

**USING RESOURCES EFFECTIVELY TO SECURE OUR
BORDER AT PORTS OF ENTRY STOPPING THE
ILLCIT FLOW OF MONEY, GUNS, AND DRUGS**

HEARING

BEFORE THE

**SUBCOMMITTEE ON BORDER AND
MARITIME SECURITY**

OF THE

**COMMITTEE ON HOMELAND SECURITY
HOUSE OF REPRESENTATIVES**

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

APRIL 5, 2011

Serial No. 112-15

Printed for the use of the Committee on Homeland Security



Available via the World Wide Web: <http://www.gpo.gov/fdsys/>

U.S. GOVERNMENT PRINTING OFFICE

72-225 PDF

WASHINGTON : 2012

For sale by the Superintendent of Documents, U.S. Government Printing Office
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**USING RESOURCES EFFECTIVELY TO SECURE
OUR BORDER AT PORTS OF ENTRY STOP-
PING THE ILLICIT FLOW OF MONEY, GUNS,
AND DRUGS**

Tuesday, April 5, 2011

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON BORDER AND MARITIME SECURITY,
Washington, DC.

The subcommittee met, pursuant to call, at 10:07 a.m., in Room 311, Cannon House Office Building, Hon. Candice S. Miller [Chairwoman of the subcommittee] presiding.

Present: Representatives Miller, Rogers, McCaul, Broun, Quayle, Rigell, Duncan, Cuellar, Jackson Lee, Higgins, Clarke, and Thompson (ex officio).

Mrs. MILLER. Good morning. We are going to try to get the committee going here this morning. So I certainly want to welcome everyone and, you know, before I make my opening comments, I just have a point of personal privilege to the committee Members generally. This has nothing to do with the witness, and we appreciate him coming today.

In the interest of efficiency, Government efficiency and the Members' time, believe it or not, we do have some issues going on in this country that the Congress is trying to deal with, whether it is wars that we are already into, may get into, continuing resolution, huge budget, et cetera, et cetera. So I try to roll things here as we can as effectively and efficiently as possible.

So since I have had this Chairmanship, I have tried to just have one panel in an effort to make sure that Congress is able to do our responsibility, which is Government oversight. I was hopeful that we would be able to mesh our two panels into one today. There is no reason that they couldn't be in one panel. There certainly is precedent for it.

However, the Department of Homeland Security—you don't need to comment on this, sir, I appreciate your coming—has made a decision that we can't have the Department of Homeland Security with our other panel because they say that this is a time-honored tradition. My response to all of this is last year in the other Congress—and I am not going to go through all of these cites—I said to my staff, "Wait a minute, we used to do this all the time, what is the big headache here?" There is issue after issue, committee hearing after committee hearing, where this has happened in the past.

If you go to the American taxpayers and say the Department of Homeland Security does not want to sit on a panel with other people, other stakeholders that they deal with on a regular basis and they cannot sit on the same panel because their comfort level isn't there, it is the most ridiculous thing I have ever heard of. I do intend to take this up with the Secretary who is well aware of my position on this. I have to tell you, I am one of these folks in Congress who normally doesn't get exercised over the small stuff. But this is so small, it is below us to even be having this conversation as far as I am concerned. If I didn't agree to this, I would just tell the committee Members, we would not have had anybody from the Department of Homeland Security show up at the committee today, because they didn't have their comfort level to be on the same panel with our second panel who is not adversarial to what we are trying to do. Guess what? Even if they were, welcome to the world. Okay?

How can you have a conversation if you don't even want to be on the same table with folks that you might not necessarily agree with or might have a differing opinion than yours?

So that is the point of personal privilege that I want to make today. Again, I will be following up with a letter to the Secretary as well.

Mr. BROWN. Would the gentlelady yield?

Mrs. MILLER. Yes, I would yield.

Mr. BROWN. I would thank you for yielding, Madam Chairwoman. I just want to add to that. I think it is preposterous, exactly what is happening here. I just want to encourage you as Chairwoman to continue to pursue this, because I think it is absolutely inane that they refuse to sit on the panel with other folks.

So I just want to associate myself with what you said and just want to amplify that, put an explanation point on it. I think it is absolutely preposterous, the Department of Homeland Security, the way they are acting on this. I thank you for bringing that point of privilege up and I yield back.

Mrs. MILLER. I appreciate the gentleman's comment. I recognize the Ranking Member.

Mr. CUELLAR. Thank you very much. As you and I had talked earlier this morning, I would be happy to sit down with you and with the Homeland folks to see if we can try to put this in the most efficient way so we can move this as quickly as possible.

I know that there were instances where Homeland sat down with Boeing. It had more to do with the SBI, because they were the contractor. But I certainly want to sit down with the Chairwoman and see how we can make this work the next time so we don't get any surprises at the very end.

Mrs. MILLER. I certainly appreciate that. One of the things that I sincerely want to strive for is a bipartisan approach on this committee. Border security is happening in Democratic and Republican and independent districts. It is something that this committee is focused on to reflect the political will of the majority of the American people. We want to do our Congressional oversight with the agencies involved, and we want to get to our mission. But to not even be willing to sit down on a panel with additional stakeholders, I

am not sure if that is a partisan thing, I don't want to believe that. But I have to say I am extremely disappointed.

At any rate, let us go on with our committee here. Our first two hearings examine security between points of entry by focusing on the concept of operational control, focusing on the right mix of technology, infrastructure, and personnel. Today I want to pivot and focus on the security at our ports of entry.

So this hearing builds on the previous two by examining how the Office of Field Operation uses the resources appropriated by Congress to stop the illicit flow of money, guns, and drugs. When we think about border security, I think one of the first things we think about are discussions of Border Patrol agents and fences and camera towers, et cetera, all focused on getting control of the border again between the ports of entry.

However, I think it is very important that we understand that we face just as serious challenges at the ports of entry in our Nation. In fact, a recent Department of Justice report said that nearly 90 percent of all the drugs that come into our Nation flow through the official ports of entry. They are not coming in between the ports of entry. They are coming through the actual ports of entry. Where there are drugs, there will be money, there will be guns. Make no mistake, the cartels are running drugs across the Southwest border. They are very highly sophisticated and they are an enemy with one goal, and that is certainly for them to make as much money as possible.

