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**Statement for the Record**

**The Honorable Michael Chertoff**

**Secretary**

**United States Department of Homeland Security**

**Before the**

**United States Senate Committee on  
Homeland Security and Governmental Affairs**

**February 14, 2008**

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Mr. Chairman, Senator Collins, and Members of the Committee:

Let me begin by saying thank you for the strong support you have consistently shown the Department, and I look forward to working with you to make certain that we make the most effective and efficient use of our resources and capabilities to protect the homeland and the American People. While we have had many successes, there are numerous challenges that still remain. I am here today to ask for your partnership and support as we face these challenges. We may not see eye to eye on all issues, but we certainly agree that our interests are best served when we work together to achieve our common goal of securing this great nation.

I am pleased to appear before the Committee today to highlight some of our key accomplishments of the last year and to present President Bush's Fiscal Year (FY) 2009 Budget Request for the Department of Homeland Security (DHS).

This year, as DHS embarks on our fifth year anniversary, we continue to protect the nation from dangerous people and goods; to protect critical infrastructure; to build a nimble, effective emergency response system and a culture of preparedness; and to strengthen the Department's operations and management. The Department has made tremendous progress in achieving effective control of the border, screening passengers, protecting critical infrastructure, responding to emergencies, and enforcing our immigration laws. In FY 2007, we invested significant time and effort to implement the requirements of the Post-Katrina Emergency Management Reform Act, to focus our efforts on the greatest risks, to be nimble in our response to changing threats, and to be disciplined in our use of resources as we build a Department ready to meet future challenges seamlessly with state and local leadership, first responders, the private sector, our international partners, and most certainly, the public.

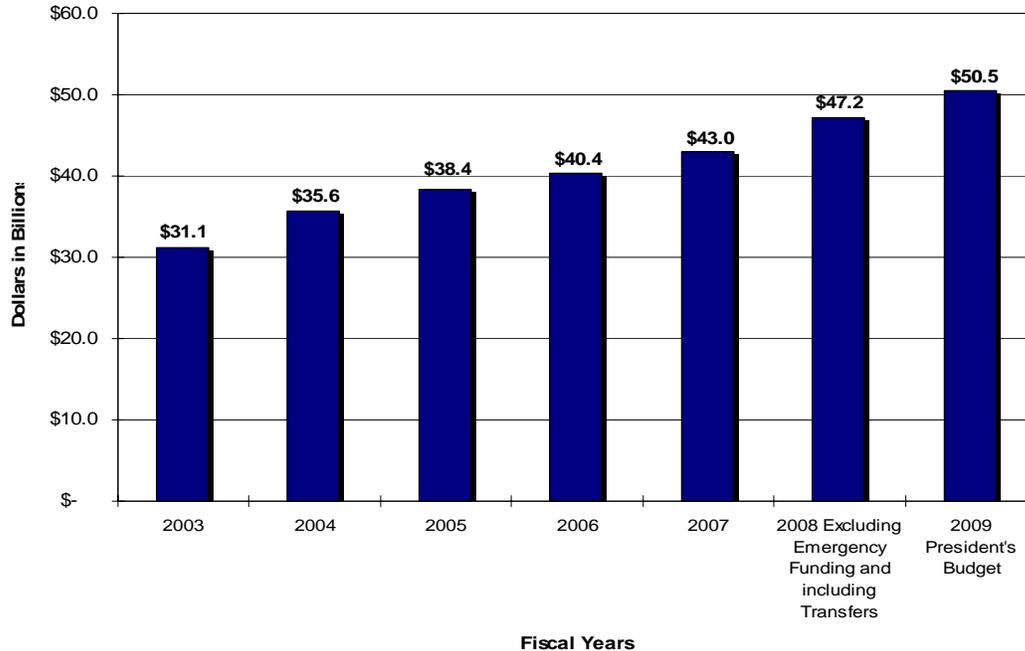
It is no accident that we have not suffered a major terrorist attack on U.S. soil since September 11, 2001. It is the result of the President's leadership, the support of Congress, and the hard work and constant vigilance of hundreds of thousands of men and women – including the employees at DHS – who are working tirelessly both at home and overseas to protect our country. Under the President's leadership, the Department will continue to effectively carry out its critical mission and will leave a strong foundation for the future.

### **FY 2009 Budget Request**

Six years after September 11, 2001, we are moving beyond operating as an organization in transition to a Department diligently working to protect our borders and critical infrastructure, prevent dangerous people and goods from entering our country, and recover from natural disasters effectively. The total FY 2009 budget request for DHS is \$50.5 billion in funding, a 7 percent increase over the FY 2008 enacted level excluding emergency funding. The Department's FY 2009 gross discretionary budget request is \$40.7 billion, an increase of 8 percent over the FY 2008 enacted level excluding emergency funding. Gross discretionary funding does not include mandatory funding such as the Coast Guard's retirement pay accounts and fees paid for immigration benefits. The Department's FY 2009 net discretionary budget request is \$37.6 billion, which does not include fee collections such as funding for the Federal Protective Service and aviation security passenger and carrier fees.



