where you are in defining the roles of what you are going to take care of and what DOT is going to take care of, or not, if they are not really the ones that are supposed to do that, and a breakdown of the spending and the priorities for securing the different modes of transportation. What is the plan that you have in mind? How far along are you with that plan? What are the negotiations you have with DOT? What can we anticipate; again, going back to this whole issue that Americans are asking, what are you doing about rail? And, you know, everybody reacts to the latest thing that happens. First it was the airports, then it was the rails. Who knows what it will be next. So we have to have a plan. And who is in charge is basically what I am asking.

Mr. HUTCHINSON. We have a very good working relationship with the Department of Transportation. And certainly you could look at it that there is some areas of jurisdiction that you could say is covered by both. But I think the line of authority is very clear that the Homeland Security focuses on the security of our transportation system and is ultimately responsible.

We work in conjunction in carrying out that mission with the capabilities of the Department of Transportation, and they in turn have the lead in the safety area, which is somewhat to be distinguished from the security aspect. But they are clearly complementary of each other, so there is that close working relationship. But as we have the responsibility for the security of our transportation system, we utilize the capabilities and the strengths of the Department of Transportation.

Now, in reference to what our strategy is and the other modes of transportation, you are absolutely correct that there is much more invested in aviation security, substantially because Congress clearly defined exactly what we do in aviation security, and it was a comprehensive solution with 100 percent inspection of passengers and bags.

Ms. SANCHEZ. Asa, I don't anticipate we are going to do 100 percent inspection of anything really on our mass transit. We have just, you know, millions of riders every single day who use this. But I think America wants to know, we want to know, you know, what kind of priority do you have? When I looked at the \$115 million that are given in grants, they are pretty open, and they are pretty wide in interpretation on what you can spend them on. So is there a grand plan?

Are we just leaving it up to each transit system?

And when we talk to the transit system, they are telling us, you know, we need tons more money for keeping this system safe, and it is really a funding problem. And, you know, I used to work in Transportation. I don't know what the fare box recovery rate is these days, but it is probably 40 cents or less on the dollar. So they really are strapped for money.

So what is the grand plan? I mean, are you working with them on this? Are you working with Transportation? How do we know where to put the funds and what we need?

Mr. HUTCHINSON. Well, we are absolutely working with them. And the grant money, I believe, has been effectively used and targeted with the transit authorities. It is very important that they help develop the solutions that is unique to their security requirements. The security requirements for the transit system in New York City might be different than the security requirements that are needed in Los Angeles or Chicago. And so there has to be some flexibility there.

What we are doing is very substantial through the investment in biosensors, through the development of new security measures that minimize the risk and the damage that could come out, insisting upon assessments that are being made that are actively being conducted, and making security judgments and applications based upon those assessments.

The TSA has a substantial investment in making sure that there is training. We have had exercises that brought together these authorities to look at our appropriate responses. But there is a different solution than what is in the aviation arena. As you pointed out, we have a very open system, and I don't think that the American public would expect to have that same solution of 100 percent screening. So we are looking at better ways of doing it, whether it is based upon intelligence applying a specific solution, maybe it is a screening response. The law enforcement presence is critical, and the explosive detection capability that we are building in these transit systems is an important response as well.

Ms. SANCHEZ. Mr. Chairman, may I ask one real quick, quick question here, please?

Mr. CAMP. The gentlewoman's time has expired, but I will let her ask one more question.

Ms. SANCHEZ. Any response to the fact that TSA's budget only puts 2 percent towards rail?

Mr. HUTCHINSON. I think it reflects the distinction in solutions, and that is an appropriate investment. As we continue to develop this, it might need to grow, but at the present time, when you are looking at not doing 100 percent screening, but partnering with the local governments and transit authorities, that is the right approach. And that amount does not include the hundreds of millions of dollars that have been invested in grants through the Office of Domestic Preparedness.

Ms. SANCHEZ. Thank you, Mr. Chairman, for indulging me.

Mr. CAMP. The gentleman from Texas Mr. Smith is recognized for 8 minutes.

Mr. SMITH. Thank you, Mr. Chairman.

Mr. Hutchinson, I would like ask my first question on behalf of a Texas colleague, Pete Sessions, who is not a member of this committee, but who has very much of an interest in your answer. And the question is this: TSA apparently is refusing to help Dallas-Fort Worth Airport pay for explosive detection equipment on a 90-to-10 ratio as they are required to do by law. Apparently TSA is agreeing to pay on a 75/25 percent reimbursement ratio, but is not providing the 90 percent of the cost of that type of equipment. Why is that?

Mr. HUTCHINSON. The original congressional mandate was 75/25, and that is the basis on which our agreements were entered into and the plans were made. I believe it was the FAA reauthorization bill changed that formula to 90/10. Obviously, that is problematic because we have moved forward on a 75/25 basis, and you are going to—we are not going to be able to cover as many airports with the on-line solution. And so we want to cover the maximum number of airports.

So, obviously we will follow the law, but we are asking that Congress look at taking that back to a 75/25 ratio.

Mr. SMITH. I can understand the rationale, but if Congress does not change the law, then you would expect to reimburse at the stated 90/10 ratio.

Mr. HUTCHINSON. We would fully comply with the law, whatever the law would require.

Mr. SMITH. Thank you, Mr. Secretary.

And I would also like to ask you, and this is a tough question, and I am not sure that there is an easy answer, but is it possible, with the current funding levels, for you all to accomplish two goals? The first goal is to keep delays at the border of border crossers and the adverse economic impact that might accrue to a minimum at the same time you are protecting our homeland.

Now, those are sometimes conflicted goals, and obviously the top priority is to protect the homeland. But is your proposed funding sufficient to accomplish those two goals?

Mr. HUTCHINSON. Yes. The funding that we have at present and with the request in the 2005 budget allows us to balance those two objectives, using technology, new systems, to move commerce and add to security primarily through the US-VISIT program, that, as you are very familiar with on the southern border, we are having to comply with the requirement for the 50 busiest land ports. And we are making appropriate adjustments from the airport solution to the land borders so we don't clog the borders, but we can add a measure of increased security.

Now, we are also, through the FAST lanes, the sentry lanes, where you have the dedicated travelers with security background checks, with a laser card that can move through more rapidly, we are expanding the number of those dedicated lanes. Obviously, that is measured out as to how fast we go. I think we are at the right pace.

Mr. SMITH. Mr. Secretary, to follow up on that point I just made, Homeland Security and protecting our homeland, I understand that the Department of Homeland Security is considering exempting the holders of border crossing cards from the US-VISIT program. I could understand that if we had readers available at the border to check the identity of those using the border crossing cards. At this

point we do not. Apparently they are used secondarily in certain instances. But how could we be considering exempting all those individuals from a security check if those readers are not in place?

And let me add to that that I heard recently that there was a pilot program set up that did check the identities of those with the border crossing cards. And in this small pilot program, there were 350 individual whose IDs were not valid. So when you have that kind of a security gap, that kind of a security loophole, how can we afford to give a pass to individuals and not check their identities?

Mr. HUTCHINSON. You are correct. We absolutely have to have the readers deployed. I would say that the border crossing cardholders are subjected to a security check. They have their biometrics taken; they are run through our terrorist data bases; they have background checks, and they are issued the card. But it is also important to read those cards when they come through to verify identity. The readers I have given direction to be deployed. It is not just the reader, but it is the system that backs that up, and those should be in place by the end of June.

Mr. SMITH. So you are saying, if I understand you correctly, that the border crossing cardholders will not be exempt from the US-VISIT program until there are readers available to check each one of those individuals?

Mr. HUTCHINSON. That is correct. Now, I mean, timingwise of course we are making decisions really for the end of the year. And so any exemption for the border crossing cardholders from US-VISIT will be an end-of-the-year solution. And before then we will have the readers all in place.

Mr. SMITH. And the readers will not be used secondarily? They will be used for every individual coming through?

Mr. HUTCHINSON. No. The readers will be deployed in secondary inspection. So if an inspector has a question about the identity of a border crossing card, it will be referred to secondary inspection.

Mr. SMITH. That still, in my mind, leaves a security gap when you are not checking each individual with a reader, as we saw from the pilot program. And I am just afraid that that is an invitation to some individuals to use a false ID to get into the country very easily.

Mr. HUTCHINSON. You are certainly correct that the most ideal system would be to have those readers at every primary inspection point. It would just be really impossible to have the flow of people that is necessary at the ports of entry and to do it in a fast enough fashion under the present development of that technology.

Mr. SMITH. It seems to me that—and this may be a budget question. It seems to me that if you had the funds for a sufficient number of readers, you would not delay entry, but you would increase security. So is it a budget problem that we—is that the reason that we don't have enough readers?

Mr. HUTCHINSON. Well, I am not sure we have enough readers for every lane at primary inspection. So it might partly be budget, but the primary issue, whether you are talking about US-VISIT or whether you are talking about the border crossing card readers, that means every person who comes through, you take their biometric. And if you added, you know, 60 seconds for everyone to

take that and have it entered and read, it would just really exacerbate the lines.

Mr. SMITH. What percentage of the individuals coming across using the border crossing cards would you expect to check on that secondary level with the readers?

Mr. HUTCHINSON. I think that it would be significant, and it would be sufficient, because the inspectors have got the best judgment. Well, first of all, you have got a photograph that you can compare to compare identity. If there is any question, they go into secondary. And second, I am sure you take a random sample and some verifications so that there would be a huge security value when those readers are in place.

Mr. SMITH. Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

Mr. CAMP. I thank the gentleman.

The Chair now recognizes Ms. Jackson-Lee of Texas. The gentleman may inquire for 5 minutes.

Ms. JACKSON-LEE. I thank the distinguished chairman.

And to the Secretary, thank you very much for your presence here. And let me acknowledge my colleagues and particularly the presence of Congresswoman Donna Christensen.

If I might, Mr. Secretary, just to offer a few remarks preceding my series of questions. I have filed most recently H.R. 3918, which is the Comprehensive Immigration Fairness Act of 2004. The focus is, I think, to deal head on with one of the singular issues that we are debating, and that is the question of the documentation or the existence of the illegal aliens in the United States. I think the administration and Congress will agree that the number varies from 8 million to 14 million. It may be just a little bit more.

I am concerned as we begin this debate that we don't look very carefully at the President's good intentions, but maybe the down side of what he has now created, and that is a guesswork program, proposal, or announcement with no teeth or no actual, if you will, process engaged.

And I raise this point because you indicated you have just come back from Arizona—most of us have focused our attention on the Arizona border, the California border, and the Texas border—with what I understand is a sizeable increase of individuals coming across the border who are now suggesting they are coming because of amnesty. There are two things that happen there. One, its jeopardizes their safety and their quality of life as well as those who are on the border. Two, it misrepresents what many of us have for many years advocated, and that is earned access to legalization which allows hard-working, tax-paying individuals in this country to access legalization through a process. Mine in particular, 5 years of presence here, taxpaying, a job, no criminal record, et cetera. That is a defined steady process for access to legalization. Now we have representation that there is something called amnesty or guest worker program, and look what you have.

My question to you is what—in addition to this border—expanded border program that you are having, are there resources in fiscal year 2005 that you are directing towards this enhanced effort? Is this a temporary effort?

And, two, on the policy question, will you engage with us on the fact that a represented amnesty program does nothing but undermine those who are already in line and also those who are here trying to access legalization and for a variety of reasons have not been able to do so?

Let me throw two other questions out to you. The other again is again on the US-VISIT program. I visited that with Chairman Cox and others at Miami International, and, of course, I studied my Houston Intercontinental Airport in terms of its process and how it works. Certainly the staff that are there are very diligent. My question, of course, is that the US-VISIT program, about 360 million will go through land ports of entry. The question is that is five times more that goes through airports and seaports, and whether or not we have the resources to collect the data and then enforce it on the basis of that kind of travel.

And the other point—and the last point tracks Congresswoman Sanchez's question. Certainly in the backdrop of the terrible disaster of Spain, my question is how we will design both policy and resources to look closely at some process, some method that answers the question of railway security, does not—I don't believe that we have the capacity to encompass every aspect of railway security, particularly both commercial and passenger. But my question to you is are we beginning to study this question because we have a real and serious problem? And I thank you for your presence here.

Mr. HUTCHINSON. Thank you, Congresswoman. And, first of all, I would emphasize that the President's temporary worker program principles that were outlined is not an amnesty proposal. The President has made that absolutely clear. And from an old rule of law guy, I believe that it offers a new approach that is different than the immigration reform proposals in the past, and it would certainly increase the security of our borders and our Nation.

Ms. JACKSON-LEE. And I think, as you know, it is being represented as an amnesty program because it is not geared towards earning access to citizenship.

Mr. HUTCHINSON. In reference to the apprehensions, I see across the border that they are declining, and there hasn't been any uptick as a result of any announcements. The only area that it has increased, and certainly a concern, is in the Arizona border arena where 40 percent of the illegal crossings occur in our Nation. And I think, though, that that is a reason, of course, for the Arizona Border Patrol Initiative.

You asked about the resources. Those are built into the base, except for the technology that we are piloting there including the unmanned aerial vehicles. And there is a request in the 2005 budget to continue the exploring and piloting of UAV projects. And so that is an important part of the President's request.

When it comes to rail security, we have done a great deal in that arena, and I think that is important for the American people to understand is that we didn't get a wakeup call last week; we were fully aware of what needs to be done in rail security; we have invested in that. It is a different system. We are going to continue to work in that. Intelligence is a very important part of it. The better our intelligence is, the more we can target our resources and

our protective measures, and that really is critical when you are looking at a system that has been historically wide open. But we are doing much, and we will do more.

Mr. CAMP. Thank you, Mr. Secretary.

The gentleman from Arizona may inquire for 5 minutes.

Mr. SHADEGG. Thank you, Mr. Chairman.

Mr. Under Secretary, good to see you again. We enjoyed the same flight out from Arizona yesterday, and I want to thank you for coming to Arizona. I want to applaud you for the Arizona Border Control Initiative. I think it is a step in the right direction, and at least I would like to believe it is in response to our trying to point out to you the serious problem we have on the Arizona border. As you just noted, 40 percent of all of the traffic so far as the statistics show right now are coming across the Arizona border, and I appreciate your putting resources behind that initiative.

I also want to thank you for Operation ICE Storm. I don't know if you have noticed the daily press in Arizona, but literally that has had a tremendous impact in terms of disclosing safe houses where coyotes are stashing human cargo and making neighborhoods unsafe and flaunting our law. And I appreciate that.

I have a series of questions which I would like to get through before having to go vote. First, when originally announced, Operation ICE Storm was a temporary program that was to last, I think, until the end of this fiscal year. I know that a portion of the positions in Operation ICE Storm have now been made permanent; something close to a third of those positions have been made permanent. Do you know what the plan is for Operation ICE Storm as we go forward? Has a decision been made that it will end at the end of 2004, or is it still an open question?

Mr. HUTCHINSON. Well, first of all, ICE Storm has been enormously successful, and for that reason we have continued the programs and folded it in as part of our ABC Initiative. The whole initiative will be evaluated October 1, and at that point we will see what adjustments should be made and what should be continued on a permanent basis. And I want to acknowledge that this whole initiative came about as a result of congressional education, including your own, invitations to the border, showing us what is needed there. So it certainly is in response to your efforts.

Mr. SHADEGG. Well, and the Secretary himself was down there, spent a day on the border with Senator McCain and Congressmen Colby and Flake and myself, and I would like to believe that was helpful as well.

I believe you just answered this question, but I want to nail it down for sure. You have the funding for the ABC Initiative in your 2005 budget and adequate for you to proceed?

Mr. HUTCHINSON. The answer is yes. But it is a very significant investment from a Department standpoint, and it certainly puts a strain because of that investment. We find the money to make it work because we have the challenge that is there, but it is supported in the 2005 budget in every respect.

Mr. SHADEGG. I am going to put these next two questions to you jointly and let you kind of pick amongst them.