That is why I think we have to be concerned when we have fiscal year 2010 Congressional Justifications to Congress that indicated that CBP apprehends only 30 to 40 percent of major violators like drug traffickers at the air ports of entry and less than 30 percent at the land POEs. It does trouble me that CBP actually omitted this chart from the fiscal year 2012 Budget Justification documents to Congress.

When it comes to National security, we need to do better. When it comes to border security, we need to do much better. So I will be very interested to hear why those statistics were not included in this year's budget documents and what we can do to ensure that we are catching the overwhelming majority of drug traffickers at or near the border.

Distribution of manpower at the ports of entry is also a concern. Across the various ports of entry, CBP was funded for over 20,000 officers in the CR and they have requested over 21,000 for fiscal year 2012 but it is having trouble exceeding the 19,875 agents as of just a few months ago. So we recognize that attrition is a big concern for the agency. We will be wanting to know, are we hiring enough agents to replace the ones we are apparently losing at a fairly quick pace and what we are doing to stem attrition, if we can, so that we can keep the well-trained men and women of CBP who do a fantastic job, the men and women of CBP each and every day, 24/7. Our Nation sincerely appreciates all of their service.

However, I don't think we can secure the border, as we mentioned, just using manpower alone. I am also convinced that we need to have additional manpower. But something that I know many Members of this committee, particularly Mr. Rogers of Alabama, have talked about many times are our canines. And they

certainly are force multipliers that we can and must leverage to interdict illegal narcotics, concealed humans, agriculture products, et cetera, at our Nation's POEs. However, there are roughly the same number of canine teams today as there were in 2008. So this is something, again, that I think the committee will want to get to.

The Office of the Inspector General noted that although canine agents are only actually less than 4 percent of total manpower, if we want to call it that, they were credited with 60 percent of narcotic apprehensions and 40 percent of all other apprehensions. I am a big advocate of technology, but I can tell you, you can have all the technology and the manpower in the world, who is catching most of the drugs? The dogs. The dogs are getting the drugs. It is very important I think that we look at that.

Over the last 5 years, the Southwest border has seen the largest increase in the number of canines in service at the ports of entry, amounting to actually over 60 percent of all the canines in service. One port, Laredo, actually has about 20 percent of all the canines there. However, on the second-busiest border crossing on the Northern tier, the Blue Water Bridge, we only have one dog. We only have one dog there.

So again, I don't know how we are expected to have our agents there stop the flow of drugs on the Northern border where we just have one dog at one port and only a few others in some of the other sections along the Northern border as well.

An integral part of our security at our ports is the maintenance and, where appropriate, the expansion of port infrastructure. We cannot increase manpower at the ports of entry if there are not enough truck lanes, passenger lanes, and not enough facilities to accommodate an increase in our officers.

The President's stimulus package allocated 720 million for the Land POEs and the GSA-owned facilities, and 420 million for CBP-owned locations. In three cases, it was allocated to ports that CBP had decided to either reduce hours or close altogether. So these projects are on hold, but it certainly indicates, I think, a lack of foresight with the agency when allocating those stimulus dollars.

Moving forward, I want to ensure that the limited infrastructure funds available be targeted in such a way where we are looking at volume of traffic, we are prioritizing it so that we can maximize both security, as well as expedite the flow of commerce and trade into our Nation.

I think a critical theme of this subcommittee will be balance. I certainly will continue to remind CBP that we have two borders, but both of them need to be secure. This committee certainly wants to work with you to make sure that you have the resources to do the very difficult job that you have, the mission that we have given you.

Again, I want to just emphasize that my opening comments are no reflection on you or any of the CBP agents, many of whom I have had an opportunity to meet. They are just incredible, incredible patriots and men and women who do a fantastic job for our Nation.

At this time, I would recognize our Ranking Member, Mr. Cuellar for his opening remarks.

Mr. CUELLAR. Thank you, Madam Chairwoman. I appreciate you calling today's hearing on security of the American ports of entry. As I have said before, as Members representing border districts, both yourself and myself, we have areas of common interest, both the Northern border and the Southern border. Probably chief among them are issues that are related, whether it is the Northern or Southern border, and that is to make sure that the ports of entry have the necessary resources to operate efficiently and effectively, finding that balance between trade, tourism, retail, and then providing the security.

Members, I would ask you to keep one thing in mind; 88 percent of all the goods and people coming into the United States come through land ports. Not through sea ports, not through air ports, but through land ports. This is why I am very excited about you having this meeting, as we have done in the past also to emphasize this.

I know that Representative Higgins, Representative Clarke, also have major ports of entry just like you do also. As Members representing border districts, we have special appreciation for the U.S. Custom Border Protection task in achieving security while ensuring travel and commerce continues to move as efficiently as possible.

I know one of our witnesses, Mayor Cortez, will be talking about that. I represent a part of the United States where border commerce has become part of the daily life. In the border region of South Texas, families understand and value our ability to exchange goods with our neighboring United States of Mexico and how that benefits them at home. I know that Mayor Cortez—I won't go into his testimony, but let me just talk about my hometown, Laredo.

In my hometown of Laredo, it is the largest inland trade post in the Southern area, the sixth-largest trade port. This is a small community of about only 250,000 individuals. In large part it has to do because of the trade that we have. While the Nation's unemployment rose, Laredo's unemployment remained steady at 8.6, despite having a 30 percent poverty level. At the peak of its economic area, Laredo was passing 13,000 trucks a day. I emphasize, 13,000 trucks a day.

Every day there is about a billion dollars' worth of trade between the United States and Mexico. This is one thing we have to keep in mind, why this is so important that we find the proper resources and find this balance between security and trade and tourism.

I know that our friends, CBP, they have worked hard and I appreciate, Mr. Winkowski, the efforts that you all have been doing. I really appreciate the work that you have done. The enhancement we have had for security has been something that has paid dividends. We certainly have more work to do as the Chairwoman said. But again, this is something that we have to keep in mind, that we have to continuously be looking for new technology, the personnel and, of course, keep in mind that some of the footprints that we have, our bridges, there are some like the Anzalduas Bridge that the mayor will talk about. It is a new one. There is a lot of things that you can do. But there are some older bridges, like Bridge No. 1 in Laredo; there is a footprint that is so tight that

we have got to think about how we can provide that security and still provide the efficiency of trade and tourism.