### Department of Homeland Security Total Budget Authority



In pursuit of the five priorities we established in 2007, the Department continues to efficiently align resources to lead a unified national effort in securing America. Those five priorities are:

- Goal 1. Protect our Nation from Dangerous People
- Goal 2. Protect our Nation from Dangerous Goods
- Goal 3. Protect Critical Infrastructure
- Goal 4. Build a Nimble, Effective Emergency Response System and a Culture of Preparedness
- Goal 5. Strengthen and Unify DHS Operations and Management

We have made great progress in each of these areas, and with the FY 2009 Budget, we will continue that momentum. Let me highlight some of our key accomplishments along with initiatives and ongoing programs in our FY 2009 Budget Request.

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<b>GOAL 1: PROTECT OUR NATION FROM DANGEROUS PEOPLE</b>
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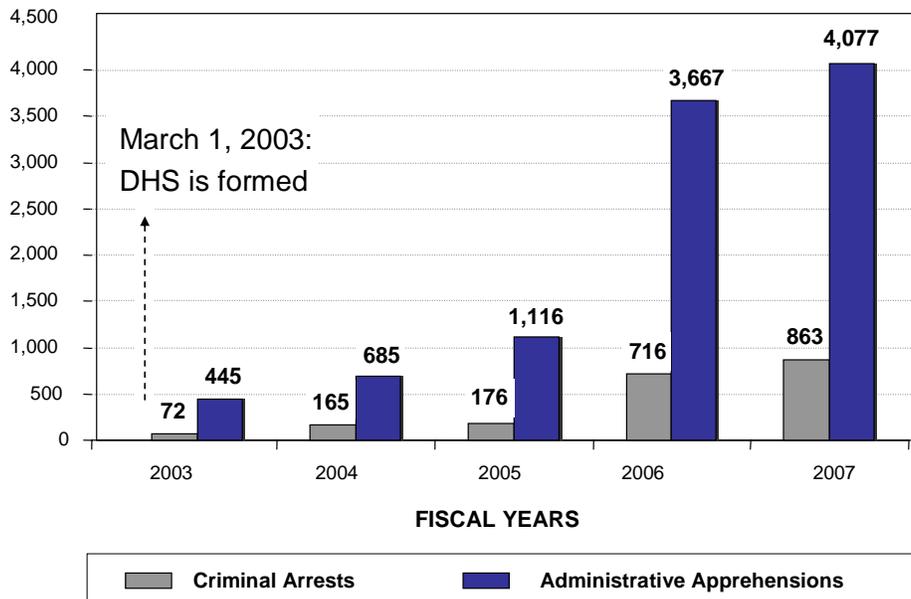
We will continue to protect our nation from dangerous people by strengthening our border security efforts and continuing our efforts to gain effective control of our borders. The Department's main priority is to prevent additional terrorist attacks against our country. DHS has worked to prevent the entry of terrorists while facilitating the legitimate flow of people.

**Key Accomplishments:**

- ***More Fencing at the Border:*** By the end of calendar year 2007, 287 miles of pedestrian and vehicular fencing was in place at the border. By the end of 2008, U.S. Customs and Border Protection (CBP) will have constructed a total of 670 miles of fencing, which will include roughly 370 miles of pedestrian fencing and 300 miles of vehicular fencing. CBP also took conditional possession of the prototype Project 28 development of nine towers equipped with radar and communications systems and automated ground sensors linked to a command and control center and border patrol vehicles. A new task order was issued to design, develop and test upgraded Common Operating Picture software for the systems.
- ***Increased Air and Marine Support:*** CBP opened its fourth new air branch in North Dakota this past September and is on track to begin operations at the last northern border air branch in Michigan this spring. Delivery of a fourth DHS Unmanned Aircraft System (UAS) will enable the Department to operate three UASs along the southwest border and to deploy one UAS to the northern border this spring. The FY 2009 request supports the hiring and training of 24 new UAS pilots and the establishment of a joint CBP/U.S. Coast Guard (USCG) UAS program office for the development of a maritime variant of the Predator B. It also supports the continuation of an aggressive service life extension program for the Department's P-3 maritime patrol aircraft that are so critical to intercepting drug traffic in the Caribbean and eastern Pacific and countering the increasing threat posed by the cartels' use of semi-submersible vessels.
- ***Secure Documentation Standards:*** Compliance with secure identification requirements for air travel under the Western Hemisphere Travel Initiative (WHTI) has exceeded 99 percent since implementation in January 2007. A Notice of Proposed Rulemaking for WHTI land and sea requirements was issued in June 2007 and final rule implementation is expected in June 2009.
- ***Enhanced Driver's Licenses:*** The Department signed agreements with the States of Washington, Vermont, New York, and Arizona to enhance the security of their state driver's licenses and to potentially satisfy REAL ID requirements or serve as alternatives for entry at land and sea borders.
- ***Better Biometrics:*** Ten-fingerprint collection from international visitors has been deployed by CBP at nine ports of entry, and will be implemented at 278 other ports of entry by the end of 2008. This upgrade from two- to ten-fingerprint collection will enhance security and

