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TESTIMONY  
OF  
CHAD WOLF  
ACTING SECRETARY  
U.S. DEPARTMENT OF HOMELAND SECURITY  
REGARDING A HEARING ON  
“THE FY 2021 DEPARTMENT OF HOMELAND SECURITY BUDGET”  
BEFORE THE  
UNITED STATES SENATE COMMITTEE ON HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS  
March 4, 2020  
Washington, D.C.

Chairman Johnson, Ranking Member Peters, and distinguished Members of the Committee:

It is a privilege to appear before you today to discuss the Department of Homeland Security's (DHS) critical mission functions that keep this Nation safe and to present the President's Fiscal Year (FY) 2021 Budget for the Department. This budget will serve as a catalyst to assist DHS in maintaining pace with adversaries attempting to circumvent our laws and threaten our citizens and our way life.

My priorities are guided by a determination to ensure the Department is three things: robust, resilient and forward-leaning. The FY 2021 President's Budget is not only a reflection of those priorities but a path to achieving them.

DHS is comprised of eight major Components and many support Components and employs more than 240,000 men and women who stand ready to respond to a wide variety of threats in some of the most extreme and austere environments. These harsh conditions include Border Patrol Agents patrolling the U.S. border in southern Arizona where temperatures reach upwards of 120 degrees, to the crew of the United States Coast Guard Cutter POLAR STAR, breaking ice as thick as 21 feet in the Antarctic Region where temperatures fluctuate between -40 to -90 degrees to conduct national security missions.

These men and women continue to make significant contributions to the larger homeland security apparatus as they stand watch 24 hours a day, seven days a week, 365 days a year, (or 366 days this year given it is a leap year). Our mission is to protect Americans and the homeland from threats by land, air, sea and cyberspace while promoting the nation's economic prosperity through the facilitation of legitimate travel and commerce. This balance to ensure security without impeding the freedom of movement is a very delicate one and the men and women of the Department of Homeland Security continue to execute it with tenacity and compassion.

The Department's key budget priorities remain consistent with recent years; Securing Our Borders, Enforcing Our Immigration Laws, Securing Cyberspace and Critical Infrastructure, Transportation Security and American Preparedness. However, there are emerging threats that underscore the importance of the Department's global reach. This budget recognizes that fact and positions the Department to respond.

Though the United States has long faced isolated threats from China, Iran, and Russia, we are at a critical time in our Nation's history as it relates to threats emanating from these Nation states. While the Administration works trade negotiations with China toward the goal of achieving a fair and balanced trade deal that both countries can call successful, we must increase pressure on the Chinese government for the ongoing violations of Intellectual Property Rights (IPR) laws. These violations continue to reduce market opportunities and undermine the profitability of United States businesses as sales of products and technologies are undercut by competition from illegal lower-cost imitations. Additionally, there are increasing concerns with the Chinese government's continued investment into U.S. interests and their impact to national and economic security. Specifically, as the United States builds out capacity within the 5G network, we must

maintain a proactive posture in addressing a multitude of cybersecurity threats and vulnerabilities.

The increased tension with Iran forced the Department to assume an enhanced security posture, particularly in the cybersecurity domain to prevent threats aimed at revenge for the recent death of Iranian General Qasem Soleimani. The Department's Cybersecurity and Infrastructure Security Agency (CISA) continues to monitor an uptick in malicious activity by pro-Iranian hackers and social media users as Iran possesses the capability and tendency to launch destructive cyber-attacks. The 2016 election is a stark reminder that Russia remains a significant threat to our democratic process. And with a Presidential Election this November, it has never been more important to increase our digital defense to prevent cybersecurity threats from influencing electoral outcomes.

To emphasize the variation in threats facing the Department, the Coronavirus (COVID-19) which originated in Wuhan, Hubei Province, China, continues to spread to other parts of the world at a pace that has the Center for Disease Control and Prevention (CDC) and DHS at the ready. On January 31, 2020, the Secretary of Health and Human Services declared COVID-19 a public health emergency in the United States, and the President signed a Presidential Proclamation (Proclamation 9984) using his authority pursuant to Section 212 (f) of the Immigration and Nationality Act to suspend the entry into the United States of foreign nationals who pose a risk of transmitting COVID-19. As of 5 p.m. Eastern Standard Time on February 2, 2020, foreign nationals, other than immediate family members of U.S. citizens and legal permanent residents and other individuals falling within narrow exceptions to the Proclamation, who were physically present in the People's Republic of China, excluding Hong Kong and Macau, within the last 14 days will be denied entry into the United States. On February 29, 2020, President Trump expanded Proclamation 9984 to also include most foreign nationals who have been to Iran within the last 14 days.