Cross-border travel and commerce is the lifeblood of districts like mine and along our Nation's border. It is essential to the American economy. We have to find this security and this facilitation and we have to know that—to have the personnel, the technology, and the infrastructure are necessary to secure the ports of entry to make sure that we facilitate the trade, tourists, and retail that is so important. The more we invest in the resources, the more we can enhance both security and facilitation.

One of the things that, Chairwoman and Members, I think in the past we have done an—and I will say this generally. In the past we have done a good job in investing in the men and women in green, which is our Border Patrol. That is the areas between the ports of entry. But we cannot forget our men and women in blue, which is our CBP, our Customs folks. Certainly this is something that I know we are all on the same page.

As a side note, I would also encourage CBP to keep in mind one thing. We are the oversighters. We provide oversight. I would encourage CBP to send us the complete staffing model for CBP Office of Field Operation. I think we have asked several times. We got some information, it wasn't done then. I know that we asked the staffing model for Border Patrol, if you recall, at the last meeting. We got something back. It is not what the staffing model should be, or at least it is not the information that we requested. We are asking the CBP to work with us.

Again, I emphasize we provide oversight and I think we need to look at the staffing models so we know how they distribute staff at the Northern border and the Southern border both for Border Patrol and for CBP. Again, it is part of our oversight.

So, Madam Chairwoman, I look forward to continuing to work with you on these issues. I thank the witnesses for joining us here today. Thank you.

Mrs. MILLER. I thank the gentleman.

Now the Chairwoman recognizes the Ranking Member of the full committee, the gentleman from Mississippi, Mr. Thompson, for any statement he may have.

Mr. THOMPSON. Thank you very much, Madam Chairwoman. I would like to ask unanimous consent that a statement provided to the committee by the National Treasury Employees Union be included in the record for this hearing.

Mrs. MILLER. Without objection.

[The information follows:]

STATEMENT OF COLLEEN M. KELLEY, NATIONAL PRESIDENT, NATIONAL TREASURY
EMPLOYEES UNION

APRIL 5, 2011

Chairman Miller, Ranking Member Cuellar, distinguished Members of the subcommittee: Thank you for the opportunity to provide this testimony. As President of the National Treasury Employees Union (NTEU), I have the honor of leading a union that represents over 24,000 Customs and Border Protection (CBP) Officers and trade enforcement specialists who are stationed at 331 land, sea, and air ports of entry (POEs) across the United States. CBP employees' mission is to protect the Nation's borders at the ports of entry from all threats while facilitating legitimate travel and trade. CBP trade compliance personnel enforce over 400 U.S. trade and

tariff laws and regulations in order to ensure a fair and competitive trade environment pursuant to existing international agreements and treaties, as well as stemming the flow of illegal contraband such as child pornography, illegal arms, weapons of mass destruction, and laundered money. CBP is also a revenue collection agency, processing approximately 25.8 million trade entries a year at the POEs and collecting an estimated \$29 billion in Federal revenue in 2009.

LAND PORTS OF ENTRY

The United States has more than 4,000 miles of land border with Canada and 1,993 miles of land border with Mexico. Most travelers enter the United States through the Nation's 166 land border ports of entry. About two-thirds of travelers are foreign nationals and about one-third are returning U.S. citizens. The vast majority arrive by vehicle. The purpose of the passenger primary inspection process is to determine if the person is a U.S. citizen or alien, and if alien, whether the alien is entitled to enter the United States. In general, CBP Officers are to question travelers about their nationality and purpose of their visit, whether they have anything to declare, and review the travel documents the traveler is required to present.

Each day CBP Officers inspect more than 1.1 million passengers and pedestrians, including many who reside in border communities who cross legally and contribute to the economic prosperity of our country and our neighbors. At the U.S. land borders, approximately 2 percent of travelers crossing the border are responsible for nearly 48 percent of all cross-border trips. At the land ports, passenger primary inspections are expected to be conducted in less than 1 minute. According to CBP, for regular lanes the average inspection time per vehicle is 30 to 45 seconds during which CBP Officers should handle documents for all vehicle occupants and, if necessary, detain and transfer suspected violators to secondary inspection. For FAST truck lanes, the average processing time is 15 to 20 seconds. ("CBP: Challenges and Opportunities" Memo prepared by Armand Peschard-Sverdrup for: Mexico's Ministry of the Economy: U.S.-Mexico Border Facilitation Working Group. January 2008, page 5.)

In fiscal 2010, CBP Officers and CBP Agriculture Specialists at the 331 POEs inspected 352 million travelers and more than 105.8 million conveyances—cars, trucks, buses, trains, vessels, and aircraft. Out of the total 331 official POEs, currently only 24 major land POEs are situated on the Mexico-U.S. border: Six in California, seven in Arizona, one in New Mexico, and ten in Texas. On the Canadian-U.S. border there are 150 land POEs. Land POEs have a series of dedicated lanes for processing commercial traffic, passenger vehicles, pedestrians, and in some cases rail crossings.

Between the United States and Mexico, 68.4 percent of the total commercial two-way truck trade flow crossed through three land POEs—Laredo, El Paso, and Otay Mesa. In rail traffic, trade is heavily concentrated (97.8%) in five rail POEs—Laredo, Eagle Pass, El Paso, Nogales, and Brownsville ("Facilitating Legal Commerce and Transit." 2009 Memo prepared by Armand Peschard-Sverdrup for the Pacific Council/COMEXI Joint Task Force on Re-thinking the Mexico-U.S. Border: Seeking Cooperative Solutions to Common Problems, page 2).

Each year, 45 million vehicles cross into the United States from Canada. Most of the trucks use 22 principal border crossings. By 2020, the volume of truck traffic is projected to grow to 19.2 million per year, an increase of 63% from 11.8 million in 1999. The six highest-volume crossings on the Canada-U.S. border handled almost 90% of the value and three-quarters of the tonnage and truck trips. According to the most recent data NTEU has, the six highest U.S.-Canada POEs are Ambassador Bridge (Detroit, Michigan), Peace Bridge (Buffalo, New York), Blue Water Bridge (Michigan), Lewiston-Queenston Bridge (New York), Blaine (Washington), and Champlain (New York). ("Truck Freight Crossing the Canada-U.S. Border," September 2002, page 2, 6.)