fingerprint matching accuracy, improving the ability to compare visitors' fingerprints against latent fingerprints collected from known and unknown terrorists around the world. US-VISIT, the Science and Technology Directorate (S&T) and the Coast Guard have partnered on a pilot fingerprint collection at sea program near Puerto Rico, resulting in 114 prosecutions and a 53 percent reduction in migrant flow.

## ICE: Worksite Enforcement Sets Record in FY 2007



- **Record-Breaking Law Enforcement:** U.S. Immigration and Customs Enforcement (ICE) removed roughly 240,000 illegal aliens, and made 863 criminal arrests and fined or seized more than \$30 million following worksite investigations. Its Border Enforcement Security Task Forces made more than 500 criminal arrests and 1,000 administrative arrests, and seized roughly \$2.5 million in cash as well as significant amounts of narcotics and weapons. Further, ICE ACCESS was launched to foster collaboration between its agents and state and local leaders to identify crime-fighting priorities.
- **Enhanced Aviation Security:** The Transportation Security Administration (TSA) increased by more than 175 percent the number of personnel trained in techniques to identify potentially high-risk passengers in airports. Furthermore, TSA required that holders of airport-issued identification credentials be subjected to regular vetting against the Terrorist Screening Database. It also harmonized the 3-1-1 Liquids Rule with the European Union and many other countries, and published a Notice of Proposed Rulemaking in August to take over watch-list checks from the airlines under the Secure Flight program in 2010.

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- ***Connecting the Dots:*** The Department renewed a Passenger Name Record (PNR) agreement with the European Union to share advance information on passengers arriving in and departing from the United States. PNR data has helped frontline personnel to identify scores of dangerous people and deny them entry into the country.
  - ***Protecting U.S. and World Leaders:*** The U.S. Secret Service (USSS) continues to meet unprecedented challenges of protecting domestic and world leaders. In addition, protection of presidential candidates has resumed and comprehensive plans for securing the 2008 presidential campaign are being implemented.

#### **FY 2009 Budget Request:**

- ***Border Patrol Agents:*** Funding of \$442.4 million is requested in the President's Budget to hire, train and equip 2,200 new Border Patrol Agents and appropriate support. The additional agents represent the FY 2009 increment of the President's goal of adding 6,000 new Border Patrol Agents by the end of the first quarter of FY 2009. This request would increase the Border Patrol to over 20,000 agents by the end of September 2009, more than double the amount in 2001.
- ***Western Hemisphere Travel Initiative:*** A total of \$140.0 million is requested for CBP's implementation of infrastructure and technology in support of the Western Hemisphere Travel Initiative (WHTI). These funds will complete the infrastructure improvements at the top 39 Land Ports of Entry, covering 95 percent of the land border arrivals.
- ***E-Verify:*** Total funding of \$100 million is requested for E-Verify. This U.S. Citizenship and Immigration Services (USCIS) program allows employers to use an automated system to verify name, date of birth, and Social Security Number, along with immigration information for non-citizens, against federal databases to confirm the employment eligibility of both citizen and non-citizen new hires. USCIS will deploy additional staff covering information status verification, compliance, and monitoring. It is important that Congress reauthorize the program so that these employers can continue to benefit from E-Verify and not have to play detective when hiring new employees.
- ***Vetting Infrastructure Improvements:*** An increase of \$30 million is requested to support TSA's Vetting Infrastructure Improvements, providing screening and credentialing of individuals requiring special access to U.S. transportation and other critical infrastructure. These funds will enhance and stabilize the infrastructure necessary to perform vetting operations on populations that access our most critical infrastructure.
- ***Secure Flight:*** The Budget requests an increase of \$32 million that will accelerate the Secure Flight Program by replacing the current airline managed passenger vetting program with a government-operated program in 2010. In addition to using improved technology, the Secure Flight Program will alleviate the variability in performance of the current system and reduce the risk for compromised watch list data.
- ***Additional Bedspace and Staffing:*** An increase of \$46 million is requested to help provide 1,000 additional beds, staffing, and associated removal costs required to meet current

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demand and demand generated by increased immigration enforcement activities. Of the 1,000 beds, the addition of 275 will be funded through projected increases in collections.