Well, first let me tell you, I understand that the Hermes 450 UAV has been selected for the program. I would like to sit down

with you at some point in the near future and discuss that particular selection. I did go look at the Predator in operation and tried to make a separate visit to see a second UAV that was available. I am extremely pleased that you are going to put UAVs on the border, but I would like to be educated on why the Hermes was picked over its competitors.

Two questions. One, a lot of people say America isn't safer today. Some would likely contend that. I would like to hear your comments on why you believe that, kind of the highlights; if you were convincing somebody America is safer, what you would point to as kind of the top, "Here are the most important things we have done to make America safer in the last year."

And, second, with specific reference to biometrics, do you not believe that at some point in time there is going to be a need to, in fact, make biometrics a part of the entry process for every visitor?

Mr. HUTCHINSON. Yes, I think biometrics is our future for border entry, but also for our foreign counterparts. I think there has been a huge wakeup call even in Madrid as to border security. And not just the United States is moving to biometrics, but internationally we are trying to move together. We are moving much more rapidly and setting the pace.

But going back to Congressman Smith's questions, we are limited now, but as technology develops, we will be able to do more, and we will probably be able to do it eventually at the primary points. But we are not there yet.

Mr. SHADEGG. And the "not there yet," I guess from your answer, is it takes too much time.

Mr. HUTCHINSON. Time, absolutely. Time and the technology has not developed sufficiently enough, but there are ways that we can do more. Technology is continuing to develop in this way. So that is our objective, and we are balancing commerce and security, but every step of the way we are enhancing security.

You asked—and thank you for the question—as to why America is safer. First of all, first the United States VISIT, US-VISIT, that allows us to have the biometric capability of confirmation that has allowed us to prevent over 100 criminal aliens trying to enter the country illegally that very well could have been a terrorist.

By the fact that we have increased our border capability in terms of security, more surveillance, more sensors, also in terms of aviation security, clearly we are more secure with the layered approach that we have. The fact that the American public feels confidence in what we are doing even in a time of heightened alert, they continue flying because they believe in what we are doing.

So all across the board from aviation to the organizational changes that we have made that enhance security at our borders where it is a—the communication with our State and local counterparts, sharing intelligence. When we had the incident in Madrid, intelligence was immediately out to the people that needed to have it. So I could go on, but obviously there is much more that needs to be done, but a substantial amount has been accomplished.

Mr. CAMP. Thank you. The gentleman's time has expired.

With unanimous consent, the gentlewoman from the Virgin Islands may inquire for 5 minutes.

Mrs. CHRISTENSEN. Thank you, Mr. Chairman, and I realize time is of the essence. I want to ask two questions, and I want to thank you for the response that I get from the bureaus that are in the Virgin Islands when we run into difficulty and need some adjustments. But I want to talk about the continuing efforts to secure the borders of the U.S., as you mentioned in your opening statement, on the territorial areas.

The Virgin Islands represents about 200 miles of pretty much unprotected border, and I would like to know what my constituents and I can expect in the 2005 budget to help us to secure those—that open border, where a recent trip to the Virgin Islands showed some increases in contraband and people coming through as you tighten up on the western side.

But I also want to ask a question about my Pacific territories. You may know that we have a special relationship with three independent governments in the Pacific known as the Freely Associated States, Palau, Marshall Islands and the Federated States of Micronesia, and under our relationship with them, they have the right to freely migrate to the U.S. and its territories. We also have many defense obligations to maintain the security of that region. Collectively these 3 governments cover some 3 million square miles of ocean that can be used as points of entry into the U.S.

Does the Department of Homeland Security have personnel and resources devoted to the challenges of homeland security presented to us by our unique relationship with these three governments? Are we working with them and providing them with assistance in border security, immigration and the maritime security issues?

So basically the question is for the Virgin Islands and these Pacific independent governments, are we on the radar screen? Is there funding in the 2005 budget to help with our issues?

Mr. CAMP. Mr. Secretary, I am going to have to recess the committee for a couple minutes. I know the Chairman is on his way back, and we will continue when he comes back, but there is a vote on. So we will recess for just a few minutes.

Mr. HUTCHINSON. I will get you a better answer then.

Mr. CAMP. I see Mr. Cox has just walked in. We will not recess the subcommittee, and Mr. Cox will take the gavel.

Mr. COX. [Presiding.] Mr. Secretary, please give me a response.

Mr. HUTCHINSON. First of all, I am grateful for our partnership, and always the information that you have been able to provide me, and for the cooperation we have had with the Virgin Islands on security issues. And the funds that are available through our grant programs, it is my understanding that those apply to the territories just like the State and local governments, and so there is a funding mechanism for the security steps that can be taken, obviously based upon the security needs and the security plans that are in place.

And then in reference to the vast territories and the vast ocean that separates us by distance, those—you know, the United States Coast Guard has jurisdiction in those areas, Customs and border protection, and they are certainly more limited in those far-away areas, but they do have responsibility. We are trying to make sure that we fulfill our duties in reference to those. I would be happy

to get you more specific answers, but we do certainly consider that as an important area of our responsibility.

Mrs. CHRISTENSEN. Thank you. And for the Virgin Islands, we have been taking great advantage of the grants that are available, but we don't have a Border Patrol in place, and we feel that that is a real critical piece of homeland security not just for the Virgin Islands, but for the Nation, as we are a thoroughfare for people coming from mainland China and the Middle East as well.

Another question about airports. There are some airports that have that they have had some MOUs with the Department of Homeland Security that would help them in terms of funding to do the renovations and put whatever was needed in place to be able to meet that 100 percent baggage screening, and I don't want to be specific, but some of those airports are not receiving any funding to assist them, and they are going to have a lot of difficulty in meeting that requirement. What can you tell us in terms of how are those airports going to be able to do that 100 percent screening without your support, or do you have some support to give them?

Mr. HUTCHINSON. Well, it is a challenge to the airports. You know, we put the equipment in place, but they want to be able to put it into a system and have to make renovations to accomplish that. We call it the on-line system. And that is the purpose of the LOIs, or the letters of intent, that allow that funding, and whether it is 75/25 or 90 to 10, we have to prioritize those projects. And we are working through the highest priority, the volume, the largest airports, and as soon as we are able budgetwise and systemwide to do it, we will move to the other airports that are certainly in need of this as well.

Mrs. CHRISTENSEN. Mr. Chairman, I would like to get a report up of which are the airports that have been designated as top 10 or what the priorities are, because as you know, there is some airports that don't seem to be on the priority list. By nature of their being large hubs and the number of planes that go through there, it should be on the priority list, and they don't seem to be getting that funding.

Mr. COX. Well, Secretary Hutchinson, if you will consider that a formal request from Mrs. Christensen and respond to it, we would most appreciate it.

Mr. HUTCHINSON. We would be happy to.

Mr. COX. The Chair would recognize himself for questions for just a moment and add my welcome to those of the other members of the committee. We appreciate your coming before us once more this time to talk about your budget, which is going to have grown from \$14 billion to \$16 billion. The 10 percent 1-year increase that you are proposing is substantial, but particularly are large in comparison to what is occurring elsewhere throughout the executive branch, what Congress is looking at for the next fiscal year's budget. So we are preparing to entrust you and the Department with a great deal more resources not only than you have had, but that anyone else is going to be getting, because the mission of homeland security is important, and that is why this hearing is important. We want to find out both through this dialogue and also with our follow-up questions exactly where that money might go and what our priorities ought to be.

I want to ask you a very broad-brush question about your Directorate and also the Directorate of IAIP. The information that we are now gathering in the wake of the Madrid bombings is starting to paint a picture that we have seen before. Just as before September 11th, we had some information on some of the people that ultimately were involved in bombing the World Trade Center and Washington and killing people in Pennsylvania midflight. Here in this case in Spain, we also now have in custody people seemingly complicit or perhaps the planners of this bombing, planners or participants in it, who were within our grasp beforehand, and they seem to be connected to alQaeda. It suggests the importance of connecting the dots.

This one connection that we have been able to draw in particular between Jamal Zougam and the 9/11 planners, Yarkas who is in custody, is particularly disturbing. Of course, Zougam's apartment had been searched by Spanish authorities in August of 2001, August 10th, just a month before the September 11 bombings, and what we discovered in his apartment were, first, phone numbers of other Al-Qa'ida suspected members in a cell that was purportedly organized by Yarkas, who is now in custody in Spain for allegedly planning the September 11th bombings. We discovered a tape in his apartment that showed jihadists in Dagastan. So obviously this international connection to international Wahhabists, to Al-Qa'ida, to the very same people that we have been tracking all along rears its head again.

It suggests to me, and I am just one Member, albeit the Chairman, that the resources that we might devote in Spain to hardening the train system, to putting armed guards everywhere and trying to search everyone who goes on to the train and so on, as expensive as that would be, would not be as well spent as resources connecting these dots, because we had some of these people—we almost had them, and had we connected the dots just a little bit better, we might have stopped this. Zougam was not one who was indicted by Judge Garzon, so he was at large, but we put him on our terrorist list here, and that group is on our terrorist list, and it is somebody who we meant to be keeping track of.

So I want to ask you as you take these enormous new resources, 10 percent bump in a \$14 billion, how much of them can we expect will be devoted to this effort of connecting the dots? How much of it should go on in your Directorate, and alternatively, how much of it should go on in IAIP?

Mr. HUTCHINSON. Well, the analytical part of intelligence should be conducted in IAIP. That is their responsibility for the analysis. We are a customer of theirs. We are also a source for them. Where we fit into the intelligence picture is that through the 110,000 employees, the inspectors, the agents in our arena, we work informants, we collect intelligence, and we provide that immediately to our intelligence counterparts in IAIP for their analysis. And so we are both a supplier of intelligence as well as a customer of their analysis. And it has been very effective, and it certainly improves every day.

I think your point is that—I certainly agree with—that we have to invest in intelligence, and that analysis pays huge dividends to us. We obviously continue having to recognize that there is going

to be not a perfect system, and so we have to have the layered security that will complement and supplement their efforts.

Mr. COX. Thank you. My red light is on. We have a brief opportunity for further questions if any Member would like to do so.

Ms. SANCHEZ. Yes, Mr. Chairman.

Mr. COX. The gentlelady from California Ms. Sanchez is recognized.

Ms. SANCHEZ. Thank you, Mr. Chairman.

Mr. Secretary, yesterday you announced the Arizona Border Control Initiative, and you stated that the initiative is designed to achieve control of the Arizona border by deterring, detecting, arresting and prosecuting all cross-border illicit trafficking by combining the assets from several agencies, Immigration and Customs Enforcement, CBP, Transportation Security Administration and other Federal agencies.

You also indicated that the initiative would transfer 260 Border Patrol agents and CBP officers permanently or temporarily. I think you said 200 per minute and 60 temporary transfers.

My questions are how long will this initiative last? Is the 260 figure an annual amount, or is it just cumulative over whatever time period you are thinking of doing this?

And the real reason I am asking this is maybe for you to identify if you have a plan that tells us where these 260 agents are coming from. The biggest concern that I have is that we saw a tripling of agents up on the northern border because of the requirements of the Patriot Act, but those all came from the southern border predominantly, meaning it left open areas like Laredo very, very understaffed in Texas. And so the question is where are you going to get these agents from? Where are you moving them from? And, you know, what is that going to do to our Border Patrol?

Mr. HUTCHINSON. The initiative will go through October 1, when it will be evaluated and a determination made then whether it needs to be beefed up, modified, what adjustments should be made at that point.

Ms. SANCHEZ. It starts from now to October 1st?

Mr. HUTCHINSON. Correct. And it will be—for example, the 200 agents will be in place gradually between now and June 1, where they will be fully deployed. You are correct that 60 of those are BORSTAR agents that are temporary assignments, but 200 Border Patrol agents are permanent assignments to the Arizona initiative. These come from not other areas that were diminishing, but based upon the new resources that Congress—capability Congress has given to us, it will be balanced between experienced agents and new agents that will be going out into the field.

So this is a great opportunity for us, and we will enhance those as necessary to get the job done.

Ms. SANCHEZ. So it is a combination of experienced agents and new agents. Where are these experienced agents—they are still coming off from—you are taking them from somewhere.

Mr. HUTCHINSON. Right, but the FTEs or the actual positions are new allocations that have been given to us. We will fill those in part by experienced agents that will be back-filled in another area with new graduates that will go out in the field.

Ms. SANCHEZ. So, in other words, in the fiscal year 2004 budget, we have new positions for Border Patrol, and those new—those full-time equivalents will be where you are taking these 260 from basically?

Mr. HUTCHINSON. That's correct.

Ms. SANCHEZ. Will the increased resources be placed along the Arizona–Mexican border—with increased resources being placed along the Arizona–Mexican border, don't you think that it is going to push some of these smugglers to other crossing routes? I mean, we experienced that in the California side, where we clamped down heavily and ended up pushing everything out to Nogales and some of the other areas.

Mr. HUTCHINSON. Well, and that is the—hopefully this is the last squeeze by effective border enforcement in California, and, more effective in Texas, it has squeezed and pushed the traffic organization to Arizona. So we are addressing that last frontier there.

But secondly, we recognize as we increase our efforts there, there will be the possibility that they are going to try to try different routes. So we are going to be flexible, measure that, and if they do try new routes in different areas, we will have the flexibility to respond to that. So we are going to look for that squeeze and if it does, in fact, happen.

Ms. SANCHEZ. And my last question with respect to the Arizona issue is that the Federal Government—you are currently placing vehicle barriers to protect some of the Department of Interior lands where we see smugglers regularly drive across them. Has the placement of the barriers been completed? And do you intend to pay for additional barriers along the 200-plus miles that we have between Arizona and Mexico that is also DOI land?

Mr. HUTCHINSON. Yes. That is a very effective tool. We continue to look at that, particularly in protecting the Department of Interior lands. I will say that Larry Parkinson was there with me representing the Department of Interior. They are a strong partner. They are adding personnel as well, and that capability with the other agencies really adds to the initiative, but we are continuing to look at the deployment of those type of barriers.

Ms. SANCHEZ. And I see that my time is up, so thank you, Mr. Secretary, and thank you, Mr. Chairman, for allowing another set of questions.

Mr. COX. The gentlelady's time is expired.

Does the gentlelady from the Virgin Islands have further questions?

Mrs. CHRISTENSEN. Thank you. I just wanted to ask one question and then make a point.

The Department of Homeland Security, your Directorate obviously has a great commitment to port security, but the budget request of \$566 million is less than—\$566 million less than what the Coast Guard estimates ports will have to spend to improve their security.

So could you just talk about how you are going to ensure the security of our ports when we are so far short of what the Coast Guard has estimated we need to have in place?

Mr. HUTCHINSON. Well, the estimate that is being referred to is one estimate of security enhancements that very well will be need-

ed in our ports. This is a shared responsibility, and so it is not our judgment that we ought to fund 100 percent of all of the port security enhancements. We do a share, but also the private sector has a responsibility as well, and so they are investing substantially to complement what we are doing in security.

Coast Guard's 2005 budget includes \$1.75 billion for ports, waterways and coastal security. So there is many layers to it in addition simply to the grant funding that we are putting in—.

Mrs. CHRISTENSEN. So you are saying that between the private sector, the Coast Guard and your Directorate, we will come close to approaching what is really needed?

Mr. HUTCHINSON. We will certainly come closer by that combined effort. You know, and those figures are rather rough estimates as to what is needed. Clearly, more is needed. We pick up some of the slack, but the private sector does as well.

Mrs. CHRISTENSEN. And since we are talking about budget and your budget needs, are you satisfied that what is in your budget is sufficient for your contribution to this effort?

Mr. HUTCHINSON. I think it reflects a very good balance as to the shared responsibility.

Mrs. CHRISTENSEN. I just wanted to go back to the territories that are freely associated with the United States just for a moment to say that these are independent countries in a free associated agreement with the United States. So they don't necessarily fall within our grant programs and will require some additional work with them to adjust those agreements and to make the assistance available to them as they are a part of the larger U.S. family and provide entry into our country.

Mr. HUTCHINSON. I will be happy to work with you on looking at that more closely.

Mrs. CHRISTENSEN. Thank you.