Preventing the flow of arms, drugs, other contraband, pirated merchandise, and undeclared cash, and invasive agricultural items, while at the same time facilitating trade and the legal movement of people as efficiently as possible is a daily challenge for CBP Officers and Agriculture Specialists at the land POEs.

BORDER VIOLENCE AT U.S.-MEXICO LAND PORTS

In the past 5 years, a new challenge also confronts CBP personnel at the southwest land POEs. An epidemic of violence has erupted right across the U.S. Southern border in Mexico due to an increase in Mexican drug cartel activity there and the crackdown on drug and human traffickers by the Mexican government. Drug violence in northern Mexico has skyrocketed with more than 35,000 killed over the last 5 years. This violence is fueled by arms smuggling and bulk cash drug proceeds

transiting south from the United States. The incidence of violence is escalating daily at or near U.S.-Mexico POEs.

NTEU is providing information to Congress and the administration to help assess security equipment and other needs to address the increased threat to CBP personnel at the Southern border. Safety of CBP Officers at the ports of entry is a major concern. Appropriate facilities, staffing, and equipment are necessary at the Southern land ports to ensure CBP Officers' safety.

The fiscal year 2010 DHS funding bill included \$8.1 million for 65 CBP Officers and 8 support staff positions to be dedicated to "Combating Southbound Firearms and Currency Smuggling." NTEU believes that this staffing increase remains insufficient to address the staffing needs at southern ports of entry. Outbound enforcement remains a particular challenge. For example, according to the Government Accountability Office (GAO), "from March 2009 through February 22, 2011 . . . CBP Officers seized about \$67 million in illicit bulk cash leaving the country at land POEs . . . the National Drug Intelligence Center estimates that criminals smuggle \$18 billion to \$39 billion a year across the southwest border, and that the flow of cash across the northern border with Canada is also significant." ("DHS Progress and Challenges in Security the U.S. Southwest and Northern Borders," GAO-11-508T, page 7.)

CBP STAFFING AT THE PORTS OF ENTRY

In October 2009, the Southwest Border Task Force, created by Homeland Security Secretary Janet Napolitano, presented the results of its staffing and resources review in a draft report. This draft report recommends the "federal government should hire more Customs [and Border Protection] officers." The report echoes the finding of the Border-Facilitation Working Group. (The U.S.-Mexico Border Facilitation Working Group was created during the bilateral meeting between President George W. Bush and President Felipe Calderón held in Mérida in March 2007.) "In order to more optimally operate the various ports of entry, CBP needs to increase the number of CBP Officers. According to its own estimate, the lack of human resources only for the San Ysidro POE is in the "hundreds" and the CBP Officer need at all ports of entry located along the border with Mexico is in the "thousands." ("CBP: Challenges and Opportunities" a memo prepared by Armand Peschard-Sverdrup for Mexico's Ministry of the Economy: U.S.-Mexico Border Facilitation Working Group, January 2008, pages 1 and 2.) It should be noted that the number of inspection booths at San Ysidro POE will increase from 24 booths to 63 inspection booths in the near future.

The administration's fiscal year 2012 budget requests funds for 21,186 CBP Officer positions—an increase of 409 over fiscal year 2011, but still 108 officers below the fiscal year 2009 level of 21,294 CBP Officer positions. NTEU is disappointed that the fiscal year 2012 budget request includes no significant increase in frontline CBP Officer or CBP Agriculture Specialist positions. After a net decrease of over 500 CBP Officer positions between 2009 and 2011, CBP is seeking appropriated funding to "support 300 CBP Officers above the fiscal year 2011 budget and additional canine assets to the Port of Entry operations," despite independent studies that state that CBP is understaffed at ports of entry by thousands of officers.

Of particular concern to NTEU in the fiscal year 2012 budget request, is the decrease of \$20 million in funding for inspectional overtime at the air, land, and sea ports of entry. CBP states that "proposed efficiency will require POE[s] to reduce overtime spending during periods of increased workload, including but not limited to, the annual peak summer seasons at our Nation's air and seaports."

Overtime is essential when staffing levels are low to ensure that inspectional duties can be fulfilled, officers have sufficient back-up and wait times are mitigated. This is one reason why Congress authorized a dedicated funding source to pay for overtime—customs user fees pursuant to Title 19, section 58c(f) of the U.S. Code. CBP collects user fees to recover certain costs incurred for processing, among other things, air and sea passengers, and various private and commercial land, sea, air, and rail carriers and shipments.

The source of these user fees are commercial vessels, commercial vehicle, rail cars, private aircraft, private vessels, air passengers, sea passengers, cruise vessel passengers, dutiable mail, customs broker and barge/bulk carriers. These fees are deposited into the Customs User Fee Account. User Fees are designated by statute to pay for services provided to the user, such as inspectional overtime for passenger and commercial vehicle inspection during overtime shift hours. In addition, APHIS user fees and immigration user fees also fund "fee-related" inspection costs. User fees have not been increased in years and some of these user fees cover only a portion of recoverable fee-related costs. For example, CBP collects the extraordinarily

low fee of \$437 at arrival of a commercial vessel to a port to recover personnel and other costs to process and inspect the vessel's crew and cargo. This fee, however, is capped at \$5,955 per calendar year; no matter how many times the commercial vessel enters a port that year. This fee was last raised from \$397 to \$437 in 2007, but the cap has remained at \$5,955 since 1986. Another example of an extraordinarily low user fee is the fee paid by railcar owners of \$8.25 per car at arrival for processing and inspection, but the fee is capped at \$100 per railcar per calendar year.

CBP is seeking legislation to lift the exemption of passengers arriving from Canada, Mexico, most of the Caribbean Islands and U.S. territories from payment of the \$5.50 per arrival fee for air and sea traveler processing and inspection. NTEU supports lifting these user fee exemptions allowing CBP to more fully recover the costs of passenger processing and inspection, but believes that Congress should review all user fees collected by CBP with an eye to more fully recovering CBP's costs of these services to the user.