- ***Automation Modernization of Information Technology Systems:*** The Budget includes \$57 million for ICE to acquire secure and interoperable tactical communications equipment, a biometric detainee location tracking module, and to develop and integrate an enhanced Investigative Case Management system. These improvements promote officer safety, emergency response coordination, and case management efficiencies.
- ***Federal Law Enforcement Training:*** An increase of \$10 million is requested for the Federal Law Enforcement Training Center (FLETC) to provide training to meet increases in border security and law enforcement hiring levels.
- ***US-VISIT:*** A total of \$390.3 million is requested for US-VISIT. This funding will complete the transition from two-print to ten-print collection. Taking all ten fingerprints will improve accuracy and allow us to increase the number of matches from latent prints captured all over the world. This funding also allows US-VISIT to continue to provide biometric identity services to law enforcement and intelligence, and it will help complete interoperability between US-VISIT and FBI databases.
- ***Command 21 and Situation Unit Watchstanders:*** The Budget includes \$7.3 million to support continued development of Command 21 and additional watchstanders at USCG Command Centers to meet increasing operational demands and support additional vessel monitoring, information collection, and interagency coordination capability provided by Command 21. These initiatives will provide information sharing and situational awareness tools required to close the gap between current port and coastal surveillance capabilities and the need for greater Maritime Domain Awareness in an all-hazards, all-threats operating environment.

## GOAL 2: PROTECT OUR NATION FROM DANGEROUS GOODS

We have also made much progress in protecting our nation from dangerous goods. As a part of its risk-based approach, the Department is expanding its programs to identify, track, and intercept nuclear and radiological components and systems at ports of entry and in transportation systems within U.S. borders. We are intensifying our efforts to bolster capabilities to reduce the risk of a biological attack in the United States.

### **Key Accomplishments:**

- ***Overseas Radiation Scanning:*** 100 percent of shipping containers bound for the United States from three foreign ports – Port Qasim (Pakistan), Port Cortes (Honduras), and Port Southampton (United Kingdom) – are now scanned for radiological and nuclear materials prior to departure. Scanning equipment is also being deployed to Port Busan (South Korea), Singapore, Hong Kong, and Salalah (Oman).

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- ***Comprehensive Radiation Detection:*** The Department has deployed more than 1,000 radiation detection devices to the Nation’s land and sea ports of entry. Today, 100 percent of cargo containers crossing the southern border are scanned for radiation, 91 percent at the northern border, and more than 98 percent of cargo containers are scanned at our seaports.
  - ***Improving Import Safety:*** The Office of Health Affairs (OHA) engaged in the President’s Import Safety Working Group to develop a comprehensive action plan with short- and long-term recommendations that better protect consumers and enhance the safety of imported goods.
  - ***Expanded Container Security Initiative:*** CBP expanded the Container Security Initiative to 58 ports screening 86 percent of maritime containers bound for the United States.
  - ***Record-Breaking Narcotics Seizures:*** USCG seized more than 350,000 pounds of cocaine at sea this year – a record-breaking 160 metric tons – worth an estimated street value of more than \$4.7 billion. CBP frontline personnel seized more than 3.2 million pounds of narcotics at and between ports of entry.
  - ***Southwest Border Drug Strategy:*** The Office of Counternarcotics Enforcement co-chaired the creation of the first-ever *National Southwest Border Counternarcotics Strategy and Implementation Plan*, which identifies major goals, objectives, and resource requirements for closing gaps in U.S.-Mexico counternarcotics capabilities at the southwest border.
  - ***Reducing Risk from Small Vessels:*** USCG worked with small boat manufacturers, industry groups and the public on mitigating the security risks posed by small vessels. Thirteen Maritime Safety and Security Teams, part of a 3,000 person Specialized Deployed Forces Command, are stationed at strategic ports nationwide with unique training to counter the small boats threat. The Coast Guard and the Domestic Nuclear Detection Office (DNDO) are collaborating with local authorities on a pilot program in Puget Sound and San Diego waterways on small vessel radiation detection.

#### **FY 2009 Budget Request:**

- ***Nuclear Detection Research, Development, and Operations:*** The Budget Request includes \$334.2 million to support DNDO’s Research, Development and Operations program which provides resources for the development and evolution of the global nuclear detection architecture. Included in this research are development of an Advanced Spectroscopic Portal (ASP) suitable for examining cargo containers, trucks and privately-owned vehicles, and development of Human Portable Radiation Detection Systems (HPRDS) to provide handheld and ‘relocatable’ equipment to be used as primary detection tools by Customs Officers, Border Patrol agents, and USCG personnel.
- ***Next Generation BioWatch:*** The Budget includes \$111.6 million, an increase of \$34.5 million, for OHA’s Next Generation BioWatch. Funding will begin to procure BioWatch automated detection sensors and initiate deployment activities of the automated sensor system to existing BioWatch jurisdictions. Automated detection will enhance the

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capabilities of the BioWatch environmental monitoring system designed for early warning of bioterrorism incidents.