Mr. COX. The gentleman from Massachusetts is recognized.

Mr. MARKEY. Thank you very much, and welcome back, Mr. Secretary. Thank you for coming.

I sent a letter to Secretary Ridge to request information about the Department's efforts to strengthen rail security, and I would like to take this opportunity to ask you a few questions about this pressing homeland security issue. Does the Department of Homeland Security intend to establish voluntary security guidelines that transit operators may or may not choose to implement? Will the Department of Homeland Security require that operators implement specific security enhancements in response to the vulnerability of public transportation systems to attacks by terrorist groups?

Mr. HUTCHINSON. Could you give me an example of what you are speaking of?

Mr. MARKEY. In terms of?

Mr. HUTCHINSON. Well, when you say voluntary security guidelines versus mandatory security guidelines.

Mr. MARKEY. Will there be a duty for the transit operators to implement standards established by the Department of Homeland Security, or it will be left totally to the discretion of any of these railroads or transit systems, subway systems in the United States as to whether or not they will enhance security? Which is the policy

which the Department will choose in order to increase the security on the rails of the United States?

Mr. HUTCHINSON. We have the authority to implement mandatory security requirements. We are not in a position to do that now. We are choosing to make sure that we have the right assessments, the right judgments of what security measures are in place, and that we evaluate it in the right way. That is an option that we would certainly look at whenever—if we determine that—if the private sector or our transit partners are not moving rapidly enough when they have the capability to do so, and that when we have the right judgment as to what that security measure should be.

Mr. MARKEY. And what is your guideline for finishing the assessments of what is needed and what your recommendations will be? What have you laid out in your deadlines?

Mr. HUTCHINSON. I believe that the assessments are substantially complete in terms of the review of the security requirements. We have, in fact, deployed a substantial number of security measures in accordance with the assessments that have been done, and we will continue to review those.

Mr. MARKEY. So will the assessments be done in the next month or 6 months?

Mr. HUTCHINSON. I will have to get back with you on the specific time frame as to how many have already been completed, which ones remain to be done.

Mr. MARKEY. So, for example, just, you know, put a little bit of a highlight on it, as you know, both the Fleet Center in Boston and the Madison Square Garden Democrat and Republican conventions will be situated on top of transit systems. So I know there will be some security put in place in those two venues, but I think the whole country deserves to know that there is some nonvoluntary system that is being put in place.

And towards, you know, exploring this a little bit further, given the funding shortfalls that many of these transit systems are facing anyway, how would we expect them, short of having larger grants from the Federal Government, to implement safety guidelines?

Mr. HUTCHINSON. Well, and that is exactly the reason you want to be careful about doing the mandatory requirements, because, for example, Amtrak, not exactly financially wealthy, and we want to make sure if you put requirements on, that they are appropriate, and that they meet the security needs, and that they are manageable. That is also the reason, of course, we gave \$115 million in rail security grants last year, and we will continue through the urban area security grants to have more funds available.

Mr. MARKEY. Are you going to increase your request for fiscal year 2005, for this coming fiscal year; are you going to increase your request for additional security funds for transit and railroads across the country?

Mr. HUTCHINSON. Well, the budget is, of course, as submitted. Obviously if there is a determination that more funds are needed and appropriate, then that determination will be given, but at this time there is not any plan that I am aware of that will increase—make a budget amendment request.

Mr. MARKEY. So in the aftermath of the terrible tragedy in Spain, your administration has yet to reevaluate whether or not

there should be an increase in funding for railway security built into this year's budget?

Mr. HUTCHINSON. I think the fair characterization would be that even prior to the tragedy in Spain, this administration effectively evaluated what we are doing in rail security, got ahead of the curve in the assessments, in the investment, and submitted a budget that anticipated what needs to be done in that area. As we get additional intelligence, we will continue to evaluate that.

Mr. MARKEY. But as of this moment, you are convinced that the work that you had already done has provided sufficient funds or has sufficient funds budgeted that will deal with the security issues that you have identified on transit in the country?

Mr. HUTCHINSON. It is a very appropriate start. More needs to be done. We are aggressively pursuing that, looking at the right requirements and completing all of the assessments, and then also continuing to invest in those security measures.

Mr. MARKEY. I would recommend honestly we double the security; \$115 million is not going to be enough.

Have radiation portals been installed in all ports of U.S. entry? That would be my final question.

Mr. HUTCHINSON. The radiation portals have been installed in 2004 in 408 locations. Radiation portal monitors in 528. Number, specifically, the units that have been deployed, in 2005, we will deploy an additional 465 portal monitors and 206 radiation isotope identification devices, and that will continue until there is 100 percent coverage.

Mr. MARKEY. So are you talking about the personal radiation devices there, or are you talking about the actual portals that—

Mr. HUTCHINSON. The personal radiation devices will be 5,000 of those deployed this year, 1,000 next year. So what I was speaking of will be the large portal monitors.

Mr. MARKEY. Mr. Chairman, I see the red light is on.

Mr. COX. I appreciate it—

Mr. MARKEY. Thank you, Mr. Secretary.

Mr. COX.—your attention, and I recognize the gentlelady from California.

Ms. SANCHEZ. Great. Thank you. God, it is so great when other people don't show up. We get more lines of questions.

I wanted to talk about just the discomfort that is happening among a lot of the employees in your Directorate. As I mentioned earlier, you are probably in charge of about 110,000 of them, and I know that the border officers, for example, are nervous about the new tasks that they are being asked to do in one phase of the border initiative, because former Customs inspectors, for example, are required to know the details about immigration and agricultural laws, but they only have minimal training in these additional areas.

So one of my questions was, you know, are you monitoring the uncomfortableness of your employees, because, of course, we want them to do a good job; and what are you hearing from them, because many of us are hearing that they are just having a hard time with this?

I also wanted to have you talk a little bit about the latest plans for your new pay and personnel system. The budget—for example,

your budget asks for \$100 million to design a new personnel system that appears in its current form to take away existing rights and guarantees afforded to these employees, and in DHS it would eliminate across-the-board annual raises and allow department managers to decide a worker's annual raise based solely on performance. And while in theory that sounds good, I am worried that maybe it gives managers a little bit too much unchecked authority. So I want to hear about that.

And in the light of actually these front-line personnel putting their lives on the line in some cases every single day that they go out and do their work, isn't \$100 million a lot to spend on a pay system when maybe we could be using it on salaries for front-line personnel, considering we have so many shortages going on?

Mr. HUTCHINSON. Well, in reference to the overall morale, I think it is very good. Any time there is uncertainty or change, that causes some discomfort, and that is understandable.

We have worked very hard to get information quickly to the employees. Secretary Ridge, myself and other leaders of the Department have conducted numerous town meetings where we have heard from them. They have raised issues, and so many of them have to do with some of the disparity in pay for doing the same work for the different 22 agencies that came together, and you mentioned the \$100 million. I will have to check to make sure because that is really in a different directorate, but it was my assumption that some of that would be for helping to accomplish some of the pay disparity. So I think there is more to it than simply what is going to be needed from a technical standpoint.

One of the great motivators and morale boosters that the inspectors had was the implementation of US-VISIT, because they saw new technology, new capability because of their new mission, and it has really been a boost for them in the work that they do.

Ms. SANCHEZ. Can you tell me, speaking about US-VISIT, have we been able to catch a terrorist yet with US-VISIT? I know we have gotten a lot of criminals, but have we gotten the terrorists? I mean, because it is an elaborate program, and as you know, we have only done one small portion of what is going to take a lot of funds and a lot of effort, and to some people who have been talking to me about all this cyber situation, that, you know, it is a pie in the sky. So have we caught a terrorist yet from it?

Mr. HUTCHINSON. That is a very, very important question, and let me address that. We have not, and that should not be the measure of US-VISIT. US-VISIT was mandated by Congress before 9/11, and the original design of it was not to catch terrorists, but was to have an effective entry-exit system, to give integrity to our immigration system.

We have the added security benefit because we can deter, detect terrorists and criminals that might come in. So I think that it has to be measured by a much different standard going back to the integrity of the system as well as the deterrent value and obviously the checks that we have whenever we bring the people in.

Ms. SANCHEZ. And last let me ask you about a new provision in the personnel regulations that would essentially allow an employer to reassign a worker from one part of the country to the other without any input from the worker.

Why are we taking away the employees' options for reassignment? I mean, a lot of them have families, and they prefer a particular area. Why is that so—why is there such a great deviation in that from our regular personnel system that we have in other departments?

Mr. HUTCHINSON. Well, first of all, the personnel regulations were put out for the purpose of getting comment, and employee comment will be very important in the evaluation, determination of which direction we go.

But in terms of reassignment, when you are dealing with responding to higher threat levels, emergencies, national security issues, we have to have the capability to effect reassignments without having to do collective bargaining or discussions prior to that.

Now—so that is the logic and concern in that arena, but we obviously want to be sensitive to the employees' concerns. I don't think there have been any instances where, you know, they have been re-deployed without the appropriate communication and safeguards being in place.

Ms. SANCHEZ. Thank you, Mr. Chairman. I see that the red light has come on.

Mr. COX. Thank the gentlelady.

I want to thank Secretary Hutchinson for being here with us. As you can see, we have a vote on the floor. You have gotten some questions today about rail, naturally in light of Madrid, and I know that in particular the cooperation that IP has had with America's railroads and our public transit authorities lies without your direct responsibility. It is outside your directorate. But I want to give you an opportunity to answer generally the question of whether there is going to be an international lessons learned effort focused on Madrid and whether the Department of Homeland Security will be inferring from what we learn in Madrid ways to update our protocols for rail, particularly passenger rail in America?

Mr. HUTCHINSON. Certainly it requires us to look very closely at it. One, I have communicated with the Ambassador from Spain offering our technical assistance and having a transportation team that will go—security team that will go over and look at this together. I think that there will be some dialogues with all of the European countries on enhancing rail security, what more we ought to do, cooperation, best practices. And so there is going to be an increased concentration on that.

From our standpoint I think we were, again, ahead of the curve, have done a great deal, but the immediate reaction was let's see what more we can do, because clearly that is something that the terrorists have used very effectively in Spain.

You know, we are working closely with our colleagues in infrastructure protection and coordinating. We have some very substantial efforts going on right now in terms of additional steps that can be taken, evaluation, some more aggressive than others, policy decisions that will have to be made in that regard. But we expect that this will be a very robust effort, combining our efforts in border transportation security with what they are doing in IAIP.

Mr. COX. I am very pleased to hear that, and we thank you very much for the time and help that you provided to the committee this morning.

The Chair notes that some Members may have additional questions for our witness, which they may wish to submit in writing. Without objection—I am sorry. Mr. Turner is here. I want to recognize the Ranking Member. I didn't realize that you had come here, and we have made heroic efforts to make sure you had another opportunity. So the Ranking Member is recognized—Ranking Member of the full committee, the gentleman from Texas, is recognized.

Mr. TURNER. Thank you, Mr. Chairman. I will be brief, because I think we have 10 minutes before the vote concludes.

Mr. Secretary, we have talked before about radiation portals. You have received to date \$206 million to purchase and install these radiation portals at our ports of entry. You have asked for \$43 million for the next fiscal year. By my calculation it will take another \$247 million to install radiation portals at all of our border crossings, rail hubs, airports, et cetera. I am disappointed that that is not in the President's request, and I just wanted to know if the Congress could secure the support to get the additional \$247 million, would you be able to complete the installation of these portals more rapidly, and particularly would you be able to do it prior to the fourth anniversary of the 9/11 attacks, which is, I think, the date by which it will occur now based on the funding that is being requested—the rate of funding that is being requested?

Mr. HUTCHINSON. I will be happy to look very carefully at the time line for completion of 100 percent deployment. I have before me the deployment schedule for the radiation portal monitors, the radiation isotope identification devices and the other radiation detectors, and we have in 2004 a plan to deploy 528 radiation portal monitors. This is a very aggressive schedule. In 2005, we have 165 that are scheduled to be deployed as well as 206 isotope identification devices. So I am happy to look at where that leaves us as far as the final completion. I will report back to you, but that is what is scheduled for 2004 and 2005 in deployment.

Mr. TURNER. It just seems to me it would make common sense to try to get that job done quicker, and if you would look at that and see what it would take. Obviously I want to be sure that if we push for the additional funding, that you can expend it in a more rapid fashion.

Mr. HUTCHINSON. I think that is certainly a relevant consideration as to what could be our procurement and deployment schedule.

Mr. TURNER. You know, there is no question that if we don't do this faster, that by September of 2005, the fourth anniversary of 9/11, we still won't have our southern borders protected, nor all of our rail hubs, nor all of our airports, nor all of our smaller ports of entry. And if we plan to do it, if that is the goal, it seems that that would be a prudent and wise investment.

Thank you. Thank you, Mr. Chairman.

Mr. COX. I thank the gentleman.

And for the final time, I want to thank Secretary Hutchinson. Your willingness to stay with us throughout the morning and the afternoon is very much appreciated.

The record will remain open in this hearing for 10 days for Members to submit open questions and to place their responses in the record.

Mr. COX. There being no further business, I want to thank all the subcommittee members who were here during the hearing. The hearing is now adjourned.

[Whereupon, at 12:10 p.m., the subcommittee was adjourned.]

## APPENDIX

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### QUESTIONS SUBMITTED FOR UNDER SECRETARY ASA HUTCHINSON

#### QUESTIONS SUBMITTED BY THE HON. LINCOLN DIAZ-BALART

Thank you for coming before our panel today. In your testimony you list the elimination of potential weaknesses in security by suspending the Transit Without Visa (TWOV) program as one of the Department's successes.

While I believe the suspension of the TWOV program may have in fact increased security, I still remain concerned about its counterpart, the International to International (ITI) program.

I believe that your office has realized the significant economic impact that the cancellation of this program had on South Florida as demonstrated through the temporary relief provided through the reopening of the satellite transit lounge at MIA. However, this temporary solution has only partially mitigated the situation and has not provided a sustainable solution.

During a recent CODEL to Miami we engaged DHS officials and staff from Washington, D.C. and Miami on this issue. It was my understanding that the Department would be releasing guidelines for a new version of the ITI program this month. However, through our conversations in Miami, it appeared that there was a lack of communication between DHS, MIA, and the private sector companies directly involved in this process.

**Under Secretary Hutchinson, has there been additional communication among all of the parties involved, including the private sector? If so, do we still expect to see this new program rolled out this month, and if we do, has it been modified from its original draft, which did not reflect the concerns of the airport or the private industry experts?**

**Answer:** To clarify this issue, prior to August 2003, there were two transit programs available to travelers. The former Transit Without Visa (TWOV) and International-to-International (ITI) programs allowed an alien to transit through the United States without a nonimmigrant visa while en route from one foreign country to a second foreign country with one or two stops in the United States. Under the TWOV program, a passenger seeking to transit through the United States was admitted as a transit passenger by a DHS inspector and departed the Federal Inspection Service (FIS) area. A TWOV passenger was permitted to make one additional stop in the United States. Under the ITI program, the ITI passenger was inspected by a DHS inspector but was not admitted to the United States and did not leave the secure FIS area.

On August 7, 2003, the Secretary of Homeland Security and the Assistant Secretary of State for Consular Affairs published regulations suspending the TWOV and ITI transit programs. The suspensions were based on specific, credible intelligence that certain terrorist organizations had identified these programs as a way to gain access to aircraft without first obtaining a visa in order to: (1) take over the aircraft to use as a weapon of mass destruction, or (2) to simply cause damage to the aircraft; or to abscond during their layover in the United States in order to gain illegal entry to the United States. In August and September 2003, the DHS Border and Transportation Security Directorate (BTS) conducted field visits and held meetings with airline industry and the Departments of State (DOS) and Transportation (DOT) on the possible reinstatement of a security-enhanced transit program. On September 22, 2003, the public comment period concerning the suspension of the TWOV and ITI programs expired.

DHS took the seventeen comments (one duplicate) received, including those from the State of Florida and Miami International Airport, regarding this proposed rule into consideration when formulating the new Air Transit Program (ATP).