CHALLENGES WITH FACILITATING LEGAL TRADE VS. STOPPING ILLICIT FLOW OF MONEY, GUNS, AND DRUGS

Cross-border commercial operators are acutely concerned about wait times and costs of delay at the land POEs. Wait times differ across POEs and vary depending on whether the congestion involves pedestrians, passenger vehicles, trucks, or railcars and whether the ports participate in expedited crossing programs such as SENTRI for people or FAST (Free and Secure Trade) lanes for trucks and railcars that are certified as compliant with the Customs Trade Partnership Against Terrorism (C-TPAT) agreement. Wait times also vary with the day of the week and the time of day and holidays on either side of the border. Currently, not all available lanes are staffed to capacity. Antiquated port infrastructure and CBP personnel staffing shortages contribute directly to wait times at the land POEs.

NTEU believes that there is no way you can speed up the inspection process in which CBP Officers are currently conducting primary inspections in 30 to 40 seconds without increasing staffing. NTEU's position was confirmed by the October 2009 draft report of the Southwest Border Task Force created by Homeland Security Secretary Janet Napolitano that recommends the "federal government should hire more Customs [and Border Protection] officers."

The report echoes the finding of the Border-Facilitation Working Group. (The U.S.-Mexico Border Facilitation Working Group was created during the bilateral meeting between President George W. Bush and President Felipe Calderón held in Mérida in March 2007.) "In order to more optimally operate the various ports of entry, CBP needs to increase the number of CBP Officers. According to its own estimate, the lack of human resources only for the San Ysidro POE is in the "hundreds" and the CBP Officer need at all ports of entry located along the border with Mexico is in the "thousands." ("CBP: Challenges and Opportunities" page 1 and 2. Memo prepared by Armand Peschard-Sverdrup for: Mexico's Ministry of the Economy: U.S.-Mexico Border Facilitation Working Group. January 2008.)

In 2007, in a GAO report entitled "Border Security: Despite Progress, Weaknesses in Traveler Inspections Exist at Our Nation's Ports of Entry" (GAO-08-219), GAO found that:

- CBP needs several thousand additional CBP Officers and Agriculture Specialists at its ports of entry.
- Not having sufficient staff contributes to morale problems, fatigue, and safety issues for CBP Officers.
- Staffing challenges force ports to choose between port operations and providing training.
- CBP's on-board staffing level is below budgeted levels, partly due to high attrition, with ports of entry losing officers faster than they can hire replacements.

The conclusions of this report echo what NTEU has been saying for years and, in order to assess CBP Officer and CBP Agriculture Specialists staffing needs, Congress, in its fiscal year 2007 DHS appropriations conference report, directed CBP to submit by January 23, 2007 a resource allocation model for current and future year staffing requirements.

In July 2007, CBP provided GAO with the results of the staffing model. The GAO reported that "the model's results showed that CBP would need up to several thousand additional CBP officers and agricultural specialists at its ports of entry." (See GAO-08-219, page 31) And the Washington Post reported that "the agency needs 1,600 to 4,000 more officers and agricultural specialists at the nation's air, land and sea ports, or a boost of 7 to 25 percent." (November 6, 2007).

The staffing model reinforces the findings of the Border Facilitation Working Group—“when you look at the budgets that are normally handed out to CBP to POEs, one can conclude that this unit has been traditionally under-funded.” (See “CBP: Challenges and Opportunities,” page 1.) To date, however, it is NTEU’s understanding that CBP’s POE staffing model has not been made public or even available for Congress to review.

IMPACT OF STAFFING SHORTAGES

According to GAO, “At seven of the eight major ports we visited, officers and managers told us that not having sufficient staff contributes to morale problems, fatigue, lack of backup support and safety issues when officers inspect travelers—increasing the potential that terrorists, inadmissible travelers and illicit goods could enter the country.” (See GAO–08–219, page 7.)

“Due to staffing shortages, ports of entry rely on overtime to accomplish their inspection responsibilities. Double shifts can result in officer fatigue—officer fatigue caused by excessive overtime negatively affected inspections at ports of entry. On occasion, officers said they are called upon to work 16-hour shifts, spending long stints in primary passenger processing lanes in order to keep lanes open, in part to minimize traveler wait times. Further evidence of fatigue came from officers who said that CBP officers call in sick due to exhaustion, in part to avoid mandatory overtime, which in turn exacerbates the staffing challenges faced by the ports.” (See GAO–08–219, page 33.)

Staffing shortages have also reduced the number of CBP Officers available to conduct more in-depth secondary inspections. In the past, there were three inspectors in secondary processing for every one inspector in primary processing. Now there is a one to one ratio. This has resulted in a dramatic reduction in the number of illegal cargo seizures. For example, at the Port of Sweet Grass, Montana, from 2000 through 2007, there has been a 59% reduction in the number of seizures of illegal drugs, hazardous imports, and other contraband. Port-by-port seizure data is deemed law enforcement sensitive and it is now very difficult to compare number of seizures at a port from year to year.

Without adequate personnel at secondary, wait times back up and searches are not done to specifications. This is a significant cargo security issue. A full search of one vehicle for counterfeit currency will take two officers on average a minimum of 45 minutes. Frequently, only one CBP Officer is available for this type of search and this type of search will then take well over an hour.

Finally, NTEU has been told that when wait times in primary inspection becomes excessive in the opinion of the agency, CBP Officers are instructed to query only one occupant of a vehicle and to suspend COMPEX (Compliance Enforcement Exams) and other automated referral to secondary programs during these periods. This is an improvement over the past practice of lane flushing, but is still a significant security issue. Also, when primary processing lanes become backed up, passenger vehicles are diverted to commercial lanes for processing.

Again NTEU concurs with the October 2009 Homeland Security Advisory Council Southwest Border Task Force Draft Report that calls on Congress to authorize funding to increase staffing levels for CBP Officers. NTEU urges Congress to authorize funding for CBP Officers and CBP Agriculture Specialists at the levels specified in CBP’s own workforce staffing model, in addition to funding an increase in CBP Officer staffing needed to expand outbound inspection and address the increasing violence at the U.S.-Mexico border.

NTEU also strongly supports legislation expected again to be reintroduced shortly by Representative Silvestre Reyes (D-TX) entitled “Putting Our Resources Towards Security (PORTS) Act.” Representative Reyes’ PORTS Act would authorize 5,000 additional CBP Officers and 1,200 additional CBP AS new hires, in addition to 350 border security support personnel at the Nation’s 331 official ports of entry over the next 5 years. In addition, the bill authorizes funding for infrastructure improvements at the existing ports of entry to repair and improve the gateways into our country.