- **Aviation Security:** The Budget addresses the need to upgrade checked baggage screening equipment deployed immediately after September 11<sup>th</sup>, which is exceeding its useful life. The screening equipment is used to screen 100 percent of the 1.8 million checked bags passengers travel with every day. The Budget also speeds the rollout of inline systems at all major airports in six years by allowing a more flexible approach to funding these projects. To support this activity, legislative authorization is required for a temporary surcharge to the current \$2.50 passenger fee - \$0.50 added to each leg of a trip capped at \$1.00. The surcharge is proposed to begin in FY 2009 and sunset in FY 2012. It will generate an additional \$426 million in revenue in FY 2009 and approximately \$1.7 billion over four years, nearly doubling previously planned annual resources for checked baggage explosive detection systems. The increased revenue will be added to the existing \$250 million annual Aviation Security Capital Fund which is targeted exclusively for checked baggage explosive detection systems.

<b>GOAL 3: PROTECT CRITICAL INFRASTRUCTURE</b>
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The Department aims to protect critical infrastructure and key resources, essential government operations, public health and welfare, and the country's economic and national security interests. Efforts to bolster the resiliency and protection of our nation's critical infrastructure and key resources helps to mitigate potential vulnerabilities and to ensure terrorist plans are not successful.

**Key Accomplishments:**

- **Setting Chemical Security Standards:** NPPD established national guidelines for chemical facility security in a comprehensive set of regulations to protect chemical facilities from attack and prevent theft of chemicals that could be used as weapons.
- **Assessed Impacts of Chemical Attacks:** S&T conducted the first comprehensive chemical threat risk assessment across a broad range of toxic chemicals that better focuses inter-agency priorities accordingly to risk.
- **Released Sector Specific Plans:** NPPD released 17 sector-specific infrastructure protection plans, creating a comprehensive risk management framework of national priorities, goals, and requirements to protect critical infrastructure and key resources.
- **Launched Improvised Explosives Device Awareness Campaign:** DHS has undertaken a national Improvised Explosives Device (IED) Prevention and Awareness Campaign, working with federal, state and local agencies and stakeholders to boost participation in the TRIPwire and National Capabilities Analysis Database information-sharing portals.
- **Increasing Cyber Security:** NPPD continued deploying EINSTEIN systems, which find malicious patterns in federal computer network traffic, and will expand systems this year. The United States Computer Emergency Readiness Team (US-CERT) issued over 200

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actionable alerts on cyber security vulnerabilities or incidents in FY 2007 from its 24-hour watch center. Finally, the Secret Service currently maintains 24 Electronic Crimes Task Forces to prevent, detect, mitigate and aggressively investigate cyber attacks on our nation's financial and critical infrastructures.

- **Greater Information Sharing:** The Office of Intelligence and Analysis (I&A) has deployed 22 personnel to State and Local Fusion Centers across the country. DHS has also deployed networks such as the Homeland Secure Data Network, a system for securely communicating classified information, to 18 centers and anticipates deploying to many more centers this year.
- **Credentialing Port Workers:** Since October more than 70,000 port workers have enrolled in the Transportation Worker Identification Credential (TWIC) biometric credential program. More than 750,000 longshoremen, truck drivers, port employees and others requiring unescorted access to secure areas of ports will also be required to obtain a TWIC card.

#### **FY 2009 Budget Request:**

- **Protective Terrorist Countermeasures:** Total funding of \$19 million is requested for USSS Protective Terrorist Countermeasures. This program provides the latest state-of-the-art equipment that will be used in the event of an explosive, chemical, biological, or radiological attack. As new threats evolve and are identified, it is critical the Secret Service has the means to address them.
- **Chemical Security Compliance Project:** An increase of \$13 million is included for NPPD's Chemical Security Compliance Project. The Department issued regulations establishing risk based performance standard for security of chemical facilities. Additional funding is requested to increase the staff of this regulatory program and to provide tools and systems to collect and analyze vulnerability information, review plans, support and manage inspections activity, issue decisions, address appeals, and support compliance enforcement.
- **Explosives Research:** \$96 million is requested to support S&T in developing the technical capabilities to detect, interdict, and lessen the impacts of non-nuclear explosives used in terrorist attacks against mass transit, civil aviation and critical infrastructure. Of these funds, \$50 million will address critical capability gaps in the areas of deterring, predicting, detecting, defeating, and mitigating the use of IEDs in the United States. The Vehicle Borne Improvised Explosive Device/Suicide Bomber Improvised Explosive Device (VBIED/SBIED) program will allow S&T to improve large threat mass detection in such areas as the transit environment, special events and other large areas.