BTS and CBP have met with carriers and industry representatives to solicit their opinions on the program. DHS and other agencies have worked to formulate a proposal for the new ATP which is currently under review within the Administration.

QUESTIONS SUBMITTED BY THE HON. MARK SOUDER

**1. What is the strategic vision for the Directorate of Border and Transportation Security? Do you believe you have adequate resources to accomplish that vision in the near and long term? If not, what additional resources do you require to meet your goals?**

**Answer:** The strategic vision for the Directorate of Border and Transportation Security is to be “a unified and innovative enforcement team, working as one to isolate terrorism Working in partnership with our components and with the U.S. Coast Guard, we will:

- Promote new security ideas and opportunities;
- Balance security with civil liberties and free trade;
- Develop a unified and engaged BTS team within the broad DHS effort;
- Streamline operational and administrative procedures; and
- Build coalitions and partnerships.

Our fiscal year 2005 budget requested 8 additional FTE and funding to support the initial requirements of the staff of the Office of the Under Secretary. As the organization of the Directorate and the Department evolves, we will work within the Administration to request additional resources when necessary.

**2. I understand that in some locations where both the Bureau of Customs and Border Protection and Bureau of Immigration and Customs Enforcement operate, they maintain independent fleets of aircraft. Considering the overlap along mission lines to interdict “weapons of mass destruction”, illicit narcotics and illegal migrants, has any thought been given to “co-locating” these air assets? The obvious benefit of such an arrangement would be: elimination of two separate hangars and equipment plant; two separate maintenance and fuel contracts; two separate aircrew training and certification programs, and so forth. Do you have any philosophical disagreement with the merits of “colocating” ICE and CBP air assets?**

**Answer:** In fiscal year 2005, the air and marine assets within ICE and CBP will be consolidated within CBP. Efforts are underway to manage that consolidation to ensure the maximum operational and cost efficiencies.

3. Late last year I met with CBP Commissioner Bonner to discuss the status of a special unit of Native Americans called the Shadow Wolves. In the legacy Customs Service they worked to detect narcotics smuggling along the Arizona border within the Tohono O’Odham Indian Reservation. Upon creation of the Department of Homeland Security they were transferred from ICE to CBP. During my discussion with Commissioner Bonner, he told me that the Shadow Wolves would continue their traditional mission.

**• Can you update us on the current status of the Shadow Wolves?**

**Answer:** The unit remains intact and follows the Customs and Border Protection (CBP) mission of preventing terrorists and terrorists’ weapons from entering the United States.

**• What steps have been taken to ensure that they Shadow Wolves preserve their unique identity and the vital mission of tracking/interdicting illicit narcotics?**

**Answer:** There have been no changes to the CPO’s mission of tracking/interdicting illicit narcotics. Narcotic seizures by the CPO’s continue to be turned over to U.S. Immigration and Customs Enforcement (ICE).

**• During a Native American conference sponsored by Customs and Border Protection last year, during one of the breakout sessions, there was some discussion given to expanding the Shadow Wolf concept to other Native American reservations with a border nexus. Has this concept been expanded yet?**

**Answer:** The Shadow Wolf/CPO concept is still being explored and discussed amongst the tribes and Border Patrol Sectors. In the interim, the Border Patrol and some of the tribes are continuing to work on Integrated Border Enforcement Teams (IBET) and joint operations. Cooperation continues with quarterly meetings to discuss issues, concerns, and strategies.

4. I have visited the Air and Marine Operations enter (AMOC) in Riverside, California. That facility receives radar inputs and correlates intelligence and data on air traffic from virtually every conceivable source, and is one of the most impressive facilities I have visited in the government. AMOC is a “critical” center, unique in that

it is the only facility in the federal government with all these capabilities under one roof.

**• Why aren't other BTS flight activities communicated and de-conflicted through AMOC? I understand, for example, that CBP aircraft frequently fly "low and slow" along the border, without notifying the AMOC. As a result, the AMOC scrambles ICE aircraft to intercept the suspicious aircraft, which results in needless expenditure of taxpayer money.**

**Answer:** During Liberty Shield operations, Office of Air and Marine Operations (AMO) used AMOC to coordinate flying operations of Immigration and Customs Enforcement (ICE) and Customs and Border Protection (CBP). This effort was built upon AMOC's existing coordination with the DoD and FAA. This effort was a step in the right direction for coordination of DHS law enforcement aviation operations. A more permanent concept of operations is being developed in concert with the Department's Aviation Management Council, to minimize the possibility of intercepting other agency's aircraft. AMOC indeed has the capabilities to support and enhance other DHS/BTS air activities. As the primary command and control facility for the AMO, AMOC truly has the "big picture," integrating multi-source radar inputs, the capability to track "Blue Forces," and streamline coordination with multiple inter-agency partners in the course of their respective missions. AMOC has access to FAA flight plans, aircraft registration and air movement data, as well as specifically designed law enforcement databases. Recent modernization funding will allow AMOC to create a common operating picture that encompasses a wide portion of the Western Hemisphere.

To enhance the tracking of "friendly" aircraft AMO is developing a new SATRACK capability. Servers, with the ability to process all SATRACK formats, are being incorporated into the AMOC's radar display. Once installed and operational it will be as simple as inputting the tracking code, specific for each aircraft, from any agency into the server. This upgrade will allow the AMOC to follow and de-conflict CBP aircraft that frequently fly "low and slow" along the border.

**• I understand that AMOC sends its radar picture of the National Capital Region to a new inter-agency airspace security office called the National Capital Region Coordination Center. I understand the AMOC is the only source for this and there isn't a backup. Are you reviewing this?**

**Answer:** AMOC is currently a single point of transmission; the air picture and data feeds in the NCRCC are slaved from the AMOC's system. We are reviewing this, and are studying the addition of high-end servers, communications suites and supporting telecommunications infrastructure to support the Air and Marine Operations functions for the National Capital Region, which could be developed as an independent facility and serve as a limited back-up capability for the AMOC. However, the NCRCC as a whole has four different agencies supplying/piping radar and communications data into the facility.

**• Are you considering any technological or personnel upgrades for the facility to enhance its capabilities against narcotics trafficking, alien smuggling and securing restricted airspace?**

**Answer:** The AMOC has currently been funded to upgrade its servers. This upgrade will increase its capacity to accept all the available radar feeds nationwide, some 400 plus radars. Additionally, software has been developed and tested to provide AMOC with radar data from all 20 FAA Air Route Traffic Control Centers (ARTCCs), to include the correlated flight plans and air movement data from the 20 ARTCCs.

FAA Terminal Approach Radars will also be integrated into the AMOC. Advanced communications suites have been procured to replace the current aging and inadequate communications console. AMO is studying the feasibility of a satellite based communication infrastructure that will dramatically increase nationwide radio coverage and save the costs of expanding and maintaining hundreds of ground based radios.

AMOC personnel have served as a primary operations entity at the NCRCC since the facility opened in January 2003. Fifteen Full time Equivalent (FTE) on AMOC's existing Table of Organization have been permanently reassigned to address staffing the NCRCC. The backfill/permanent return of these FTE to their original locations will be addressed within future resource allocation initiatives.

Now that AMO and AMOC have moved from ICE to CBP, the staffing issues will be revisited in a broader context as part of the transition process. We anticipate that the staffing decisions will be concluded by the end of the transition process on September 30, 2005.

5. Within DHS, Mr. Hutchinson, you have more armed law enforcement employees under your command than anyone else. Inherent in that distinction are signifi-

cant management, policy and oversight responsibilities to promote accountability, competent weapons use and maintaining a “zero tolerance” for excessive force incidents. Terrorists and narcotics cartels have demonstrated their lethality all over the world. DHS agents and officers deserve to be sufficiently equipped and empowered to address this threat. It will not suffice to be “out-gunned” during an encounter with terrorists or drug traffickers, as the Los Angeles Police Department discovered during the North Hollywood bank robbery.

**• What are your plans to standardize a system of centralized inventory management for BTS weapons, to prevent the kind of accountability issues recently experienced by FBI?**

**Answer:** We have engaged in collaborative efforts within the Department, the Federal Government, and industry to develop the best practices and procedures in asset management. With the implementation of eMerge2, the Department will standardize the accountability of all assets, to include the weapons inventory. The Department is finalizing the Management Directive for Personal Property Management that defines the policy regarding the accountability and physical inventory requirements for personal property, including weapons. The policy includes the requirement for an annual physical inventory and reconciliation of all firearms. Also, the Department is conducting a pilot program to evaluate the accountability and effectiveness of using radio frequency identification to track and monitor firearms.

**• How will your system of accountability mesh with the remaining armed employees of DHS, such as those in the Secret Service?**

**Answer:** The Department established a Personal Property Management Council and consolidated various personal property systems, procedures and policies over the past year. With the implementation of eMerge2, we will migrate our asset records to one software solution to provide total asset visibility that will enable us to effectively reduce the cost of managing the Government’s personal property while increasing accountability. The procedures and systems put in place will be deployed throughout the Department.

**•What are your plans for a new “use of force” policy? When will this new policy be published?**

**Answer:** The DHS use of force policy was signed and effective July 2004. It was developed by a committee which had representation from all DHS law enforcement components.

**• Does your fiscal year 2005 funding include any initiatives to ann your employees with a “standard” Department firearm?**

**Answer:** No. There are no additional funds requested in the fiscal year 2005 budget above that which is contained in each component’s base, to recapitalize a standard DHS firearm. The DHS Commodity Council for Weapons and Ammunition is analyzing Department-wide requirements to determine more efficient and effective strategies for the acquisition of this commodity area. Their initial effort identified a strategy to acquire known DHS requirements for a family of pistols under a specification agreed to by many of the organizational elements in the Department. On August 24, 2004 the Department awarded two contracts for handguns that can be accessed by all DHS organizational entities. Additional categories of weapons and ammunition are being analyzed by the Commodity Council to determine the need for strategic sourcing.

**6. I understand BTS Officers frequently pursue vehicles and vessels loaded with contraband that refuse to stop, and perform airspace security missions against small and slow aircraft. These high-risk enforcement operations can easily escalate to a situation where lethal force is required. What legislative assistance do you need to indemnify your officers involved in this type of situation?**

**Answer:** We must unquestionably prepare and support our law enforcement personnel for the potential use of lethal force in their day to day environment, as well as for the possible but unintended results of their actions. The law enforcement officers, tasked by their organization and the nation to prevent or mitigate to the best of their ability a terrorist strike, will be faced with the options of allowing the terrorist to strike where and when chosen with planned maximum devastation, or applying the use of lethal force against the assailant. These Officers, acting within the scope of employment and in compliance with Departmental policies and procedures, should be protected from unwarranted lawsuits and liability. To this end the Department is exploring possible options, similar to other agencies, that would grant immunity or provide indemnification in certain circumstances.

**7. The fiscal year 2005 budget for CBP includes \$10 million for Unmanned Aerial Vehicles (UAV). You announced the Arizona Border Control (ABC) Initiative yesterday in Tucson. I understand your directorate will test the Hermes UAV. I also understand your directorate tested a Predator UAV in**

**the Southwest last fall, which culminated in several interdictions, seizures and arrests. Will the requested funding be used for UAVs capable of fulfilling the multitude of BTS missions?**

**Answer:** The requested funding is specific to border security operations for which CBP is the lead agency. The funding will provide for further testing and evaluation of UAVs in general, and the needs of BTS and other DHS components will be considered during this project.

**What will be the concept of operation (CONOP) for this new resource?**

**Answer:** The pilot project we are conducting is designed to help us develop a CONOP over the life of the program. The intent is to operate in both interdiction and intelligence gathering missions to evaluate VAV technology in such roles. Specific CONOPS will be developed based on lessons learned during this test and evaluation.

At the conclusion of this latest test, will UAVs become a permanent tool within BTS to combat illicit narcotics smuggling and migrant activity?

**Answer:** Once the evaluation is completed, we will have a better understanding of how UAVs may be integrated into our border security operations on a long-term basis. The pilot program will determine the best type of platforms and sensor packages to use, where they will be most beneficial, and for what specific roles they are best suited.

8. In the establishment of DHS, it was recognized that counter-narcotics is an important and necessary mission for the Department. In the Homeland Security Act, the Department was organized to include a dedicated Counter-narcotics Officer on the Secretary's staff who is to ensure adequate focus of homeland security resources to the counter-drug mission. This Counter-narcotics Officer is also designated as the U.S. Interdiction Coordinator (USIC) and reports to the Director of the Office of National Drug Control Policy (ONDCP) on the overall national interdiction effort. As the Under Secretary of BTS, you oversee some of the major agencies involved in the counternarcotics effort.

**• In your view, how is the set up of one individual with two lines of authority working?**

**Answer:** The counternarcotics officer (CNO) serves in multiple roles as ONDCP Director of Intelligence, as United States Interdiction Coordinator, and as DHS counternarcotics officer. Given the division of CN responsibilities between BTS and other DHS entities, the DHS CNO serves a useful and valuable role in coordinating CN matters between BTS and those other non-BTS DHS agencies. The CNO also serves an extremely valuable function in providing recommendations to the DHS Secretary about development of departmental CN priorities, especially as they impact BTS agency responsibilities. The addition of the USIC position to the CNO has provided an opportunity for that office to serve as a bridge to non-DHS agencies on CN that would otherwise not exist; a bridge that has been extensively employed on behalf of DHS during the start up of the Department.

**• What is your relationship with the Counter-narcotics Officer?**

**Answer:** I meet regularly with the CNO, and two of my staff are located in his office. These actions help ensure the closest coordination possible on counternarcotics issues.

**• Do you feel DHS has the resources necessary to adequately attack the current drug threat while being vigilant to other DHS responsibilities?**

**Answer:** The Administration and Congress have provided excellent support to the BTS components in support of all threats to homeland security. Many of the capabilities that provide border and transportation security are used to support the counter-narcotics mission. For example, the same resources used in the Container Security Initiative (CSI) enhance the ability to prevent and detect importation of illegal narcotics. Additional border patrol and CBP officers, as well as ICE agents perform their work in a multifaceted fashion, finding illegal substances and goods and looking for links between narcotics-related crime and terrorism. The same sensor systems and platforms that perform border security, like our AMO and Border Patrol aircraft, also detect and interdict illegal narcotics. In support of these continuing efforts, our fiscal year 2005 request included a number of systems that are multi-dimensional and support both missions: \$28 million for increased AMO P-3 flight hours to interdict narcotics in the source and transit zone as well as fly CAP over cities during heightened alert periods, \$64 million for Border Patrol surveillance and sensor technology; \$25 million for CSI; \$20 million for targeting systems enhancement which help identify shipments requiring inspection; \$15M for Customs-Trade Partnership Against Terrorism (C-TPAT) which strengthen the supply chain; \$10 million for development and testing of UAVs; and \$340 million for US-VISIT, which identifies travelers, some of which have warrants for outstanding nar-

cotics charges. All of these initiatives received fiscal year 2005 appropriations at the level of the request.

QUESTIONS SUBMITTED BY THE HOUSE SELECT COMMITTEE ON HOMELAND SECURITY,  
MAJORITY STAFF

*Criminal Intelligence Collection and Analysis*

**1. How do BTS agencies analyze their collection of criminal and other intelligence, as well as share it within BTS or with other DHS and Federal agencies? What is the role of IA/IP? Do the BTS agencies and IA/IP have interoperable communication and data systems?**

**Answer:** The Directorate of Border and Transportation Security (BTS) prepares a Daily Operations Report each day of the week. The BTS distributes the reports to Federal, state, and local law enforcement. The report encompasses significant operational events involving the Border and Transportation Security Directorate (BTS). Items include submissions from the Bureau of Customs and Border Protection (CBP), the Bureau of Immigration and Customs Enforcement (ICE), the Federal Protective Service (FPS), and the Transportation Security Administration (TSA). Submissions include noteworthy Homeland Security items such as the arrest or removal of terrorist organization members, financiers, and operatives. The report provides biographical identifiers such as names, dates of birth, passport numbers, nationality, associates, etc. State and local law enforcement agencies have used this information to supplement their intelligence/homeland security operations. The report also highlights events, efforts, and trends concerning airport screening and organized criminal activities such as narcotics and alien smuggling. A report typically is from five to seven pages and includes a list of acronyms and definitions.