CBP AGRICULTURE SPECIALIST STAFFING

In 2008, NTEU was certified as the labor union representative of CBP Agriculture Specialists as the result of an election to represent all Customs and Border Protection employees that had been consolidated into one bargaining unit by merging the port of entry inspection functions of Customs, INS and the Animal and Plant Inspection Service as part of DHS’ One Face at the Border initiative.

According to GAO–08–219 page 31, CBP’s staffing model “showed that CBP would need up to several thousand additional CBP Officers and agriculture specialists at

its ports of entry.” And GAO testimony issued on October 3, 2007 stated that, “as of mid-August 2007, CBP had 2,116 agriculture specialists on staff, compared with 3,154 specialists needed, according to staffing model.” (See GAO-08-96T page 1.)

CBP fiscal year 2012 budget request includes funding for 2,394, CBP Agriculture Specialists, 760 short of those needed, according to CBP’s own staffing model.

Also, NTEU continues to have concerns with CBP’s stated intention to change its staffing model design to reflect only allocations of existing resources and no longer account for optimal staffing levels to accomplish their mission.

Finally, NTEU strongly supports Section 805 of S. 3623, a bill introduced in the Senate in 2009 that, through oversight and statutory language, makes clear that the agricultural inspection mission is a priority. The legislation increases CBP Agriculture Specialist staffing, and imposes an Agriculture Specialist career ladder and specialized chain of command.

END ONE FACE AT THE BORDER

In 2003, DHS created a new Customs and Border Protection Officer position and announced the “One Face at the Border” initiative that purportedly unifies the inspection process for travelers and cargo entering the United States. In practice, the major reorganization of the roles and responsibility of the inspectional workforce as a result of the One Face at the Border initiative has resulted in job responsibility overload and dilution of the customs, immigration, and agriculture inspection specializations and in weakening the quality of passenger and cargo inspections.

NTEU believes the One Face at the Border initiative has failed to integrate the different border functions it sought to make interchangeable, because they are not. The Customs, Immigration, and Agriculture functions performed at our borders enforce different laws and require different training and skills. Consolidating Immigration and Customs inspection functions has caused logistical and institutional weakness resulting in a loss of expertise in critical homeland security priorities.

For these reasons, NTEU urges CBP to reinstate Customs and Immigration specializations, as it did with the Agriculture specialization, at the POEs. The “One Face” initiative should be ended, Customs and Immigration specializations should be reestablished within CBP, and overall CBP inspection staffing should be increased.

NTEU suggests that the committees include the following provision in any upcoming CBP authorization.

“SEC. ____ ESTABLISHMENT OF SPECIALIZED CBP OFFICER OCCUPATIONS.—The Secretary of Homeland Security shall establish within the Bureau of Customs and Border Protection two distinct inspectional specialization occupations for Customs and Border Protection Officers at the air, sea, and land ports of entry; an immigration inspection specialization and a customs inspection specialization.”

RATIO OF CBP SUPERVISORS TO FRONTLINE CBP OFFICERS

NTEU continues to have concerns that CBP is continuing to increase the number of supervisors when a much greater need exists for new frontline hires. In terms of real numbers, since CBP was created, the number of new managers has increased at a much higher rate than the number of new frontline CBP hires. According to GAO, the number of CBP Officers has increased from 18,001 in October 2003 to 18,382 in February 2006, an increase of 381 officers. In contrast, GS 12–15 CBP supervisors on board as of October 2003 were 2,262 and in February 2006 there were 2,731, an increase of 462 managers over the same of time. This is a 17% increase in CBP managers and only a 2% increase in the number of frontline CBP Officers. (See GAO-06-751R, page 11).

In 2009, CBP reports that there were 19,726 CBP Officers of which 16,360 were bargaining unit frontline employees—a ratio of one supervisor for every five CBP Officers. According to CBP data, in 2009, the number of CBP Agriculture Specialists was 2,277, of which 312 were non-frontline supervisors—a ratio of one supervisor for every six CBP Agriculture Specialists.

TRADE ENFORCEMENT AND COMPLIANCE STAFFING

When CBP was created, it was given a dual mission of safeguarding our Nation’s borders and ports as well as regulating and facilitating international trade. It also collects import duties and enforces U.S. trade laws. In 2005, CBP processed 29 million trade entries and collected \$31.4 billion in revenue. In 2009, CBP collected \$29 billion—a drop of over \$2 billion in revenue collected. Since CBP was established in March 2003, there has been no increase in CBP trade enforcement and compli-

ance personnel and again, the fiscal year 2012 budget proposes no increase in FTEs for CBP trade operations personnel.

In effect, there has been a CBP trade staffing freeze at March 2003 levels and, as a result, CBP's revenue function has suffered. Recently, in response to an Import Specialists staffing shortage, CBP has proposed to implement at certain ports a tariff sharing scheme. For example, because CBP has frozen at 984 Nation-wide the total number of Import Specialist positions, CBP is reducing by 52 positions (from 179 to 127) the number of Import Specialists at the New York City area ports and shifting those positions to other ports. To address the resultant shortage of Import Specialists at New York area ports, CBP is implementing tariff sharing between the port of New York/Newark and JFK airport. Currently, each port (Newark and JFK) processes all types of entries and all types of commodities via the Harmonized Tariff Schedule (HTS).

The reduction in trade personnel has resulted in each port being assigned only parts of the HTS and each port only processing half the commodities entering its port. Tariff sharing presents a number of operational problems with regard to trade personnel performing cargo exams on merchandise that is unloaded at the port of Newark, but the only commodity teams that are trained to process it are at JFK and, vice versa, when merchandise that can only be processed in Newark, is unloaded at JFK. CBP proposes that instead of physical examinations of the merchandise, digital photos can be exchanged between the ports. This is a short-sighted solution that shortchanges taxpayers, trade compliant importers, and the Federal treasury.

The fiscal year 2012 budget requests funding for CBP's enforcement program to "prevent trade in counterfeit and pirated goods, and enforce exclusion orders on patent-infringing and other Intellectual Property Rights violative goods." This request, however, includes no increase in CBP trade operations staff at the POEs to implement this trade enforcement program.