DHS, including U.S. Customs and Border Protection (CBP) and the Transportation Security Administration (TSA), continues to work very closely with our CDC partners to route all admissible persons who have been in mainland China or Iran in the last 14 days to one of 11 designated ports of entry where the Federal Government has focused public health resources. As the DHS lead for coordinating with interagency partners, the Countering Weapons of Mass Destruction Office (CWMD) is currently supporting these enhanced health screenings through contracts with local EMS, public health, and/or first responders. Based on current information, **the risk from COVID-19 to the American public remains low** and we are taking measures to keep the threat low and prevent the virus from spreading. Sadly, six deaths in the United States from COVID-19 have been reported. As we have said from the beginning, we expect to see additional cases in the United States and as such DHS is responding with proactive safeguards and is prepared to increase these measures should it become necessary.

The FY 2021 President's Budget for DHS includes \$49.8 billion in net discretionary funding and an additional \$5.1 billion for the disaster relief fund (DRF) to support response to and recovery from major disasters in the homeland. By providing the men and women of DHS the necessary resources to execute their important and extremely complex missions, the President's Budget ensures we continue our current trajectory of reinforcing the security of our nation through

enhanced border security, immigration enforcement, transportation security, resilience to disasters, and cyber security.

To help frame the rising threat, I would like to highlight some of last year's operational achievements. U.S. Customs and Border Protection (CBP) processed and cared for an unprecedented number of migrant families and children. Encounters and apprehensions totaled more than 851,000 along the U.S. Southwest Border (SWB) alone. This total included more than 76,000 unaccompanied children and approximately 474,000 family units. This was a 110 percent increase over FY 2019 apprehension totals (404,142). They inspected over 410 million travelers, arrested almost 13,000 wanted individuals and prevented nearly 299,000 inadmissible travelers from entering the United States. Additionally, their combined efforts with CBP's National Targeting Center (NTC), the Immigration Advisory Program and the Regional Carrier Liaison Group prevented the boarding of almost 19,000 high-risk travelers from boarding flights inbound to the United States. AMO executed nearly 93,000 flight hours and more than 33,000 float hours in balancing law enforcement and humanitarian operations. This effort included 300 flight hours during a two-week period to provide relief to Bahamian citizens in the aftermath of Hurricane Dorian and 3,600 flight hours dedicated to the migrant caravan surge along the SWB.

The Cybersecurity and Infrastructure Security Agency (CISA) worked tirelessly alongside Federal, State and local election officials leading up to the 2018 mid-term elections and in preparation for the upcoming 2020 Presidential Election. Over 500 CISA employees supported election security preparedness nationwide, including providing technical cybersecurity assistance, information sharing and expertise to election offices, campaigns and technology vendors, this included staffing a nationwide virtual watch floor. As part of Active Shooter Preparedness, CISA also provided information to the critical infrastructure community and general public to help prepare emergency action plans and education on steps to increase incident survivability. Specifically, 39 in-person workshops with over 3,600 participants were conducted; nearly 87,000 people successfully completed an online course and a website focusing on active shooter training was viewed more than 937,000 times by the public.

United States Citizenship and Immigration Services (USCIS) naturalized 833,000 new citizens, an 11-year high in new oaths of citizenship. The number of refugee applicants interviewed nearly doubled from FY 2018 to 44,300 (from 26,000). These interviews supported the admission of 33,000 refugees to the United States which was a 32 percent increase over last year. USCIS also completed 78,580 affirmative asylum applications, and experienced a six percent rise in credible fear cases processed to 103,235.

The Federal Emergency Management Agency (FEMA) deployed over 12,300 FEMA personnel and 519 FEMA Corps personnel in support of 99 major disaster declarations including Hurricane Dorian, 22 emergency declarations and one Fire Management Assistance Grant declaration across 45 States, tribes and territories.