<p style="text-align: center;"><b>GOAL 4: BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS</b></p>
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Improving our nation's ability to respond to disasters, man-made or natural, is a top priority for the Department. Incorporating lessons learned from Hurricane Katrina, other disasters, and the 9-11

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Commission Recommendations, the Department is improving its capabilities and preparing those who respond to acts of terror and other emergencies.

**Key Accomplishments:**

- ***Responded to 68 Major Disasters:*** During FY 2007, Federal Emergency Management Agency (FEMA) responded to over 130 events that resulted in 68 Major Disaster Declarations, 11 Emergency Declarations, and 54 Fire Management Assistance Declarations, including tornadoes in Florida and Kansas, floods in the Midwest and Tropical Storm Erin.
- ***Supporting Local Security Plans:*** The Office of Infrastructure Protection's Protective Security Advisors worked in state and local Emergency Operations Centers providing expertise and support to local authorities, the Principal Federal Official and the Federal Coordinating Officer during major domestic incidents including the Virginia Tech shootings in Blacksburg, Virginia; the Chevron Refinery Fire in Pascagoula, Mississippi; the I-35W bridge collapse in Minneapolis, Minnesota; and the Florida and California Wildfires.
- ***Improved Interagency Coordination:*** The Office of Operations Coordination (OPS) led federal prevention, protection, and response activities to all-hazard threats during several incidents in 2007, specifically the recent outbreaks of Foot and Mouth Disease in the United Kingdom and the vehicle-borne improvised explosive device attacks in the United Kingdom.
- ***Building Stronger Response Partnerships:*** DHS engaged state and local leadership, first responders and stakeholders on developing the National Response Framework, which outlines how our nation responds to all-hazard disasters across all levels of government and community sectors.
- ***New Operations Capabilities:*** USCG established the Deployable Operations Group which aligns all deployable, specialized USCG forces under a single, unified command in adaptive, tailored force packages for rapid response to national threats.
- ***Saved Over One Million Lives:*** The Coast Guard reached a remarkable milestone this year, saving more than one million lives throughout its 217-year history.
- ***Awarded Public Safety Interoperable Communications Grants:*** DHS administered over \$968 million in Public Safety Interoperable Communications Grants which will help support the establishment of Statewide Communications Interoperability Plans for improved first responder communication during major disasters, and fund state and local projects aligned with those plans.
- ***Realizing Interoperable Communications:*** S&T published results of the National Interoperability Baseline Survey – a nationwide survey of first responders across all jurisdictions and disciplines that assesses progress in achieving interoperable communications. By providing a clear representation of national capacities, these survey findings are helping emergency response leaders and policy makers make informed decisions about strategies for improving interoperability. The Department also established

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the Office of Emergency Communications (OEC) to consolidate several interoperability programs and address new responsibilities including the development of the National Emergency Communications Plan.

- ***Strategic Planning for Catastrophic Disasters:*** The Incident Management Planning Team continued to draft federal interagency strategic plans that coordinate resources and capabilities to prevent, protect against, respond to and recover from major disasters and other catastrophic emergencies.

**FY 2009 Budget Request:**

- ***Grant Programs:*** The Budget requests \$2.2 billion to support FEMA's State and Local Programs and Assistance to Firefighters Grants, just above the amount provided in the President's FY 2008 Budget Request. These important grant programs help prepare state and local governments to prevent, protect against, or respond to threats or incidents of terrorism and other catastrophic events. The Budget will support the existing Homeland Security Grant Program, Port and Transit Security Grants, and Emergency Management Performance Grants, and also proposes a new discretionary grant program targeted towards high priority security initiatives including REAL ID implementation.

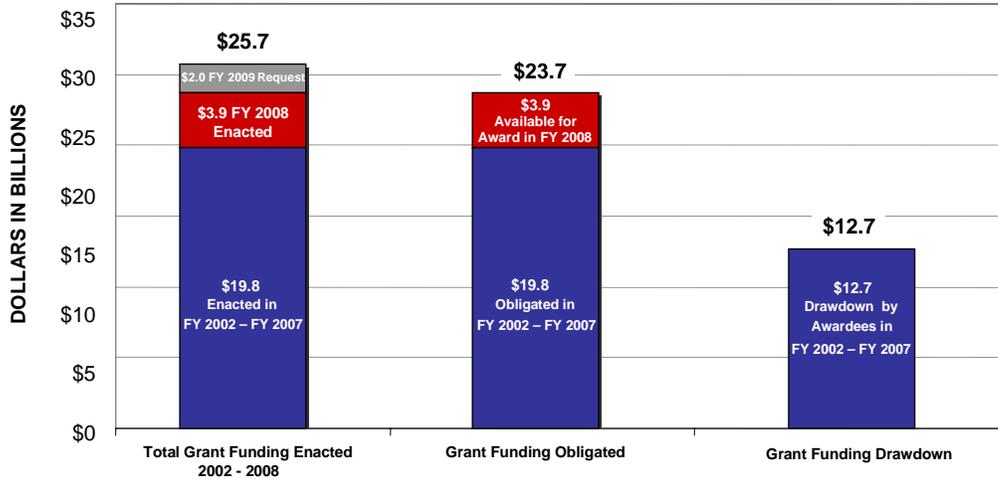
While Congress chose to provide an additional \$2 billion in the FY 2008 Consolidated Appropriations Act, the Department is requesting approximately the same level as the FY 2008 Budget Request.