RECRUITMENT AND RETENTION ISSUES

NTEU is pleased to commend Congress and the Department for addressing two major CBP Officer recruitment and retention challenges—lack of law enforcement officer retirement status and a lower rate of journeyman pay than most other Federal law enforcement occupations. In July 2006, Congress extended enhanced retirement prospectively to CBP Officers and in October 2009, CBP announced an increase in the rate of CBP Officer and CBP Agriculture Specialists journeyman pay from GS-11 to GS-12.

According to GAO, however, up to 1,200 CBP Officers a year are lost to attrition and current hires are not keeping pace with this attrition rate. NTEU expects that the extension of enhanced retirement and increasing journeyman pay will help to attract and recruit new hires to keep pace with attrition and achieve staffing levels currently authorized. Since it usually takes about 1½ years to recruit, hire, and train a CBP Officer, however, Congress needs to increase CBP Officer staffing levels now to keep pace with current attrition rates.

NTEU commends the Department for increasing journeyman pay for CBP Officers and Agriculture Specialists. Many deserving CBP trade and security positions, however, were left out of this pay increase, which has significantly damaged morale. NTEU strongly supports extending this same career ladder increase to additional CBP positions, including CBP trade operations specialists and CBP Seized Property Specialists. The journeyman pay level for the CBP Technicians who perform important commercial trade and administration duties should also be increased from GS-7 to GS-9.

INFRASTRUCTURE ISSUES

"The average land POE is 40–45 years old. Urban sprawl has enveloped some of these ports, rendering them effectively landlocked . . . Over time, eroding infrastructure and limits on the availability of land—along with projected growth in the legal movement of goods and people stemming from the continued deepening of economic integration—will require both governments to erect new infrastructure." (See "Facilitating Legal Commerce and Transit" by Armand Peschard-Sverdrup, page 4).

Infrastructure issues vary from port to port. NTEU does not dispute that the infrastructure problems at the POEs need to be addressed. But all port infrastructure solutions, including constructing additional 24-hour port facilities, will take years to achieve. What is necessary today is to staff all existing lanes and to start now to recruit additional personnel to staff proposed new lanes to capacity. Without adequate staffing to achieve this, excessive overtime practices, as well as increased wait times, will continue.

For example, “Congress allocated \$184 million to double the size of the Mariposa Port of Entry in western Nogales through the American Recovery and Reinvestment Act, also known as the stimulus package. But it did not set aside money to hire the 150 additional officers needed to fully staff the port when it’s completed in 3 years. Already, time-consuming searches and seizures at the three busy Nogales ports mean there aren’t enough inspectors to keep all the lanes open—resulting in waits of up to 4 hours to cross the border on holiday weekends or during the winter produce season. Without more officers, the 4-year upgrade of the port could be a waste.” (“New Lanes at Border Face Lack of Staffing,” Arizona Daily Star, February 27, 2011.)

Also, the observations and suggestions of front-line CBP Officers should be taken into account when planning new infrastructure solutions. For example, since before 9/11, the lack of a manned egress point for the Cargo Inspection facility at the Port of Blaine has been noted by numerous port runner incidents. After years of lobbying by Officers, Blaine has a manned egress booth, but it is not staffed 24/7, and the CBP Officer assigned to the exit booth has no way to physically stop a vehicle and driver who want to run the port. There are no gates, no tire shredders, or deployable bollards at the new egress point. Pulling into secondary is still largely dependent on the honor system. This new manned egress point intercepts the lost drivers, and the drivers who can’t understand instructions from the primary officer, but it doesn’t stop deliberate port runners.

TECHNOLOGY ISSUES

Customs and Border Protection relies on technology to process border crossings both in-bound and out-bound with greater efficiency and speed. To compensate for the inadequacy of personnel at land POEs, CBP is relying more on technology, such as Radiation Portal Monitors (RPM) and Radio Frequency Identification (RFID). According to GAO, however, “as of March 2011, license plate readers were available at 48 of 118 outbound lanes on the southwest border but none of the 179 outbound lanes on the northern border.” (“DHS Progress and Challenges in Security the U.S. Southwest and Northern Borders,” GAO-11-508T, page 7.)

Technological advances are important, but without the training and experience, technology alone would have failed to stop the millennium bomber at Port Angeles, Washington. Today, primary processing is increasingly dependent on technology. CBP Officers are instructed to clear vehicles within 30 seconds. That is just enough time to run the license through the plate reader and check identifications on a data base. If the documents are in order the vehicle is waived through. The majority of a CBP Officers’ time is spent processing I-94s, documents non-resident aliens need to enter the United States.

Also, technology improvements can’t overcome deficiencies in equipment and in port infrastructure. For example, DHS recently touted as a money-saving effort the transferring excess IT equipment within the Department rather than buying new equipment. NTEU has learned that at the El Paso cargo facility, CBP Officers “barely get by with the old computers” they inherited 3 months ago when the facility received newer, yet used, computers handed down from the CBP training facility in Artesia, NM. It is questionable if this practice is efficient or effective.

Also, expedited inspection programs, such as FAST, work very well for the participants in these programs in that their clearance process is reduced. CBP, however, needs a higher level of verification of FAST participants because of the higher risk their expedited clearance creates. For example, at the Blaine POE, many of CBP Officer’s narcotics seizures have come out of FAST-approved Carriers and Consignees. Expedited inspection programs such as FAST and C-TPAT, require additional CBP Officers to conduct these verifications.

NTEU RECOMMENDATIONS

As noted by DHS’s own Advisory Council, for too long, CBP at the POEs has been unfunded and understaffed. DHS employees represented by NTEU are capable and committed to the varied missions of the agency from border control to the facilitation of trade into and out of the United States. They are proud of their part in keeping our country free from terrorism, our neighborhoods safe from drugs, and our economy safe from illegal trade. The American public expects its borders and ports be properly defended.

Congress must show the public that it is serious about protecting the homeland by:

- increasing both port security and trade enforcement staffing at the ports of entry to the level recommended by the draft September 2009 Homeland Security Advisory Council Report and Recommendations;

- fully staffing all existing lanes and booths at the POEs to capacity;
- ending the One Face at the Border initiative by reestablishing CBP Officer and CBP Agriculture Specialist inspection specialization;
- extending career ladder pay increases to additional CBP personnel including CBP trade operations specialists, CBP Seized Property Specialists and CBP Technicians,
- ensuring that CBP Officers' and Agriculture Specialists' overtime and premium pay system is fully funded; and
- requiring CBP to submit a yearly workplace staffing model that include optimal staffing requirements for each POE to fully staff all lanes and reduce wait times.