United States Immigration and Customs Enforcement (ICE) removed nearly 268,000 individuals from the United States and arrested over 143,000 individuals. Homeland Security Investigations made nearly 50,000 arrests, approximately 80% of which were criminal arrests, including over 4,300 gang leaders, members, and associates. These gang arrests included 452 Mara Salvatrucha

(MS-13) gang members.

The Transportation Security Administration (TSA) screened approximately 839 million passengers, 1.9 billion carry-on items and 510 million checked bags in FY 2019. This was a 4.3% increase in checkpoint volume which equates to an average increase of over 95,000 passengers per day. They enrolled over 2.1 million new individuals in TSA's PreCheck Application Program which is designed to increase security throughput by expediting trusted travelers and reducing security screening times.

The United States Coast Guard (USCG), through their search and rescue efforts, saved 4,335 lives and prevented over \$41 million in property loss. Over 400 of those lives saved were during Hurricane Dorian response efforts. Simultaneously, while executing their law enforcement responsibility, they removed over 458,000 pounds of cocaine and 63,000 pounds of marijuana with estimated wholesale value of \$6.2 billion.

The Countering Weapons of Mass Destruction (CWMD) Office completed 155 surge deployments of the Mobile Detection Deployment (MDD) Program, enhancing interdiction efforts and expanding law enforcement partners' ability to protect the Nation from a Weapon of Mass Destruction threat. This was an increase of over 115 percent from FY 2018 (72 deployments). Additionally, CWMD conducted more than 100 training exercises, training events and informational briefings with partners and stakeholders to develop doctrine, create training curriculum and validate readiness.

The United States Secret Service conducted protective advances for nearly 6,500 visits and traveled overseas with protection details on 395 foreign visits. The Secret Service seized \$369 million in counterfeit U.S. currency, an 81% increase over the previous year. Finally, the Secret Service closed 1,718 Cyber Financial Crime cases, an increase of 160 percent over FY 2018 and experienced an 18 percent rise in Cyber Financial Crime cases opened, while the Cyber Financial Potential Losses Prevented increased by 36 percent (\$5.2 billion to \$7.1 billion) during the same year.

Last year's operational achievements serve as a baseline from which to determine the incremental growth of threats to the homeland in the coming years. Analyzing the previous year's statistical achievements also allows DHS to plan for future threats accordingly. The FY 2021 President's Budget for DHS is an opportunity for Congress to provide the men and women charged with executing complex missions with the necessary prevention, response and recovery resources.

The security of our Nation's borders remains a primary focus area for the Administration and this Department. Border security is national security as any nation's sovereignty begins with its ability to secure its physical borders. Securing the border is extremely complex and requires a multifaceted approach. The Department has long executed a defense-in-depth model when it comes to border security. There are 5,000 miles of border between the United States and Canada and over 1,900 miles shared with Mexico. The President's Budget is a step toward enhancing border security through investments in staffing, infrastructure and technology. Without a strategy that involves these key investments, border security would be unattainable.

The President's Budget includes \$2.0 billion for the construction of approximately 82 miles of new border wall system. This funding supports real estate and environmental planning, land acquisition, wall system design, construction and oversight. While a physical barrier alone does not solve all border security concerns, it remains foundational to a strategy for achieving operational control of the SWB. A physical barrier is a proven deterrent as well as a mechanism for channeling activity to predetermined points along the border which allows DHS to allocate response resources with much more precision.

Domain awareness is a vital component to border security and complements a physical barrier by providing increased opportunities for actionable intelligence, especially in remote areas with little infrastructure. To complement the physical barrier, the budget includes \$28 million to increase domain awareness through the deployment of 30 Autonomous Surveillance Towers (formerly Innovative Towers) across the Southwest border. The towers are designed to provide persistent electronic surveillance in remote areas of the border without the need for a permanent Border Patrol Agent presence. The data derived from these sensors will be relayed in real-time to the Air and Marine Operations Center and local Border Patrol Stations and/or Sectors for processing, threat determination and response execution.