Information sharing is one of the critical mission areas that the Department of Homeland Security (DHS) has set as a priority for better preparing the homeland. The DHS Office of Information Analysis (IA), in conjunction with other DHS entities, prepares warning products and distributes them to federal, state, local, tribal, major city, and private sector officials. These products, which include both Homeland Security Information Bulletins and Threat Advisories, allow DHS officials to communicate threats and suggested protective measures to regions and/or sectors of concern, within each threat level. Additionally, unclassified information is shared through a daily Homeland Security Operations Morning Brief and the weekly joint DHS-FBI Intelligence Bulletin. The Office of State and Local Government Coordination also coordinates bi-weekly conference calls with all of the Homeland Security Advisors in all the states and territories to help relay important departmental information as well as respond to queries from advisors. The Department has also paid for and established secure communication channels to all of our state and territorial governors and their state emergency operations centers. This investment in communication equipment included secure VTC equipment along with Stu/Ste telephones. DHS has also worked to ensure every governor has been cleared to receive classified information and are working with the Governors and their Homeland Security Advisors to provide security clearances for five additional people who support the Governors' Homeland Security mission. This provides DHS an avenue for disseminating classified information directly to the location that needs the information. Lastly, one of the primary ways in which DHS is improving its communication with its constituents is through the Homeland Security Information Network (HSIN) and specifically through the Joint Regional Information Exchange System (JRIES). Using this network, federal, state, and urban area homeland security advisors will be able to communicate with each other and with DHS, as will federal, state, and urban Emergency Operations Centers, and the National Guard and the state adjutant generals. Once connected, user groups will have access both to communication streams with each other and DHS, as well as to DHS warning products distributed by IA.

All DHS entities (along with all IC members) share information with IAIP, which analyzes and distributes the information to State, territorial, tribal, local and private sector entities. IAIP receives this information not only through the described reports, but also through BTS representation in IA and the HSOC. The IAIP performs analysis and shares information to support its own mission and to provide information that meets the needs of other intelligence consumers.

US-VISIT

**2. DHS submitted the fiscal year 2004 expenditure plan for US-VISIT to Appropriations several weeks ago. The fiscal year 2005 request is \$340 million, which is a \$12 million increase. How will this funding be allocated in order to implement US VISIT at the 50 largest land border ports of entry?**

**Answer:** The fiscal year 2004 Expenditure Plan included resources for implementing US-VISIT functionality in secondary inspection at the 50 largest land border ports of entry to meet the statutory requirement of December 31, 2004. The Expenditure Plan for fiscal year 2005 includes funding to pilot US-VISIT functionality in entry and exit lanes for selected ports of entry.

**3. What is the “end vision” for the US-VISIT system? How and when does DHS anticipate reaching that objective?**

**Answer:** US-VISIT has begun the effort to create a strategic plan that will establish an overall vision for immigration and border management and identify the mechanisms necessary, including technology, facilities, and data necessary to achieve the vision. Fundamental to this vision is ensuring that appropriate information is available to decision makers (e.g. consular officers, border officers, investigators, immigration adjudicators, intelligence entities) in real time. However, to introduce immediate security improvements, we have focused on an incrementally developing and deploying capabilities. US-VISIT faced some significant challenges, especially in the early days, but has overcome those challenges by phasing-in improvements over the past two years.

The end vision of the US-VISIT Program is to deploy end-to-end management of integrated processes and data on foreign nationals traveling to the United States covering their interactions with U.S. officials before they enter, when they enter, while they are in the U.S., and when they exit. This comprehensive view of border management leads to the creation of a “virtual border” and will set the course for improved business processes across the Government stakeholder community for management of information on foreign visitors.

US-VISIT Program responsibilities begin when a foreign national petitions for entrance, applies for a visa at a consular office, or applies for enrollment in an expedited/trusted traveler program. The US-VISIT Program will support pre-entry processes by using collected biographic, biometric, and previous travel and visa information to authenticate unique identity, match against watch lists, and support the issuance of travel documents.

During the inspection process, machine-readable, tamper-resistant travel documents will be read, biometrics collected, and information regarding a foreign national’s U.S. travel and immigration will be available for decision-making purposes. Foreign national visitors who appear on watch lists, whose identities cannot be verified, or who attempt entry using fraudulent documents will be efficiently sent to secondary inspection for further processing.

The US-VISIT program will keep track of changes in foreign national visitor status as well as identify visitors who have overstayed their visas. This information will be reported to agencies, such as U.S. Immigration and Customs Enforcement, for appropriate action.

As foreign national visitors leave the U.S., their exit will be recorded. Entry and exit records will be matched and visa compliance will be determined and maintained along with travel history.

The data acquired by the US-VISIT Program should prove increasingly useful as it accumulates. Initially, this data will be used to develop resource and staffing projections for Ports of Entry and regional facilities. As more entry and exit information becomes available, the US-VISIT Program will enable traffic, travel, and traveler analysis. Travel and traveler analysis will contribute to foreign national risk assessment and intelligence.

When the vision is fully realized the US-VISIT Program will contribute to the border management goals and will provide our citizens and visitors with a more expeditious and secure border-crossing process.

The US-VISIT end vision will be achieved incrementally over the next several years. The priorities in fiscal year 2003–2005 are to meet the legislative mandates and demonstrate initial progress toward achievement of performance goals for national security, facilitation of trade and travel, and supporting immigration system improvements. In fiscal year 2006, US-VISIT will complete satisfaction of its legislative mandates. At this point, US-VISIT will have delivered an interim capability that addresses the first set of requirements levied on the program. However, the most crucial and challenging need of the program—that of transforming border management through the delivery of an end-to-end, fully integrated set of processes and systems supporting interoperability across the stakeholder community—will only be in its early stages.

Transforming border management will require work on several fronts. First, it means reengineering the processes to fully address creation of the virtual border, development of integrated inspection processes that leverage access to integrated

traveler data, and enhancement of analytical capabilities to support risk analysis and decision-making.

Second, it means tackling the challenging task of consolidating, replacing, and retiring aging legacy systems. Modernizing the systems supporting US-VISIT will require coordination of and collaboration on system decisions across the border management community including DoS, CBP, ICE, USCIS, DOJ, DOT, and Commerce. The need to improve system performance, interoperability, and data sharing along with reducing O&M costs will influence those decisions. Finally, it means ensuring that US-VISIT monitor the international environment and the potential threats and implement capabilities to address gaps in coverage of travelers and entry points; identify opportunities to integrate additional information sources, systems, and processes together to extend the web for border management; and apply new technology where it can help address mission goals.

US-VISIT will continue to work with its Federal stakeholders through its Advisory Board to guide the course set for the Program using the Board to identify issues that will require coordination and policies that need to be defined.

**4. In view of the prospect that few, if any, of the 27 Visa Waiver Program countries can comply with the October 26, 2004, deadline to begin issuing biometric passports, what steps does BTS expect to take?**

**Answer:** All visa waiver program (VWP) countries had to certify by October 26, 2004 that they have a program to issue biometrically enhanced passports in order to continue in the VWP. Most, if not all, of the VWP countries have informed the U.S. that they will not be able to issue International Civil Aviation Organization (ICAO) compliant passports by October 26, 2005 due to technical and other factors. The Administration requested a two-year extension in order to allow the countries time to meet the requirement. A one-year extension was granted. As part of the decision to request the extension deadline, and in order to provide enhanced security, as of September 30, 2004, all VWP travelers will be enrolled in thru US-VISIT.

**5. What additional security measures are anticipated for persons holding Border Crossing Cards as US-VISIT comes into effect on the southern border?**

**Answer:** In response to congressional mandate, US-VISIT will take an incremental approach to implementing enhanced security measures at land border Ports of Entry (POEs). Currently, Border Crossing Card holders who request a stay longer than 30 days (extended from 72 hours this summer) or anticipate traveling beyond the 25 mile limit (75 miles in Arizona) are required to provide biographic information regarding their stay using a paper process (Form I-94). By December 31, 2004, US-VISIT will be deployed in the Secondary Inspection area of the 50 busiest land POEs, including 34 on the southern border. . With the deployment of US-VISIT travelers processed through secondary inspection will have an additional requirement to provide biometric information (digital photograph and fingerprints unless exempt by policy), which will provide the following additional security benefits:

1. Improved traveler identification at Secondary Inspection locations through use of biometrics.
2. A traveler's identity to be can be established and verified using biometrics.
3. Improved document validation at Secondary Inspection locations through expanded access to Department of State visa data.
4. Improved threat analysis and determination of admissibility through enhanced access to biometric Watch Lists at Secondary Inspection locations.
5. The ability to present additional information to the CBP officer in Secondary, which will allow the officer to view more information in the same amount of time resulting in a more informed decision regarding admissibility.
6. I-94 Data will be made available to all Ports of Entry and authorized users within hours rather than the current process which can take weeks.

US-VISIT intends to expand this capability to all land POEs by December 31, 2005.

**Customs and Border Protection**

**Cargo Security**

**6. The fiscal year 2005 budget requests \$50 million for radiation detection monitors. Is this funding for "next generation" or will it be used to purchase and deploy machines at remaining land and sea ports of entry?**

**Answer:** The Department of Homeland Security anticipates that the \$50 million request in the President's fiscal year 2005 budget request for radiation detection equipment will be utilized for next-generation technology deployment. DHS's Science and Technology Directorate is working closely with Customs and Border

Protection, Office of Field Operations, to ensure that CBP has the best available radiation detection technology.

**7. The Customs-Trade Partnership Against Terrorism (C-TPAT) helps to ensure security of cargo all along the supply chain. Under this program, companies sign an agreement with CBP to conduct a comprehensive self-assessment of their supply chain security and to improve that security using C-TPAT security guidelines. Companies that meet security standards receive expedited processing through ports of entry, again enabling CBP to focus on higher risk shipments. As of August 2003, over 3900 companies are participating in C-TPAT to improve the security of their supply chains. Based on current rates of enrollment, this number is expected to reach 5000 companies enrolled by the end of fiscal year 2004. Were there standards and best practices developed for assessment and validation purposes of C-TPAT companies? If so, who developed them and how?**

**Answer:** There are specific security recommendations for each sector of C-TPAT membership. These recommendations were developed by CBP, with substantial input from the trade community, and based upon our 20 years of anti-smuggling / industry partnership experience.

**What plans does BTS have order to ensure the continued integrity of the companies screened and subject to less scrutiny at our ports of entry?**

**Answer:** C-TPAT Validations enable CBP to review the security measures and procedures of the member's supply chain for effectiveness, efficiency and for accuracy. Each Validation is customized based on the member's business model and according to the security profile approved by CBP.

**• Will DHS consider such options as random screening of ALL cargo containers, including C-TPAT company's containers?**

**Answer:** C-TPAT members are not exempt from CBP examinations.

**8. The fiscal year 2004 budget request for CTPAT was 17.9 million with 79 Full Time Employees (FTEs). The fiscal year 2005 request represents a 111 increase in funding and 138 additional personnel. How will the additional funding and staff be allocated?**

**Answer:** The fiscal year 2004 appropriated amount for C-TPAT was \$14.1 million with 79 fulltime equivalents (FTEs), or 157 new positions. The fiscal year 2005 request of \$15.215 million represents an increase in funding to cover an additional 60 FTEs, or 120 new positions. The requested funding will be used for expenses associated with the new positions, validations, equipment, training and outreach.

**• Is any funding directed toward engaging importers to join the program?**

**Answer:** An appropriate amount of funding will be utilized to engage all sectors of CTPAT membership, including importers, for outreach and recruiting purposes.

**• How much will go into validating applicants?**

**Answer:** The primary responsibility of our Supply Chain Specialists is to conduct validations. For this reason, the majority of our travel money will be used for validating certified members.

**• What is the timeline for completing those validations?**

**Answer:** Over 700 validations have been initiated with over 240 completed. Our goal for the current calendar year is to have completed a total of 400 validations.

9. The fiscal year 2005 budget provides funding to hire 100 additional supply chain specialists to validate C-TPAT companies. Currently there are 23 employees doing this work. There are roughly 5,000 companies in the program with 141 validations complete and over 700 in the process. What is the goal for completing the validation of the 5,000 companies once additional staff is hired? Will the approximately 120 FTEs provide some growth capacity for the program? At the same time that we are trying to complete the validations, we are trying to expand participation.

**Answer:** The validation process enables U.S. Customs and Border Protection (CBP) and the C-TPAT participant to jointly review the participant's security procedures to ensure that security measures are being effectively executed. The validation process also promotes an exchange of information on security issues by both CBP and the company, and the sharing of "best practices", with the ultimate goal of strengthening the partnership and the security of the international supply chain.

Over 700 validations have been initiated with over 240 completed. Our goal for the current calendar year is to have completed a total of 400 validations.

The 120 new positions requested in fiscal year 2005 will also enable growth capacity for CTPAT and will allow CBP to meet current mandates, including conducting validations, performing trade outreach and antiterrorism training. In addition, the 120 positions will allow C-TPAT to continue to enable trade by improving supply chain security and increasing supply chain performance. This optimizes the internal

and external management of assets and functions while at the same time enhancing security in order to prevent the introduction of implements of terrorism into legitimate trade entering the U.S.

**10. Will CBP preserve its Customs Management Centers with their existing organization and command structure?**

**Answer:** The organizational structure was reviewed in fiscal year 2004. CBP, within the Office of Field Operations, will maintain 20 Directors of Field Operations—DFO's (formerly called Customs Management Center Directors) in their field organizational structure providing operational oversight to the ports of entry under their jurisdiction. The CBP Field Offices will remain in the same 20 cities where the Customs Management Centers were located.

Port Security

**11. How are the respective DHS functions at seaports (i.e. Coast Guard, ICE, CBP and TSA) coordinated? What steps is the Department considering to integrate these functions?**

**Answer:** The Department of Homeland Security (DHS) is implementing an integrated and collaborative process among Federal, state, local and private partners to gain the greatest intelligence about the people, cargo and vessels operating in the maritime domain and most effectively protect our ports and maritime infrastructure.

The principal coordination mechanism at the seaport level is the Area Maritime Security Committee (AMSC), authorized by the Maritime Transportation Security Act (MTSA). The Coast Guard Captain of the Port (COTP) directs the AMSC as the Federal Maritime Security Coordinator (FMSC). Local DHS and other federal agency representatives, including Transportation Security Administration (TSA), Customs and Border Protection (CBP), and Federal Bureau of Investigations (FBI), are on each committee. Forty-three AMSCs have been chartered across the country with emphasis on advance security measures and plans to deter threats and provide a strong framework for response and recovery in the event of attack. Under the AMSCs, Federal, state, local and private authorities work together as a team to maintain and enhance security. This type of teamwork enables the entire maritime community to rapidly respond to both general and specific threats. Increased communication, teamwork and coordination is an example of the public and private sectors working together to secure our homeland. As a result, the leadership team, the responders, and the organizations are in place and working together to ensure security in our ports.

In the intelligence arena, the COASTWATCH program is the only national level DHS node systematically fusing intelligence and law enforcement data to identify and warn of potential security and criminal threats in the commercial maritime realm far in advance of their arrival. COASTWATCH's screening is focused on identifying specific ships, people or cargo that DHS may wish to investigate for security or significant criminal concerns prior to even nearing the port. COASTWATCH results and warnings are shared widely with Coast Guard operational commanders, the FBI, the Department of Defense (DoD), other intelligence agencies, and our DHS sister agencies, including CBP, TSA, and Immigration and Customs Enforcement (ICE).

