

The Homeland Security Department's Budget Submission for Fiscal Year 2011
Chairman Joseph Lieberman
February 24, 2010

Good morning, Madame Secretary, and thank you for joining us today for our annual hearing on the Department of Homeland Security's budget – in this case for Fiscal Year 2011.

In less than a month, the Department will begin its seventh year of operations. Any legitimate assessment of its record would have to include a number of successes, including its important role in helping to stop the terrorist plot of Najibullah Zazi. But problems persist. And the threat from terrorists – both foreign and homegrown – remains as potent as ever.

Last year, although a dozen or so attempted terrorist plots against the American people were detected and disrupted, three succeeded – the murder of an Army recruiter in Little Rock, Arkansas; the slaying of 13 patriots at Fort Hood, Texas; and the near catastrophe on a Northwest airlines flight over Detroit on Christmas Day. Obviously, DHS shares responsibility with many others to prevent terrorist attacks - and a 100 percent success rate is an exacting standard to meet – but these incidents, along with the H1N1 pandemic, the increasing vulnerability of our cyber networks, and the tragic earthquake in Haiti underscore why the Department must continue pressing forward to strengthen its ability to detect, deter, prepare for, and respond to terrorist threats and natural disasters.

The President's 2011 budget for DHS starts with a 2.67 percent proposed increase in discretionary spending. At a time of historically high deficits, the proposed increase for DHS is testament to this Administration's commitment to the Department's critical mission of keeping our homeland secure.

Further evidence of the Administration's commitment to homeland security is the reversal of its FY 2010 projections for a steady decline in Department funding over the next five years. The FY 2011 budget now projects a small increase in DHS funding for the next five years, but the extent of this increase may depend on increasing aviation security fees. Without those fee increases, DHS's budget in future years will decline. For that reason, I will support a request to increase the fees.

I welcome the Administration's proposal to add \$900 million to key aviation security programs, including money for more whole body imaging machines and the personnel needed to operate them. The failed Christmas Day terrorist attack is the most recent evidence justifying this increase, along with a boost in the number of Federal Air Marshalls, behavioral detection experts, and canine units. We know from hard experience that blowing up airliners continues to be a terrorist goal. Other forms of transportation must also be better protected, but aviation remains a priority target for terrorists.

I commend the Administration's efforts to improve the management of DHS as reflected by the review the Department is undertaking to evaluate the proper balance between the

federal workforce and contractor support. Our Committee has long been concerned about DHS's heavy reliance on contractors because it raises the question of who is in control of the Department's mission. Astoundingly, DHS now has about as many contractors as it has federal employees - 200,000 - and that is an untenable balance. So, I'm grateful the new budget begins to reflect a conversion of key positions from contractors to DHS employees.

I also note with satisfaction the Administration's proposal to add money to the 2011 budget for the consolidation of DHS headquarters, which will keep the renovations of St. Elizabeths on track and allow the Department to find a facility for those components that will not be located at St. Es.

I am pleased the Administration is bumping up support for certain bio security initiatives. As you know, this too is a continuing concern for the Committee. Last year, we reported out the Weapons of Mass Destruction Prevention and Preparedness Act to strengthen security for the most dangerous bio pathogens and shore up our ability to respond to bioterrorist acts. The President is proposing to double the budget for the Biowatch system of biological pathogen detection sensors already operating in 30 cities. The new funds will expand coverage to more areas and allow deployment of 476 next generation detectors. Unfortunately, this increase comes at the expense of a 4.8 percent decrease for the Department's remaining public health and biodefense missions.

I support the President's request for \$53 million for the Domestic Nuclear Detection Office to acquire hand-held or portable radiation detection equipment for DHS agencies next year. But I am concerned that Custom and Border Patrol's nationwide system of radiation portal monitors is not fully deployed. I'm also troubled that DHS has not developed a strategic plan of investments to systematically improve our domestic defenses against nuclear terrorism, especially in areas that lay outside of established ports of entry where an airplane, small maritime craft or motor vehicle could be used to evade fixed screening equipment.

After years of growing budgets for cyber security, these programs would be subject to a 5 percent reduction under the President's FY 2011 proposal. The Department has made a lot of progress due to past funding, but it still struggles to find skilled personnel to fulfill its mission in this area. Key information systems in the private and public sectors are penetrated every day, and our defenses against computer attacks and data theft undeniably need improvement. Senator Collins and I are working on comprehensive legislation to, among other things, strengthen DHS's ability to protect the nation's computer networks. We look forward to working with you on this and to making sure the FY 2011 budget cuts don't put us further behind the cyber security eight ball.

Also on the less than positive side, cyber security programs would be subject to a 5 percent reduction under the President's budget. Key information systems in the private and public sectors are penetrated every day, and our defenses against computer attacks and data theft undeniably need improvement. Senator Collins and I are working on comprehensive legislation to strengthen our ability to protect the nation's computer networks. We look forward to working with you on this and to making sure the FY 2011 budget cuts don't put us further behind the cyber security eight ball.

I am also concerned about the budget for the Federal Emergency Management Agency, whose management and operations budget unfortunately remains static. FEMA still needs significant support to complete its transformation into an agency capable of responding to a catastrophe on a par with Hurricane Katrina. Even taking into consideration our overall fiscal problems, flat funding for FEMA is disappointing.

The Coast Guard is also stretched thin - responsible for carrying out a range of missions, from port security to disaster response, drug smuggling interdiction, and the protection of our maritime resources. I am pleased that the budget request funds additional, necessary Deepwater assets, but regret that it would cut the Coast Guard workforce by over 1,100 people, when the Coast Guard in my view needs reinforcement not retrenchment.

It is also disappointing to see funding cuts for homeland security grants of over \$300 million or nearly 8 percent. Some of these cuts are masked by the inclusion of \$200 million within the Urban Area Security Initiative grant program specifically for security surrounding terror trials. I oppose trying terrorists – who are enemy combatants – in civilian federal court. We are at war against al-Qaeda, its allies, and imitators, thus terrorist trials belong in a military setting. So, I am particularly troubled that so much grant money would be dedicated to this purpose.

Elimination of the grant program that Congress created in the 9/11 Act to promote communications interoperability among first responders and a program to prepare communities to handle mass casualties in a disaster are bad news in the President's budget. There is also less money available this year than in the past for port security and transit security grants, and these systems are still inviting terrorist targets.

A proposed 22 percent reduction in money for fire grants is also a mistake given the 31 percent reduction the program suffered in FY 2010. These grants provide critical equipment and training to communities throughout the country so that firefighters are prepared to respond to any disaster – from a local house fire to a large-scale natural disaster or a terrorist attack. These grants are cost effective and put the money exactly where it belongs – on the front lines of disaster.

Madame Secretary, I appreciate the difficult decisions that must be made in every budget cycle, especially this one. Overall, I believe the Department's budget will keep DHS moving forward, although we need to do much more than that. Be assured that this Committee will work with you on our shared vision of molding the many components of the Department of Homeland Security into a single, integrated unit focused every day on its chief mission to protect the American people.

Senator Collins?