The FY 2009 Budget requests \$200 million for the State Homeland Security Grants and increases funding for the Urban Area Security Initiative to \$825 million. The \$300 million funding request for the Assistance to Firefighter grants is identical to the President's FY 2008 Budget Request.

Over a six-year period from FY 2002 through FY 2007, grant recipients have drawn down \$12.7 billion of the \$19.8 billion made available since the Department's inception. On February 1, 2008, the Department announced an additional \$3.0 billion in grants to be provided this year. Including Congressional approval of the FY 2009 request, a total of \$13.0 billion would be in the pipeline for state and local homeland security needs.

## Department of Homeland Security Total Grant Funding

*FY 2002 - FY 2009 Request \**



\* Does Not Include Exercises, Technical Assistance or Training

- FEMA Vision – Phase II:*** The Budget requests a total of \$164.5 million to support FEMA’s Vision - Shape the Workforce program. Phase II of FEMA’s transformation will strengthen that agency’s ability to marshal an effective national response, deliver service of value to the public, reduce vulnerability to life and property, and instill public confidence. The Budget also requests a total of \$209 million to support FEMA’s disaster workforce, including transitioning four-year Cadre On-Call Response Employees (CORE) from temporary to permanent full-time personnel to achieve the level of readiness and response capability required in response to Presidentially declared major disasters and emergencies.
- Disaster Readiness and Support:*** The Budget includes \$200 million in a new Disaster Readiness and Support Activities account. This account will fund advanced readiness initiatives that assist FEMA in preparing for future disasters and will allow FEMA to perform critical administrative functions that support the timely delivery of services during disasters.

### GOAL 5: STRENGTHEN AND UNIFY DHS OPERATIONS AND MANAGEMENT

A cohesive and operationally efficient organization is essential to the rapid implementation of homeland security priorities, policies, and objectives. As such, the Department has aligned its resources into areas that will most effectively accomplish its mission. Successful mission performance is driven by human capital development, executing efficient procurement operations,

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and possessing state-of-the-art information technology resources. We continue to improve systems for intelligence and information sharing.

**Key Accomplishments:**

- ***Continued Integration:*** DHS was created five years ago to serve as the unifying core for the vast national network of organizations and institutions involved in securing our nation. Over the past year, DHS has further integrated core management functions and systems throughout headquarters and the components, achieving a more cohesive and unified Department.
- ***Enhanced Privacy, Civil Rights, and Civil Liberties:*** The Privacy Office and the Office for Civil Rights and Civil Liberties have worked to enhance privacy and civil rights and civil liberties through the Department's work in cyber security, the use of satellite technology, airport screening protocols, and partnerships with Muslim-American communities.
- ***Increased Responsiveness to Congressional Inquiries:*** DHS improved responsiveness and adherence to Congressional deadlines. This included the on-time submission of over 3,000 Congressional Questions for the Record (QFR). Average response time to Congressional correspondence has dropped from 5-6 weeks to an average of 2.5 weeks, and average response time to Authorization QFRs has dropped from six months or more to an average of 35 business days.
- ***Consolidation of Information Technology Network Sites:*** The Department has consolidated more than 1,780 IT network sites into a single network that allows transparent monitoring of system performance and activity, prioritization of traffic, and vastly improved security posture.
- ***Strengthened Business Processes and Technology:*** USCIS launched a new fee schedule designed to bring decades-old systems into the 21<sup>st</sup> century and improve customer service.
- ***Record-Setting Levels of Federal Law Enforcement Training:*** FLETC trained a record-setting 60,458 students from all three branches of the Federal Government, as well as international, state, local, campus, and tribal law enforcement agencies.
- ***Improved Recruitment and Hiring:*** DHS decreased the average time it takes to hire new DHS employees, four days shorter than the Office of Personnel Management targets. DHS also exceeded targeted goals by hiring more than 2,300 protection officers; 11,200 transportation security officers; and 412 immigration enforcement agents.
- ***Record FEMA Staffing Levels:*** For the first time in a decade, FEMA attained a 95 percent staffing level and strengthened regional capability through the creation of over 100 new positions in FEMA's ten regional offices.
- ***Enhanced Employee Training and Communication Tools:*** DHS recently launched new training and communications tools including DHSCoverly, a state-of-the-art online training system.