On a daily basis, the Coast Guard, CBP and ICE work together to ensure a coordinated effort to screen and evaluate safety and security risk posed by vessels intending to enter a U.S. port. The Coast Guard and CBP have collaborated on a joint effort to enhance the Coast Guard's electronic notice of Arrival (e-NOA) system in order to meet both the CG and CBP's mandatory submission requirements for vessel, crew, passenger, and certain cargo information. Once completed, the e-NOA will allow vessels to electronically submit the required CG / CBP NOA information to one consolidated location. The e-NOA will reduce the burden on industry by offering an easy-to-use, consolidated submission method that will meet both the CG and CBP requirements thereby removing duplicate reporting requirements. Furthermore, development of this joint system will significantly enhance the processing and sharing of information between DHS agencies, increase identification of security and safety risk posed by vessels entering a U.S. port and increase our overall MDA. The Coast Guard and CBP are in the field testing phase of this process and anticipate the system should be available for full use by the maritime industry in the fall of 2004.

The Coast Guard is enhancing its command centers in 40 locations and is offering other DHS agencies and port partners the opportunity to leverage our investment by either collocating their command and control elements in our command center, or by participating on an "as necessary" basis. We are establishing communications interoperability with other agencies and, as our level of Maritime Domain Aware-

ness increases through the implementation of better sensors and intelligence systems, the Coast Guard will be sharing portions of their Common Operational Picture with our local, state and federal partners.

With our federal government's Awareness, Prevention, Protection, Response and Recovery capabilities now under the roof of a single department, the level of communication and cooperation among the sister agencies of Coast Guard, TSA, ICE and CBP is stronger than ever. CBP, TSA and CG are working together to support and align efforts to implement MTSA through interagency working groups addressing cargo security standards, port security assessments, international port security and the development of the National Maritime Security Plan.

Border Patrol

**12. How does CBP plan to incorporate Unmanned Aerial Vehicles (UAVs) into border surveillance programs? How will these be coordinated with aerial surveillance programs of the ICE Air and Marine Division)? How will surveillance data be shared among CBP, ICE and other agencies?**

**Answer:** CBP is working through the DHS UAV Executive Steering Group and UAV Working Group to ensure maximum interoperability and commonality is achieved across all of DHS. The DHS VAV Executive Steering Group provides oversight and direction to the DHS UAV Working Group. The members of the UAV Working Group include Coast Guard, Science and Technology, and Border and Transportation Security (CBP, ICE and TSA). CBP, within the working group, is currently participating in an analysis of alternatives (AoA) for aerial surveillance needs within DHS. Once this report is complete the group will begin a process to establish a DHS-wide concept of operations (CONOP). At the conclusion of the AoA, BTS will determine the need for UAVs as a permanent asset for BTS in a CONOP. It is likely that UAVs will support other current and emerging sensing technologies to monitor the U.S. borders between ports of entry. The CONOPS for UAVs will identify unique needs and requirements stemming from each components missions and ensure that redundancy and overlaps are minimal. It will further ensure that systems procured and deployed on behalf of the DHS are interoperable, and that efficiencies are sought. Any data or information of interest to the security of the United States that is developed during the UAV test programs will be shared via existing intelligence and investigative mechanisms. The recent movement of AMO from ICE to CBP will enhance the development of the use of UAV's for border security programs.

**13. How will CBP and ICE coordinate expedited removal of illegal aliens detained at the southern border who are not Mexican? Has BTS adopted new removal procedures to support its Arizona Border Control Initiative Are their comparable procedures in place for non-Canadians detained at the northern border?**

**Answer:** On August 11, 2004, DHS published a Notice in the Federal Register enhancing its ability to apply expedited removal (ER) between the ports of entry on the northern and southern borders of the United States. The enhanced ER authority is a border control measure, and for that reason, it will be applied only to those aliens who have been in the United States for less than 14 days and are apprehended within 100 miles of the border. The enhanced ER is primarily directed at "third country nationals" who are not citizens of Mexico or Canada. ER will not be immediately extended to all land borders. It will first be extended between the ports of entry in the Laredo and Tucson border sectors and may be implemented in other border locations as needed. CBP and ICE are working together to ensure those aliens placed in ER are removed quickly. As for Canada, the United States and Canada have a longstanding repatriation agreement that covers the repatriation of third country nationals who have crossed the United States/Canadian border. The United States and Canada have also entered into a "safe third" agreement that requires (with significant exceptions) asylum-seekers who have crossed the border to return to Canada and pursue their asylum claim there. The "safe third" agreement was entered in December 2002; a notice of proposed rule-making was issued on March 8, 2004, and the agreement will be implemented in the future.

**14. How is BTS integrating and coordinated CBP, ICE and related operations for the Arizona Border Control Initiative?**

**Answer:** Border Patrol Tucson Sector Chief (David Aguilar) was originally designated as the Border and Transportation Security (BTS) Integrator for the execution of the ABC Initiative. Upon his promotion to Chief, Border Patrol, the newly appointed Tucson Sector Chief, Michael Nicley has taken over the role of Integrator. The Deputy is Mr. Phillip Crawford of ICE. The Integrator and Deputy Integrator have a combined planning staff in Tucson, Arizona. The Integrator provides the

multiple federal, state, local and Tribal agencies as well as the public with a single point of contact for issues related to the initiative. The Integrator maintains frequent direct communication with the BTS Operations Staff for the purpose of rapidly sharing information between Headquarters and the multiple agencies on scene. These communications facilitate coordination on cross-cutting issues and assist BTS in maintaining situational awareness of the progress of the operation.

*Transportation Security Administration*  
**Air Security**

**15. What planning activities are in place to study airport demand characteristics for the future and allocate screener staffing and resources accordingly for fiscal year 2005 and beyond?**

**Answer:** TSA is in the process of conducting a needs assessment to determine the optimal number of screeners at each airport. To ensure the project's success, TSA has partnered with the aviation industry to form the U.S. Commercial Aviation Partnership, which is studying trends in aviation and providing better forecasting to TSA regarding changes that are expected in traffic patterns and airport demand. The needs assessment effort will also draw on TSA's operational experience. TSA believes that both precise forecasting and an operational record are critical enablers of an accurate needs assessment to ensure that resources are allocated in the most optimal manner in fiscal year 2005 and beyond.

Additionally, the Science & Technology Directorate (S&T) has been tasked by Secretary Ridge to perform a Systems Engineering study of Civil Aviation Security. Under Phase I of that study, staffing levels have been obtained for representative alternative configurations for checked baggage, checkpoint, and air cargo screening. Under Phase II of that study, to be completed over the next several months, system-wide staffing estimates will be obtained for these alternatives. However, it is not intended that the S&T study will establish optimal staffing levels on an airport-by-airport basis.

**16. How will information technology tools like threat image projection (TIP) be used to improve staffing allocations, training, and so on at screener checkpoints? Have any justification studies been done to show the long term payoffs derived from the up front costs of implementing TIP and any other IT initiatives?**

**Answer:** Threat Image Projection (TIP) is a valuable training and performance monitoring tool but is not used to determine airport-by-airport staffing allocations. The expanded 2400-image TIP library is used as a key performance measurement of screener effectiveness and to identify specific strengths and weaknesses in threat object recognition and identification. TIP performance information is used locally by the Federal Security Director to tailor weekly recurrent training for screeners based on the areas that are identified for improvement. National level trend data based on the new expanded TIP library is being compiled and analyzed, and national TIP performance standards will be issued once data integrity is assured. Analysis of TIP data is showing a nationwide improvement in identification of threats of approximately 2 percent per month. The Transportation Security Lab is developing the functional requirements for the next generation of TIP capable x-rays to include adaptive learning technology that reacts to the strengths and weaknesses of the individual screener in selecting the type of threat objects presented by increasing the difficulty as the screeners' performance improves.

TSA believes that TIP is a critical element of its overall plan to continuously improve screener performance, but has not yet conducted a long-term payoff analysis quantifying its benefits. Federal Security Directors have tools available to them to improve the management and scheduling of screeners. Tools such as Kronos for time & attendance and Sabre for screener scheduling provide real-time information which enables the FSD at each airport to forecast periods of peak demand for screening. Additionally, TSA uses more split shifts and part-time screeners to maximize the operational flexibility available to FSDs when scheduling screeners to satisfy varying levels of demand. These applications are important tools that assist TSA in creating additional capacity and greater efficiencies in the scheduling of screeners.

**17. How does the funding for canine teams and the number of canine teams for air cargo operations compare to the numbers of canine teams and funding for operations inside the airport terminal? Has the pilot program to study canine inspections of U.S. mail been continued/expanded, and if so does this fall under the air cargo canine operations or airport terminal canine operations?**

**Answer:** TSA is currently authorized to deploy 341 explosives detection canine teams at the Nation's airports. These teams are trained, employed and their per-

formance evaluated in airport terminals, cargo operations, vehicles/parking lots along with narrow and wide body aircraft. Based on each airports unique security requirements, the teams are employed in both general airport and cargo operations areas as needed. The total authorized number of canine teams nationwide is determined by each individual airport's canine team's work load and mission requirements. As an example, Miami International Airport would have a larger canine team work load than Boise International Airport. The TSA Explosives Detection Canine Team Program is a cooperative partnership with participating airports and airport law enforcement agencies. Currently, TSA provides partial reimbursement at \$40,000 per canine explosives team to support explosives detection operations at each participating airport for costs associated with the teams, such as salaries, canine food and veterinary care. Under our current reimbursement guidelines, we have allocated a percentage of this figure from cargo funds and a percentage from aviation funds. These reimbursement percentages are based on the percentage of time canine teams are deployed for air cargo and airport terminal operations. As new teams are authorized, funded, and dedicated to cargo screening operations, these percentages may change.

In early 2002, TSA, the United States Postal Service (USPS), and the aviation industry, agreed that additional security screening measures needed to be identified and developed before resuming the transport of mail on passenger aircraft. In June 2002, TSA's National Explosives Detection Canine Team Program conducted Operational Test & Evaluation (OT&E) pilot testing at six (6) major airports with the assistance from the USPS and airline industry to determine and demonstrate the canine teams' ability to detect actual explosive targets within packages that simulated Priority Mail products that were independently introduced into actual mail. An additional purpose of the pilot testing was to compare the throughput capabilities of both X-Ray and canine resources under operational conditions. The results were successful. Consequently, in November 2002, TSA established canine screening operations for priority mail, in excess of 16 ounces, through partnership agreements with USPS and the airline industry at 10 airports within the 48 contiguous states and at San Juan, PR and Honolulu, HI. By the end of fiscal year 2004 over 23,000,000 packages will have been successfully screened by TSA-certified explosives detection canine teams. The pilot program to study canine inspections of U.S. mail falls under the air cargo operations.

TSA is currently conducting additional Canine Cargo Pilot OT&E testing in two phases:

- Phase I, tested various explosive targets/distracters that were introduced into multiple cargo configurations at six major airports. All testing was conducted under actual cargo operations and various weather conditions. The OT&E is complete and the preliminary results are promising. The final report is expected in the coming weeks.
- Phase II, OT&E started in June 2004 and was completed on schedule in August 2004. The tests were conducted at six major airports where expanded explosive detection investigation took place using multiple cargo airline containers, airline ground support equipment and USPS rolling stock equipment configurations under actual cargo/mail operations and environments. Testing evaluated TSA-certified canine teams' ability to screen larger volumes of mail placed inside USPS "rolling stock" equipment containers, which hold larger volumes of bags/boxes. The final test results will be analyzed and recommendations will be proposed for both cargo and mail, in excess of 16 ounces, screening operations at other major airports using TSA-certified explosives detection canine teams along with other system technologies for mail and cargo transported on passenger aircraft.

#### **Railway Security**

**18. How are the responsibilities related to rail and transit security divided between the TSA and the FTA? Are there mechanisms in place to eliminate duplication of efforts, or do some of these responsibilities need to be further clarified by Congress?**

**Answer:** DHS, DOT and component agencies including TSA, FTA, FRA and RSPA coordinated very closely on initiatives relating to rail and transit security, including the issuance of educational materials and security directives establishing a new baseline of security for transit and passenger rail operators after attacks on transit systems in Moscow and Madrid earlier this year and during both planning for and operation of short-term protective initiatives undertaken for various national special security events (NSSEs) this summer, including the two national conventions, and the period of time leading up to the elections. This coordination involved the identification and allocation of resources, assets and responsibilities. In addition,

DHS and DOT have collaborated very closely on initiatives designed to improve the security posture of rail operators and shippers that transport Toxic by Inhalation (TIH) chemicals, and the major population centers through and near which such chemicals are shipped. DHS and DOT are also actively engaged in discussions regarding both a transit-specific Memorandum of Understanding to articulate DHS component (TSA, IAIP) and DOT modal administration (FTA) responsibilities for securing public transportation systems—responsibilities that are shared with the local system owners and operators, and an overarching MOU which will set forth very clearly how the two departments and the component agencies will communicate and cooperate with regard to specific initiatives designed to strengthen security in the transportation sector.

In general, on December 17, 2003, the President issued Homeland Security Presidential Directive-7 (HSPD-7), which established that the Department of Homeland Security and the Department of Transportation will “collaborate on all matters relating to transportation security and transportation infrastructure protection.” HSPD-7 “establishes a national policy for Federal departments and agencies to identify and prioritize United States critical infrastructure and key resources and to protect them from terrorist attack.” Under HSPD-7, the Secretary of the Department of Homeland Security has the lead role in coordinating protection activities for “transportation systems, including mass transit, aviation, maritime, ground/surface, and rail and pipeline systems,” while DOT is responsible for promoting the safety, efficiency, effectiveness, and economic well-being of the nation’s transportation systems. The Department of Homeland Security (DHS) is responsible under HSPD-7 for developing a National Critical Infrastructure Protection Plan. TSA has been assigned primary responsibility for coordinating the development of the Transportation Sector Specific Plan among the various federal agencies with responsibilities in the transportation sector, including DOT and its modal administrations, U.S. Customs and Border Protection, the U.S. Coast Guard, and the Information Analysis and Infrastructure Protection Directorate, among others.

DOT and its component modal administrations have subject matter expertise, substantial relationships, and frequent interactions with stakeholders and federal agencies involved in the entire Transportation Sector. For these reasons, and pursuant to HSPD-7, TSA collaborates closely with DOT’s modal administrators, including the Federal Transit Administration (FTA) and the Federal Railroad Administration (FRA), on transportation sector security. In partnership with other component agencies of DHS and in coordination with DOT modal administrations and state, local and private sector partners, TSA leverages existing security initiatives; coordinates the development of national performance-based security standards and guidance; develops security plans; assesses security vulnerabilities and identifies needed security enhancements; identifies areas where regulations may be necessary to improve the security of passengers, cargo, conveyances, transportation facilities and infrastructures; and identifies areas where better compliance with established regulations and policies can be achieved. TSA is currently developing modal-specific security plans to flesh out additional details of each of the transportation modes encompassed within the Transportation Sector Specific plan. TSA is working with DOT modal administrators in developing these plans.

**19. What level of coordination of transit security efforts is currently taking place between the TSA, state and local transit authorities and Amtrak?**

**Answer:** TSA works closely with FTA, state and local transit authorities and Amtrak on a regular basis. Before and since the issuance of the Security Directives (SD) on May 20, 2004, TSA has been in close communication with the FTA and FRA, and transit agencies and passenger rail operators throughout the nation. TSA’s SDs have assisted in ensuring that best practices implemented by a number of the nation’s largest transit systems both prior to and after the Madrid and Moscow attacks, due greatly to the significant effort undertaken by FTA in the wake of 9/11 to undertake comprehensive vulnerability assessments of major transit systems, are implemented consistently through all the nation’s commuter rail and transit systems. Additionally, TSA, IP and FTA are coordinating very closely to conduct additional criticality assessments of the top rail-based mass transit assets.

TSA has initiated a project aimed at providing comprehensive security reviews of all owners and operators in the rail and transit environment. TSA meets with stakeholders to review and assess security plans and to ensure that baseline security measures have been addressed for different threat levels.

FTA and TSA receive and share information on threats and intelligence through the Surface Transportation ISAC (Information Sharing and Analysis Center) managed by the Association of American Railroads (AAR). TSA has also sponsored a tabletop exercise at Union Station Washington, DC involving stakeholders, emergency

responders and enforcement agencies in implementing the station's Emergency Response Plan.