The President's Budget seeks funding for a number of CBP's airframe and sensor modifications, conversions and/or upgrades. These platform improvements are multi-purposed as they provide increased levels of domain awareness and are instrumental in interdiction and humanitarian operations. They include \$15.5 million to convert an Army HH-60L to CBP's versatile UH-60 Medium Lift Helicopter configuration. UH-60s are the only assets in CBP's fleet that have medium lift capability and are rugged enough to support interdiction and life-saving operations in extreme or hostile environments (desert, extreme cold or open water). The Budget includes \$14.3 million to upgrade a DHC-8 Maritime Patrol Aircraft. These aircraft operate under broad operational spectrums, including coastal/maritime boundaries in the Caribbean and Latin America. The Budget also requests \$13.0 million for the replacement of obsolete, out of production aircraft sensor integrated mission systems. Systems requiring replacement include non-High Definition (HD) Electro Optic/Infrared (EO/IR) sensors, outdated mapping systems, video displays, recorders and data links that facilitate real-time data exploitation.

While technology plays an important role in the Department's day-to-day missions, our most critical resource remains our personnel. As the Department remains focused on threats from those attempting to circumvent existing laws, we cannot lose sight of the year-over-year increase in the volume of legitimate trade and travel. This volume increase, can limit the time CBP has to conduct necessary threat analysis down to minutes or seconds without impacting the legitimate movement of people and goods.

The President's Budget seeks funding for additional personnel within several Departmental Components including; \$161 million for 750 Border Patrol Agents and 126 support personnel, with an additional \$54 million to sustain 250 Agents hired in FY 2019 and FY 2020; \$544 million for ICE to add an additional 2,844 law enforcement officers and 1,792 support personnel; and, \$3.5 billion to fund 47,596 Transportation Security Officers, which supports the projected 4 percent increase in volume. The FY 2021 Budget also accounts for a 3 percent pay increase for

the uniformed men and women of the Coast Guard, a 1 percent civilian pay increase, and an additional 1 percent increase in award spending, along with annualizing the 3.1 percent civilian pay raise in 2020.

The majority of these personnel increases are targeted for frontline Agents and Officers. However, across the Department there will be staffing increases in various support positions. U.S. Border Patrol, for example, will use Processing Coordinators to perform non-border security, non-law enforcement officer activities such as support activities related to processing or providing humanitarian support. This additional increase will allow frontline Agents and Officers currently assigned to perform administrative duties out of necessity, to focus more time on operational responsibilities.

DHS is committed to enforcing immigration laws across the nation, including the interior of the United States. Our priority is to identify, detain, and remove criminals from the United States that are here illegally with particular attention focused on those individuals posing a threat to public safety. The Department does not intend on stopping there; those employers who knowingly break the law for the self-serving purpose of cheap labor will be identified and brought to justice.

FY 2019 apprehensions between the ports of entry along the Southwest border increased 115% when compared to FY 2018. This unprecedented spike in illegal crossings drove a corresponding increase in the ICE average daily population (ADP). The resulting effect was an increase in historical occupancy levels within DHS detention facilities. Forecasting models reinforce the need for an increase in ICE's detention beds to 60,000 (55,000 adult and 5,000 family). The budget includes \$3.1 billion for this capacity increase and ensures ICE is able to maintain pace with projected migration flows and enhance enforcement activity within the interior of the United States.

We must continue to increase our digital defense as cybersecurity threats grow in scope and severity. The FY 2021 President's Budget is poised to continue investments in the Cybersecurity and Infrastructure Security Agency (CISA) to assess evolving cybersecurity risks and protect Federal Government information systems and critical infrastructure. CISA continues to work tirelessly to ensure cyber-attacks are unable to compromise or disrupt Federal networks. With the November Presidential Election fast approaching, CISA is also working with State and local organizations in all 50 states to ensure American elections are decided by Americans without outside interference. Accordingly, the President's Budget seeks \$1.1 billion in CISA cybersecurity operational costs and investments for programs to include the Continuous Diagnostics and Mitigation (CDM) program and the National Cybersecurity Protection System in order to strengthen the security posture for government networks and systems. The budget also includes \$157.6 million for the Emergency Communications program which enables improved public safety communications services throughout the nation. This program also manages funding, sustainment and grant programs to support communications interoperability and builds capacity with Federal, State, local, tribal and territorial stakeholders.

The Coast Guard is a unique Component given it is the only branch of the U.S. Armed Forces

within DHS. As a military service and a law enforcement organization with a regulatory responsibility, they possess broad jurisdictional authorities and flexible operational capabilities. This combination necessitates an inherent need to ensure they are postured for rapid response to a variety of missions with a modernized fleet that supports these requirements.