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- ***Increased Border Patrol and Field Operations Staffing:*** CBP increased Border Patrol agent staffing by an unprecedented 21 percent since its inception in March, 2003, growing to 14,923 agents at the end of FY 2007. In addition, CBP Office of Field Operations hired 2,156 new officers and 340 agriculture specialists.
  - ***Streamlined Acquisition Processes:*** The Coast Guard created an innovative and centralized acquisition directorate in July 2007, significantly improving program execution, contracting practices, research and development, and industry oversight.
  - ***Enhanced Training to Prevent and Investigate Cyber-related Crimes:*** The Secret Service developed a National Computer Forensics Institute in Hoover, Alabama. This cyber crimes training facility provides state and local law enforcement officers, prosecutors, and judges with training, equipment, and expertise in computer forensics and digital evidence analysis.

#### **FY 2009 Budget Request:**

- ***Quadrennial Homeland Security Review:*** A total of \$1.65 million is requested for the first ever Quadrennial Homeland Security Review (QHSR). Funding is required to research, organize, analyze, and develop the QHSR. This document will recommend long-term strategy and priorities of the nation for homeland security and comprehensively examine programs, assets, budget, policies, and authorities required to provide the United States with strong, sound and effective homeland security capabilities in the decades ahead. The Office of Policy requests \$1.5 million and the remaining \$0.150 million is requested in the Office of the Chief Financial Officer (OCFO).
- ***Transformation and Systems Consolidation:*** An increase of \$15.5 million is requested for OCFO to continue implementation of the Transformation and Systems Consolidation (TASC) project. One of the main objectives of DHS at its formation was to consolidate the support systems of the component agencies to realize cost savings and operational efficiencies. OCFO aims to reduce the number of DHS financial systems, and ensure the manual processes for internal controls are integrated with these financial systems. DHS will begin migrating OHA, S&T, DHS Headquarters, NPPD, CIS, and ICE's financial systems to the TSA Oracle Shared Baseline.
- ***DHS-Wide Acquisition Workforce Intern Program:*** The Budget includes an increase of \$3.1 million for the Office of the Chief Procurement Officer. DHS will enhance the Acquisition Intern Program which recruits, trains, certifies, and retains an appropriate workforce of acquisition professionals. In FY 2009 the intern cohort will be raised to 100 people.
- ***Office of the Inspector General Auditors:*** An increase of \$6.4 million is requested for the Office of the Inspector General (OIG) to expand staff oversight of DHS preparedness programs, through audits of preparedness grant programs, science and technology programs, and Department-wide programs that establish the Department's baseline preparedness efforts. The additional funds will strengthen OIG oversight of DHS border security and enforcement programs through a proactive program of audits and on-going oversight of the policies, initiatives and funds to secure the nation's borders.

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- ***State and Local Fusion Center Program:*** Funding for I&A's State and Local Fusion Center program is to create a web of interconnected information nodes across the country ensuring information is gathered from all relevant operations and fused with information from the Homeland Security Stakeholder Community. The Budget requests funds to assist in producing accurate, timely, and relevant actionable intelligence products and services in support of the Department's homeland security missions.
  - ***Vigilant Watch Over America:*** OPS carries out its unified mission to secure America by maintaining the National Operations Center (NOC) and by providing 365/24/7 incident management capabilities to ensure seamless integration of threat monitoring and information flow. To improve technological capabilities within the NOC, the Budget requests funding to provide improved data infusion, the auto-ingestion of data from multiple sources, and the creation of a consolidated, centralized data repository. In addition, funds are requested for the Principal Federal Official (PFO) program. As mandated by Presidential directive, the Secretary of Homeland Security is the Principal Federal Official responsible for coordination of all domestic incidents requiring multi-agency federal response. Funding will provide a standing organizational structure to plan, train, exercise, deploy and support the PFO program.
  - ***Create DHS Counterintelligence Program:*** Under the leadership of the Chief Intelligence Officer, I&A and the Office of Security will develop a new DHS-wide counterintelligence program to analyze threats posed by foreign intelligence entities collecting against the Department, support risk management decisions, and enhance operations and implement strategies and policies to unify the Department's counterintelligence mission.

### **Conclusion**

I am sure you will recognize that with the support of Congress, the Department has had many successes. I have outlined many of them in my testimony today and how they relate to the Department's five priority goals. As we move forward to face the many challenges ahead, we are keeping in mind past experiences and lessons learned that will be at the core of our planning and implementation efforts.

Thank you for inviting me to appear before you today. I look forward to answering your questions and to working with you on the FY 2009 Budget Request and other issues.