TSA, AMTRAK, and Federal Railroad Administration coordinated to institute a passenger and carry-on baggage-screening prototype for explosives in a rail environment called the Transit and Rail Inspection Pilot (TRIP). Phase I was conducted in partnership with DOT, Amtrak, MARC and Washington's Metro from May 4 to May 26 at the New Carrollton, MD, station. Phase II was conducted in conjunction with AMTRAK between June 7 and July 5 at Washington, D.C.'s Union Station, and Phase III was conducted from July 19 to August 20 and involved a partnership between DHS, DOT and the State of Connecticut's Shoreline East Commuter Rail.

Additionally, TSA, in coordination with the Department of Defense Technical Support Working Group (TSWG), initiated a project at Amtrak's 30th Street Station in Philadelphia. The objective of the TSWG funded Mass Transit Video Surveillance project is to develop and deploy an integrated monitoring, detection, and alerting system with the ability to distinguish, track, and display anomalous human behavior in multiple-stream video feeds for the identification of possible terrorist attacks in a mass transit setting. The system is to be adaptable for monitoring a variety of mass transportation venues, including mass transit subway stations, light rail stations, bus terminals, tunnels, and bridges, and testing is expected to commence in late fiscal year 2004.

**20. What is the current status of TSA's planned threat based security management system for all modes of transportation, and specifically for passenger rail security? How does this system address passenger rail security?**

**Answer:** Consistent with Homeland Security Presidential Directive 7, governing protection of critical infrastructures, TSA is developing a national transportation security strategy that focuses on awareness, prevention, response, recovery, restoration of services, and restoring public confidence. In partnership with other component agencies of the Department of Homeland Security (DHS), modal administrations of the Department of Transportation (DOT) and industry stakeholders, TSA is working to assess security vulnerabilities and identify needed enhancements to the rail system and related infrastructure, develop national performance-based security standards and guidance to assess and improve the security of passengers, cargo, conveyances, transportation facilities and infrastructures; and ensure compliance with established regulations and policies. This information will be incorporated into the Transportation Sector Specific Plan (SSP), part of the National Critical Infrastructure Protection Plan pursuant to HSPD-7. The SSPs articulate and seek to better define and improve how federal and private sector stakeholders communicate and work together; how important assets in the transportation sector are to be identified, assessed, and prioritized; how protective programs will be developed; how risk reduction will be measured; and how R&D will be prioritized. TSA and DOT Modal administrations are building the foundation of the SSPs to create modal security plans, including mass transit and rail, to provide overall operational planning guidance on transit and rail security. Development of the Transportation and other SSPs is nearly complete. Development of the modal plans will leverage the interagency working groups formed to develop the SSP, and is also underway.

Efforts in rail transit security over the past two years have focused on greater information sharing between the industry and all levels of government, assessing vulnerabilities in the rail and transit sector to develop new security measures and plans, increasing training and public awareness campaigns, and providing greater assistance and funding for rail transit activities.

TSA will continue to assess the risk of terrorist attacks on non-aviation transportation modes, assess the need for passenger, cargo, and supply-chain standards and procedures to address those risks, and ensure compliance with established standards and policies. The following are some of the activities and initiatives DHS has/will implement in partnership with TSA to strengthen security in surface modes:

- Issued Security Directives (SD) to ensure that best security practices are implemented throughout the industry. The SDs establish 16 mandatory protective measures for commuter and transit passenger rail, inter-city train, and regional services.
- Ensure compliance with security standards for commuter and rail lines and better help identify gaps in the security system in coordination with DOT, with additional technical assistance and training provided by TSA;
- Study hazardous materials (HAZMAT) security threats and identify best practices to enhance the security of transporting HAZMAT.

- Conducted a pilot program to test the new technologies and screening concepts to evaluate the feasibility of screening luggage and carry-on bags for explosives at rail stations and aboard trains;
- Develop and implement a mass transit vulnerability self-assessment tool;
- Continue the distribution of public security awareness material (i.e., tip cards, pamphlets, and posters) for motorcoach, school bus, passenger rail, and commuter rail employees;
- Increase passenger, rail employee, and local law enforcement awareness through public awareness campaigns and security personnel training;

**21. When does TSA expect to complete (a) name-based checks and (b) criminal background checks for the Transportation Worker Identification Card (TWIC) Program? Does TSA intend to prioritize categories of workers for background checks?**

**Answer:** The Transportation Worker Identification Credential (TWIC) Prototype Phase has begun in three regional areas: LA / Long Beach, CA; Delaware River and Bay; and the State of Florida. Participation in the TWIC Prototype Phase is voluntary and expected to include not more than 200,000 people. TSA intends to complete name-based checks on prototype participants against lists of known/suspected terrorists in all three regions during the Prototype Phase, but will not make a decision on conducting criminal background checks until after the prototype is complete. Florida, which is a TWIC Prototype Phase participant, will continue to conduct criminal background checks under that state's current statutory authority. This background check is a state requirement and not a federal or TWIC requirement.

In conducting the Prototype, TSA and transportation stakeholders intend to further evaluate background check approaches and their ability to meet the TWIC program's three goals of improving security, enhancing commerce, and protecting individuals' privacy. Planning for full implementation continues and will be significantly affected by the results and lessons learned in Prototype. This planning process will include a detailed review of the schedule for implementation, which will establish a timeline for completion of name based and criminal background checks for transportation workers.

*Immigration and Customs Enforcement*

**Federal Air Marshals**

**22. Does BTS expect that requiring air marshals on flights by foreign carriers to the United States would necessitate significant new resources, e.g. for training and liaison with foreign governments and airlines? How can BTS vet and certify foreign air marshals to ensure they have right level of training and professionalism?**

**Answer:** The US Government does not require air marshals on foreign air carrier flights transiting to/from the United States. On Dec 28, 2003, the Transportation Security Administration (TSA) issued an Emergency Amendment (EA) making reference to placing foreign air marshals on flights to/from/over flying the U.S. "where necessary" when threat information warranted such action. The EA did not stipulate that foreign air marshals were required, only that they may be required. However, this did prompt many foreign governments to reexamine their need for air marshals. As a result, the U.S. Federal Air Marshal Service (FAMS) has received numerous requests for FAMS provided air marshal training. If the US Government eventually requires air marshals on foreign flights, then, the FAMS can expect to see an escalation of foreign requests for training. The U.S. Government does not certify foreign air marshal programs nor is the U. S. FAMS vetted or certified by any foreign entity. Those countries that have air marshals transiting the U.S. have been allowed to do so by the Department of State (DOS) and the TSA. The DOS relies on TSA's input as to whether permission (through a visa) should be granted.

**Temporary Worker Initiative**

23. Is USCIS' Basic Pilot Program for employer verification an appropriate model for the President's proposal? How might this be linked with the ICE Worksite Enforcement Program to develop an effective long term, nationwide program? (*Note: P.L. 108-156 mandates expansion of the Basic Pilot Program at a projected cost of about \$5.0 million more than the current \$6.0 million budget.*)

**Answer:** The concept behind the *Basic Pilot Program* can be an integral and effective part in ICE's overall Worksite Enforcement/Critical Infrastructure Protection strategy. The capability of legitimate employers to easily verify employment authorization will help to reduce the number of opportunities for undocumented aliens who gain employment in the United States through the presentation of fraudulent documents. As the program expands throughout the United States, ICE may use it to supplement its enforcement plan as an after action tool. For example, recent ICE

operations have focused on the reduction of vulnerabilities to the nation's economy and critical infrastructure. As ICE reviews employers and employees in these areas, the employers may be enrolled in the Basic Pilot Program to assure that future employees are authorized for employment. This will reduce the need for ICE to continue to scrutinize a particular industry.

Given its expanded use and potentially growing role, it will be important to re-evaluate the technology incorporated in the Basic Pilot Program to ensure that it will continue to provide a fool-proof tool for employers.

#### **ICE Detention and Removal**

**24. As the pace of ICE enforcement and removal activity quickens (with the \$186 million increase in fiscal year 2005 programs), at what point will the number of detained aliens exceed the capacity of DHS to hold them or keep track of them?**

**Answer:** Currently, ICE detains 23,000 aliens, on average, per day. However, ICE estimates that there is a potential requirement for detaining upwards of 36,000 aliens, on average, per day. Because detention is very expensive and because not all aliens must be detained in order to maintain effective control over them, DHS / ICE is developing more cost-effective alternatives to detention. Alternative to detention initiatives include electronic monitoring and intensive community supervision.

For fiscal year 2004, DHS / ICE is piloted eight intensive supervision sites, each with 200 participants. The fiscal year 2005 budget includes funding (\$11 million) to double the capacity at each of those sites and to add one new site. These enhancements allow for the controlled supervision of 3,400 low threat-risk aliens nationwide. Use of detention alternatives for low risk aliens allows for increased detention of higher risk aliens and results in better security for US citizens. This initiative received appropriations in fiscal year 2005 at the level of the request.

It is difficult to estimate the precise point at which the number of detained aliens will exceed DHS' ability to either hold or keep track of them. Currently, DHS / ICE effectively detains or supervises approximately 1 million aliens nationwide. Clearly, initiatives such as alternatives to detention expand DHS's ability to control non-detained aliens, while initiatives such as expedited removals and institutional removals speed the process of deporting removable aliens and thereby reduce overall requirements for detention and tracking.

**25. Do the MOUs with Florida and Alabama on local enforcement of immigration laws provide a boilerplate for expanded interior enforcement? Does ICE plan any new MOU's as provided by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 and other legislation?**

**Answer:** Section 287(g) of the Immigration and Nationality Act (I&NA) affords ICE and state and local law enforcement agencies an opportunity to address specific criminal activity and security concerns when dealing with foreign nationals residing in the United States. The Section 287(g) Program serves as a force multiplier for both ICE and the participating state/local agency.

The required Memorandum of Understanding (MOU) is used to establish the parameters by which the cross-designated officers will use their ICE immigration authority. This allows both parties to address the public safety concerns in their geographical areas covered by the MOU.

ICE is currently developing MOUs with the Commonwealth of Virginia and Los Angeles County, under 287(g). ICE does not actively pursue or solicit state and/or local enforcement agencies to participate in the 287(g) Program. The state and/or local political entity must initiate a request to DHS/ICE to participate in the 287(g) Program.

#### **ICE Air and Marine Operations (AMO)**

**26. How have AMO's operations and responsibilities changed since 9/11, and what resource demands have these changes entailed? How are these needs being met?**

**Answer:** In the post-9/11 strategic environment, a new national requirement for airspace and marine security has been identified and entrusted to AMO. This includes new missions such as airspace security over Washington, D.C., designated National Security Special Events, Continuity of Government operations and the launch of five new Northern Border Branches. This is a significant and rapid expansion of operations and responsibilities beyond AMO's legacy customs interdiction mission.

AMO covers the most pressing tasks and missions today by surging its personnel, resources and force structure that are still mainly sized against the pre-9/11 legacy missions. Supplemental appropriations have met some of the additional costs associated with the expansion in AMO missions and responsibilities. AMO is presently re-

validating requirements and identifying the force structure and capital equipment needed to complete its transition into a force enabled to cover fully all of the new air and marine missions beyond its legacy Customs interdiction role.

**27. What plans are there to economize or integrate BTS and Coast Guard air and marine assets—e.g., capital acquisitions and facilities, support and maintenance programs?**

**Answer:** In fiscal year 2005, BTS air and marine assets will be consolidated within the Bureau of Customs and Border Protection. Efforts are underway to manage that consolidation to ensure the maximum operational and cost efficiencies.

While this consolidation proceeds, the Department will continue to review additional operational and cost efficiencies that can be gained between CBP and Coast Guard air and marine personnel, programs and equipment. The Department manages this ongoing review through the Aviation Management Council which provides the leadership and oversight on joint DHS Aviation policy, operations, procedures, requirements, sourcing strategies and asset management to support the needs of the Department. This group is currently engaged in drafting a Department-wide Aviation Concept of Operations for review by the DHS Joint Requirements Council.

Similarly marine assets continue to be reviewed by the Department's Vessel Commodity Council. Although CBP and USCG have very different marine missions, efficiencies may be gained by consolidating hull designs and/or outboard engines, and standardizing maintenance procedures on similar platforms and equipment. Furthermore, other actions are being taken, for example: CBP is currently co-located with USCG at their Niagara facility; also, upon delivery of the SAFE Boats purchased from a Coast Guard contract, CBP plans to co-locate with USCG and ICE at their facilities in Bellingham, WA, and is exploring consolidated maintenance facilities with both USCG and ICE in Brownsville, TX; and CBP is in the process of scheduling representatives from the Coast Guard to provide an unbiased look at CBP boat operations (in selected sectors) and offering best practices for consideration.

**28. What will be the effect of the proposed threefold increase in flight hours on the AMO's aging P-3 surveillance aircraft? When will DHS need to start replacing or refitting these aircraft?**

**Answer:** The flying constraint has primarily been adequacy of operations and maintenance funding. AMO's current P-3 inventory is capable of flying the requested increased flight hours. With minor manning augmentation, it will be very achievable to meet the increased and expanded mission requirements.

Recapitalizing or modernizing to meet the P-3 specific mission capability is part of AMO's deliberate modernization plan. This plan will be reviewed by both the Department's Aviation Management Council, and the Joint Requirements Council vis-a-vis all the other DHS aviation requirements. Once that review is complete a recapitalization plan will be developed.

**29. When will DHS submit to Congress its "Assessment of Aviation Operations and Support?" Will it conduct a similar review of AMO, CBP and Coast Guard maritime operations to assess benefits of integrating those activities?**

**Answer:** The "Assessment of Aviation Operations and Support" has been conducted with the assistance of Booz-Allen-Hamilton. The Department has already initiated many of the recommendations stemming from the report. The Assessment of Aviation Operations and Support results have been made available to the Government Accountability Office to aid in their engagements pertaining to the Review of the DHS Efforts to Share Assets. Once the full report has been reviewed and accepted throughout the Department it will be available for distribution.

**30. What are DHS recommendations for closing gaps in low-level surveillance by Tethered Aerostat Radars (TARS)? How should this coverage be assured over the long term? Has DHS made an assessment of any new technology or systems which can fulfill this role?**

**Answer:** TARS is a critical component in the interdiction of airborne threats to the U.S. and forms part of our last line of border defense. It is the only fixed system that provides low-level radar coverage of air targets, and can provide some surveillance of maritime and land targets. TARS currently provides the nation's most effective surveillance system against multiple threats, and serves many national objectives including homeland security; countering illicit traffickers (air, land and sea); air sovereignty; air traffic control, and flight safety. TARS is the only sensor system that can provide detection and monitoring (D&M) of multiple airborne threats (drug smuggling, terrorism, air-delivered WMD) on the southern approaches to the US—especially the southwest border.

Counterdrug D&M was made the statutory responsibility of DOD in the 1989 Defense Authorization Act. Specific responsibility for funding and operation of TARS was assigned to DOD by separate statute in 1992. We believe that this critical system, by roles, missions, and governmental functions was properly assigned to DOD by Congress. DOD should retain responsibility for this critical system.

The Department of Homeland Security is a strong advocate for TARS and supports a complete TARS border surveillance system, until new technologies are developed to meet this operational requirement. This system would support air, land and sea surveillance requirements of Border Patrol, U.S. Coast Guard, Office of Air and Marine Operations and other DHS components as well as DoD.

DHS is exploring new technology to meet border security mission requirement. The border security mission will be supported through a variety of systems. Sensors such as TARS, UAVs, rotary and fixed wing aircraft, and ground-based equipment and personnel to operate and maintain these systems must be coordinated and aligned against the highest critical vulnerabilities and threats. TARS is one critical and cost-effective element of this system. UAVs hold promise in some applications.

#### **Overseas Programs (ICE and CBP)**

**31. What plans does ICE have for expanding the reach of the Visa Security Program (mandated by P.L. 107-296, Section 428) to countries other than Saudi Arabia?**

**Answer:** DHS plans to open additional overseas visa security offices during fiscal year 2005. DHS, in consultation with DOS Bureau of Consular Affairs, has identified the next priority sites based on a risk assessment. To extend the reach of the program, these next offices will cover defined geographic regions. As well, DHS is exploring the concept of "rapid response teams" that would deploy to posts for short periods of time to provide advice and training to the consular officers on emerging threats and various methods to enhance their adjudication activities.