The President's Budget includes \$555 million to support the Polar Security Cutter (PSC) program management and to fund the construction of PSC 2. This acquisition recapitalizes the Coast Guard's heavy polar icebreaker fleet to support national interest in the Polar Regions and provide assured surface presence in ice-impacted waters. The Budget also includes an additional \$153 million for existing airframe modernization (combines \$88 million for Fixed-Wing Aircraft and \$65 million for Rotary-Wing Aircraft). These improvements will help ensure the Coast Guard fleet is appropriately equipped for the complex missions they are charged with executing. This modernization effort aligns the Coast Guard's recapitalization of airframes with the Department of Defense Future Vertical Lift acquisitions to create additional acquisition efficiencies. Finally, \$564 million is included for the Offshore Patrol Cutter (OPC). This funding supports the production of OPC #3 and Long Lead Time Materials for OPC #4 along with technical and program management costs.

The FY 2021 President's Budget includes \$96 million in additional resources, distributed across several Components to fund the Targeting Violence and Terrorism Prevention (TVTP) program. This program is designed to support early detection and prevention of radicalization of individuals prone to violence by interrupting those efforts with appropriate action by leveraging civic organizations, law enforcement and community organizations. The Department's investment includes Components vested in research and development, early detection and response.

What makes the United States great is its resiliency in the face of adversity and hardship. Throughout our storied history, there are dozens if not hundreds of examples of that resiliency displayed. And though the people of this country are resilient by nature, it is important that we as a Department appropriately plan ahead for things we know are coming including hurricanes, earthquakes and fires. One of FEMA's strategic goals is to Ready the Nation for Catastrophic Disasters. The FY 2021 President's Budget helps FEMA achieve this goal by funding numerous initiatives aimed at preparedness and disaster recovery. FEMA continues to invest in State and local governments to increase preparedness and resiliency. The budget includes \$2.5 billion to support State, local, tribal and territorial governments in the form of non-disaster grants and training. These funds are key in sustaining and building new capabilities to prevent, protect against, respond to, recover from and mitigate high consequence disasters and emergencies in our Nation's high-risk transit systems, ports, and along our borders.

In addition, the Nation's transportation systems are inherently open environments. Part of TSA's mission is to protect these systems to ensure the free and secure movement of people and commerce. U.S. transportation systems accommodate approximately 965 million domestic and international aviation passengers annually, that number is in the billions when you factor in, over-the-road buses and mass transit systems.

Ensuring effective screening of air passengers remains a top priority for TSA. In an effort to



balance the need for increased security without impeding freedom of movement for legitimate travelers, the President's Budget includes \$28.9 million to expand TSA's Computed Tomography (CT) Screening capability. CT Screening is the most impactful property screening tool available today. Not only is it more effective against non-conventional concealment methods but it eliminates the need for passenger to remove electronic items from carry-on bags. This combination improves security and expedites the screening process to increase passenger throughput efficiency. To offset TSA operations, a \$1.00 increase is proposed in the Aviation Passenger Security Fee. This minimal increase would generate approximately \$618 million in additional revenue and help defray the increasing cost of aviation security.

Finally, the FY 2021 President's Budget proposes to transfer the U.S. Secret Service (USSS) functions, personnel, assets and obligations along with the functions and responsibilities of the Secretary of Homeland Security related to the Secret Service over to the Department of the Treasury.

I have only touched on a handful of priorities included in the FY 2021 President's Budget for DHS. This is not intended to convey a message of less importance for those Components, resources or initiatives not highlighted. DHS executes its vast mission responsibility using a defense-in-depth strategy and much of DHS's success is predicated on this approach to execution. Components within the Department have individual mission responsibilities however, they cannot disassociate themselves from one another as their daily activities are intertwined to close gaps in security, resiliency and economic prosperity. Accordingly, those Components, resources or initiatives not listed remain just as important.

I continue to be amazed by the professionalism, dedication, and tenacity displayed daily by the men and women of this Department. Their resolve and genuine commitment to the complex homeland security mission is above reproach and we should all sleep better at night knowing they are on duty. Despite their continued commitment, they cannot safely nor effectively execute their mission without the proper resources. Therefore, I ask for your support in providing them the resources needed to keep our families safe through the FY 2021 President's Budget.

Thank you for the opportunity to appear before you and discuss the Department's FY 2021 Budget submission and I look forward to taking your questions.