**32. What value-added can VSP officers bring to overseas functions beyond what is already covered by Department of State officers (who themselves receive training in security procedures with DHS assistance under terms of a DHS-State MOU)? To what extent will VSP officers play a liaison role to build up cooperation with their host country law enforcement counterparts?**

**Answer:** Each department has a separate focus, responsibility, and area of expertise. Visa Security Officers (VSOs) focus on visa issues and individual applicants that raise national and homeland security concerns, whereas Consular Officers manage the day-to-day adjudication of visa applications while also keeping security a high priority. VSOs bring extensive subject matter expertise to this process, including knowledge of immigration law, counter terrorism, document analysis, investigations, intelligence research and dissemination, interviewing and fraud detection. VSOs are seasoned, highly skilled officers with experience in criminal enforcement outside, at, and within the border, including potential abuses of the visa process. As law enforcement officers, VSOs are best equipped to interpret, evaluate, and apply this information. VSOs will coordinate with other law enforcement authorities and appropriate DHS headquarters components to gather information necessary to refuse visas to individuals who pose security concerns, and to investigate abuses of the visa system. At post, VSOs will participate in the terrorist lookout committee and other relevant groups, and will build relationships with the u.S. law enforcement community. VSOs will assist with intelligence research, investigative activity, risk assessment, and other collaborative law enforcement efforts.

**33. What plans does DHS have for the reported "Immigration Security Initiative," i.e. placing CBP inspectors at foreign hub airports to pre-screen U.S.-bound passengers? Have the concerned foreign governments agreed to this and, if so, with what conditions? How many inspectors might be required, and does the fiscal year 2005 budget cover this program?**

**Answer:** The Immigration Advisory Program (IAP), formerly known as the Immigration Security Initiative (ISI) began a pilot program on June 26, 2004, with the deployment of four U.S. Customs and Border Protection (CBP) Officers to Schiphol Airport, the Netherlands. After the advice and consent of CBP's international partners in customs and immigration, CBP Commissioner Bonner renamed this program from ISI to IAP. A second effort began at Warsaw's Chopin Airport on September 15, 2004, with the deployment of five CBP Officers.

The IAP is based on a concept that is recognized and endorsed by the International Air Transport Association/Control Authority Working Group (IATA/CAWG). In fact, IATA/CAWG developed a code of conduct for the Immigration Liaison Officer

(ILO). Other like-minded countries, Canada, United Kingdom, Australia and the Netherlands have similar programs in place.

The number of officers needed depends on the flight and passenger volume at each location. At major overseas hubs many U.S. bound flights depart within a narrow time frame. Therefore, there will be a need for more officers at those locations.

Congress added \$2 million in fiscal year 2005 to expand the program to new locations.

**34. How can BTS leverage its resources for greater effectiveness of its overseas personnel? For example, can VSP officers carry out pre-inspection tasks on behalf of CBP? How has BTS organized its component units overseas to ensure that they are coordinated and can complement one another?**

**Answer:** The structure of the DHS international organization is currently under review. BTS in particular is considering ways to better share resources and responsibilities and to improve coordination and communication among overseas components.

**35. What plans does BTS have to attract qualified personnel and build up a cadre of officers with the necessary functional, linguistic and international expertise as mandated in Section 428 of the Homeland Security Act?**

**Answer:** BTS has developed a staffing model for the visa security offices overseas and has defined selection criteria for Visa Security Officers (VSOs). These criteria include: law enforcement expertise, including investigations; counterterrorism experience; fraud document detection training and experience; knowledge of immigration law; experience working overseas in a diplomatic and interagency environment; and language capabilities. The law enforcement career tracks within the BTS components of ICE and CBP provide a large available cadre of personnel with these types of functional expertise, including experience working overseas. BTS has been very successful recruiting volunteers to serve in the program and will continue to tap this highly skilled pool of personnel. Once selected, the officers will receive mission-specific training that refreshes functional skills and prepares VSOs to serve in this unique capacity. BTS will continue to address the government-wide shortage of language-qualified personnel by providing significant language training to the VSOs.

#### **Counter-Narcotics**

**36. In the Homeland Security Act, the Department was organized to include a dedicated Counter-Narcotics Officer on your staff who is to ensure adequate focus of homeland security resources to the counterdrug mission. This Counter-Narcotics Officer is also designated as the U.S. Interdiction Coordinator (USIC) and reports to the Director of the Office of National Drug Control Policy (ONDCP) on the overall national interdiction effort. How effective has this dual position been? What organizational relationship is there between the positions of the Undersecretary and the Counter-Narcotics Officer? Does the Department of Homeland Security have the resources necessary to attack the current drug threat while keeping up with its other responsibilities?**

**Answer:** The position of DHS Counternarcotics Officer was created as an advisor to the Secretary of Homeland Security, not part of BTS staff. The current CNO serves in multiple roles as ONDCP Director of Intelligence, as United States Interdiction Coordinator, and as DHS counternarcotics officer. I meet regularly with the CNO, and two of my staff are located in his office. These actions help ensure the closest coordination possible on counternarcotics issues.

#### **QUESTIONS SUBMITTED BY THE HOUSE SELECT COMMITTEE ON HOMELAND SECURITY, MINORITY STAFF**

**1. According to recent testimony from Dr. Randy Null and additional discussions with TSA staff, there are 30—40 airports that would see security and efficiency benefits by implementing in-line screening systems. However, TSA has signed Letters of Intent with only eight airports, and does not plan to expand to significantly more airports. What is the Department's plan for implementing Letters of Intent at more airports, especially at those that aren't currently able to electronically screen all checked baggage?**

**Answer:** While numerous airports have expressed interest in entering into an LOI for an in-line baggage screening solution, TSA continues to use its available funding for EDS installation work at airports that have yet to achieve, or cannot maintain, compliance with the 100 percent electronic screening requirement at all

airports. TSA is working with airports that will not be able to maintain compliance with the 100 percent electronic screening requirement because of increased passenger loads, increased and/or additional air carrier service, and/or airport terminal modifications and expansions. The President's Budget for fiscal year 2005 supports previously issued 8 LOIs for 9 airports, and assumes a 75/25 cost share formula as set in the Consolidated Appropriations Resolution, 2003. TSA also provides support to some airports that have not received an LOI, by providing additional funding to install equipment to accommodate increased passenger loads and new air carrier service. Although 8 LOIs have been issued, TSA continues to evaluate situations where an in-line solution makes sense from the standpoint of security, efficiency, and reduced staffing needs.

**2. Congress has instituted a cap of 45,000 TSA screeners. Recent reports indicate that many airports are understaffed, which leads to detection equipment going unused; transfer of screeners away from baggage checkpoints to passenger checkpoints, leaving too few screeners inspecting checked baggage, and an increase in delay times. Do you believe that 45,000 screeners is the optimal workforce size? Would you support a detailed study of how many people are needed to appropriately conduct airport screening?**

**Answer:** TSA is committed to providing strong security and the best possible customer service while working within the 45,000 screener cap set by Congress. TSA is creating a more flexible workforce, better coordinating airline schedules and passenger load with staffing needs, increasing the proportion of part-time to full-time screeners, and strategically using its mobile National Screener Force to meet seasonal fluctuations in workload. TSA expects to have a parttime screener workforce of close to 20 percent by the end of 2004. Part-time screeners create additional operational flexibility when scheduling screeners to satisfy varying levels of demand. As a result of reducing excess capacity at periods of lower demand, TSA is seeking to make more FTEs available to the system as a whole during peak periods.

In the short-term, TSA is also revising its screener allocation methodology which will be completed in 2004.<sup>1</sup> The approach calls upon modeling capabilities and actual operational experience. The revised allocation will not be similar to the right-sizing that occurred last year, but rather will be modest adjustments based on items such as forecasted air travel, hours of operation, baggage screening areas, passenger checkpoint lanes, types of equipment and screener Standard Operating Procedures as well as FSD input and involvement. TSA is shaping the airport's screener staffing levels based on direct input from FSDs and will regularly monitor these numbers to ensure staffing levels are appropriate based on work force needs.

Simultaneously, TSA is in the process of conducting a needs assessment to determine the optimal number of screeners at each airport. This is a longer-term project that will evaluate many different factors and variables need to be weighed in order to complete a thorough study that can be used for all airports across the country. To ensure the project's success, TSA has partnered with the aviation industry to form the U.S. Commercial Aviation Partnership, which is studying trends in aviation and providing better forecasting to TSA regarding changes that are expected in traffic patterns and airport demand. The needs assessment effort will also draw on TSA's operational experience. TSA believes that both precise forecasting and an operational record are critical enablers of an accurate needs assessment to ensure that resources are allocated in the most optimal manner.

**3. Why is the operations budget of the Federal Air Marshal Service being cut in this request? If it is because Secret Service and other federal law enforcement officers are substituting on some flights, what level of training are those officers receiving to act as air marshals?**

**Answer:** The Department of Homeland Security (DHS) continues to view the Federal Air Marshal Service (FAMS) as a fundamental component of our national security plan and overall counter-terrorism efforts. The services provided by the FAMS are integral to our efforts to instill and sustain public confidence in our civil aviation system and for providing an expanded law enforcement capability in our skies that previously did not exist. In fact, within the span of roughly two and a half years the FAMS has fielded a trained work force of literally thousands of FAMSS to protect America's citizens and interests in our commercial air transportation system.

<sup>1</sup> After the date of this hearing, TSA completed its revisions of the allocation of screeners. The numbers were announced on May 14, 2004 and reflect a modest adjustment to a workforce already functioning for the last six months at the 45,000 full-time equivalent cap.

In this same time, DHS has also worked with the Congress to invest in, develop and implement a layered security plan that encompasses the coordinated efforts of an entire spectrum of Federal, State and local agencies. These agencies are working together to provide an array of intelligence, enforcement and protection services to our civil aviation system, our borders and to other areas vital to the nation. Under this strategy, we have established mechanisms and programs designed specifically to complement one another. For example, DHS has invested in cutting edge technology for airport and baggage screening activities; we have hardened cockpit doors; we have established a Federal flight deck officer training program; and we are continuously working to apply the latest intelligence information in shaping our decision-making and response to terrorist threats.

The fiscal year 2005 budget request reflects this layered approach. Not only does it include a request that represents a 32 percent increase over the fiscal year 2003 level but it also includes a \$600 million request for TSA to increase aviation security and a \$10 million dollar request for Science & Technology efforts to supports the FAMS.

The Department is evaluating ways to best leverage the law enforcement resources of other ICE programs and federal law enforcement agencies in general, in improving our aviation security/counter-terrorism efforts. These initiatives include the Mission Surge Program, which pairs Federal Air Marshals with ICE agents during peak threat periods, and the Force Multiplier Program (FMP). Through the FMP, participating agencies are provided a computer based training to prepare Federal law enforcement officers to react within the unique aircraft environment in fan in-flight crisis. Participating Federal law enforcement officers traveling in their normal course of business are not replacements for Federal Air Marshals. However, the FMP is intended to allow FAMS planners to better manage and allocate Federal Air Marshal resources and otherwise improve coverage of priority flights of interest.

**4. The GAO recently reported that the CAPPS II systems had met only one of eight requirements and that several management and program objectives were still undeveloped. What is the Department's timeline for initial operating capability, full operating capability, and deployment of the CAPPS II system? What specific activities will be supported with the increased funding requested for fiscal year 2005?**

**Answer:** After a lengthy review, DHS has announced the creation of the new Secure Flight program, which will serve as the next generation domestic airline passenger prescreening program. Secure Flight will shift responsibility for conducting airline passenger pre screening from the airlines to TSA by checking domestic airline passenger name records against the consolidated terrorism watch list maintained by the Terrorist Screening Center (TSC), and applying a modified version of the CAPPS I rules currently operated by the Air Carriers.

Secure Flight will only be implemented after it has undergone rigorous and complete testing to ensure that it effectively strengthens the security of travel by air, adequately protects passenger privacy, and enhances the free flow of commerce. Testing, using historical passenger name record information is slated to begin no later than December 1, 2004. Secure Flight is expected to be operational in fiscal year 2005. TSA will ensure that GAO has access to applicable information regarding Secure Flight.

TSA would spend the \$60 million requested for fiscal year 2005 in the following manner:

TSA would spend the \$60 million requested for fiscal year 2005 in the following manner:

|                                |         |
|--------------------------------|---------|
| Secure Flight Testing .....    | \$5.25M |
| Commercial Data Testing .....  | 2.50M   |
| Air Carrier Interface .....    | 15.50M  |
| Secure Flight Operations ..... | 17.00M  |
| Physical Infrastructure .....  | 13.25M  |
| Technical Services .....       | 6.50M   |

5. Provide funding levels for NEXUS and SENTRI programs for fiscal year 2003, 2004 and 2005. Please include vendor cost estimates on upgrade and maintenance as well as any estimates on equipment cost for expansion of NEXUS, and creation of enrollment centers.

**Answer:** The information follows. CBP has been unable to identify any appropriated funding for SENTRI.

| <b>Current Budget &amp;<br/>Projections</b>                       | <b>Fiscal Year 2003<br/>Budget</b> | <b>Fiscal<br/>Year 2004<br/>Budget</b> | <b>Fiscal<br/>Year 2005<br/>Budget</b> |
|-------------------------------------------------------------------|------------------------------------|----------------------------------------|----------------------------------------|
| NEXUS .....                                                       | \$5,600,000                        | 0                                      | 0                                      |
| SENTRI .....                                                      | 0                                  | 0                                      | 0                                      |
| <br><b>Budget Requirements.</b>                                   |                                    |                                        |                                        |
| <b>NEXUS</b>                                                      |                                    |                                        |                                        |
| Maintenance .....                                                 | \$3,000,000                        |                                        |                                        |
| Marketing .....                                                   | 500,000                            |                                        |                                        |
| Pilot Programs .....                                              | 1,000,000                          |                                        |                                        |
| New Sites .....                                                   | 3,000,000                          |                                        |                                        |
| Miscellaneous Expenses<br>(training/signage/travel/etc.)          | 1,000,000                          |                                        |                                        |
| Enhanced Enrollment Process                                       | 2,000,000                          |                                        |                                        |
| <b>Total</b> .....                                                | <b>\$10,500,000</b>                |                                        |                                        |
| <br><b>SENTRI-Vehicle</b>                                         |                                    |                                        |                                        |
| <b>Fiscal Year 2005</b>                                           |                                    |                                        |                                        |
| SENTRI Expansion .....                                            | \$8,400,000                        |                                        |                                        |
| SENTRI Maintenance .....                                          | 3,300,000                          |                                        |                                        |
| Marketing .....                                                   | 1,000,000                          |                                        |                                        |
| Application Processing Center                                     | 5,000,000                          |                                        |                                        |
| <b>Total</b> .....                                                | <b>\$17,700,000</b>                |                                        |                                        |
| <br><b>SENTRI Pedestrian</b>                                      |                                    |                                        |                                        |
| <b>Fiscal Year 2005</b>                                           |                                    |                                        |                                        |
| Pedestrian SENTRI<br>Expansion .....                              | \$7,800,000                        |                                        |                                        |
| Pedestrian SENTRI<br>Maintenance (not required<br>1st year) ..... | 0                                  |                                        |                                        |
| <b>Total</b> .....                                                | <b>\$7,800,000</b>                 |                                        |                                        |
| <br><b>NEXUS/SENTRI-Marine</b>                                    |                                    |                                        |                                        |
| <b>Fiscal Year 2005</b>                                           |                                    |                                        |                                        |
| Expansion .....                                                   | \$6,000,000                        |                                        |                                        |
| Maintenance<br>(not required 1st year) .....                      | 0                                  |                                        |                                        |
| Marketing .....                                                   | 1,000,000                          |                                        |                                        |
| <b>Total</b> .....                                                | <b>\$7,000,000</b>                 |                                        |                                        |