The more than 24,000 CBP employees represented by the NTEU are capable and committed to the varied missions of DHS from border control to the facilitation of legitimate trade and travel. They are proud of their part in keeping our country free from terrorism, our neighborhoods safe from drugs and our economy safe from illegal trade. These men and women are deserving of more resources and technology to perform their jobs better and more efficiently.

Thank you for the opportunity to submit this testimony to the committee on their behalf.

Mr. THOMPSON. Thank you again, Madam Chairwoman, for conducting this hearing. Often when we talk about securing America's borders, the focus is on challenges between the Nation's ports of entry. However, securing those areas is only one part of achieving border security. That is why I am pleased that today's subcommittee is also examining the challenges we face in our Nation's ports of entry.

During the previous two Congresses, this committee held several hearings examining these issues, both here in Washington and out in the field along our Northern and Southern borders. The committee received testimony from Federal officials, local community members, and border stakeholders to solicit first-hand perspectives on the challenges involved in securing ports of entry.

We also had the opportunity to see Customs and Border Protection efforts to interdict guns, drugs, and money smuggled through the ports of entry, as well as individuals attempting to enter the country illegally.

In recent years, DHS has made significant strides towards securing our border crossings. For example, DHS was instrumental in implementing the Western Hemisphere Travel Initiative, helping ensure that travelers have the appropriate documents entering the country. DHS also has placed an increased emphasis on stopping the flow of weapons and cash into Mexico by conducting inspections of southbound vehicles and screening 100 percent of southbound rail shipments for contraband. These efforts and others are paying off.

In the last 2 fiscal years, DHS personnel interdicted more than 6,800 firearm and more than 7 million pounds of drugs, which represents a 28 percent and 16.5 percent increase respectively over the previous 2 years. DHS also seized \$282 million in illicit currency along the southwest border, a 35 percent increase compared to the previous years.

Of course, much more remains to be done. We know that the Government Accountability Office, that thousands of more Custom and Border Protection officers are needed to secure the ports of entry. Also, aging infrastructure needs to be updated to accommodate increased traffic and modern security technologies.

Unfortunately, H.R. 1, the Republican continuing appropriation bill, fails to fund these security priorities and instead would cut the funding for DHS border security programs.

I would also note that the title of today's hearing references only securing concerns like guns, drugs, and cash smuggling. However, I hope that the discussion will also include the need to expedite the flow of legitimate trade and travel. Crossborder commerce is essential not only to border communities, but to the American economy as a whole. Indeed, Canada and Mexico are the United States' second- and third-largest trading partners and the first and second biggest market for U.S. exports. Congestion in our Nation's ports of entry serves as a hidden tax on the American consumer as business interests pass the cost incurred by delays onto the public at large.

We are fortunate to have Representative Cuellar, the Ranking Member of the committee, as a Member representing a district along the U.S.-Mexican border. He knows these issues very well. Representative Higgins and Clarke represent districts along the U.S. Canadian border and also have first-hand expertise in these matters. These Members understand the need to secure our ports of entry, but also the need to do so while expediting trusted travelers and low-risk cargo into the United States. They know the importance of these efforts, both in their districts and to our Nation. Therefore, I look forward to the hearing on their thoughts and the topic before us today. I thank the witnesses for joining us also today.

Mrs. MILLER. I thank the gentleman for his comments.

Other Members of the committee are reminded that opening statements might be entered into the record.

We go to our witness now. Mr. Winkowski was appointed the Assistant Commissioner, Office of Field Operations, in August 2007. He is responsible for operations at 20 major field offices, 331 ports of entry, 58 operational container security initiative ports, and 15 preclearance stations in Canada, Ireland, and the Caribbean. Previously he served as Director of Field Operations in Miami, where he was responsible for managing all inspection operations at the Miami International Airport, Miami Seaport, Port Everglades, Fort Lauderdale International Airport, West Palm Beach, Fort Pierce and Key West as well.

The Chairwoman now recognizes Mr. Winkowski for his testimony. We appreciate your coming, sir.

STATEMENT OF THOMAS WINKOWSKI, ASSISTANT COMMISSIONER, U.S. CUSTOMS AND BORDER PROTECTION, DEPARTMENT OF HOMELAND SECURITY

Mr. WINKOWSKI. Good morning, Chairwoman Miller, and Ranking Member Cuellar and Members of the subcommittee. I appreciate the opportunity to testify before your committee today and continue our on-going discussions on how we secure the border at our ports of entry.

I will tell you that I am coming on my fourth-year anniversary as the Assistant Commissioner for Field Operations. This is the first time I can recall having a hearing specifically focusing in on the ports of entry. So I really welcome this opportunity to testify

at the hearing. Without your full support and partnership, we would not have been able to accomplish all of the successes we have had to date.

The Department of Homeland Security and Customs and Border Protection employ a risk-based layered approach that, through the help of this committee, has become a cornerstone of our operations at the ports of entry.

Given my limited time, I want to take a few minutes to talk about some of the really good work that we have been able to accomplish. At the direction of Secretary Napolitano and Commissioner Bersin, CBP has re-engaged in out-bound operations over the past 2 years with much success: An increase in currency, weapons seized at the border going south into Mexico, 100 percent rail inspection that Mr. Thompson mentioned. By the end of this year, we will have hand-held license-plate reader capability at all of our 111 out-bound lanes along the Southwest border.

Furthermore, as we create new facilities, we are keenly aware of the need to ensure the capacity of out-bound inspections in our design as well as in our construction.

Another important initiative has been the Alliance to Combat Transnational Threats, or ACTT, in Arizona. Since ACTT began on September 5, 2009, we have seen significant enforcement actions at Arizona ports of entry, more than \$13 million in out-bound currency seizures, over 129,000 pounds of marijuana, and 3,600 pounds of cocaine as examples.

Our success can be measured in many ways. Raw numbers tell us something. But the smugglers' reactions help validate our activities. Since we have increased our efforts and continue to evolve our methods, the cartel has moved to more unique and deeper concealment methods. For example, concealing drugs in transmissions of vehicles and trucks and manifolds, cash in gas tanks, the use of buses to smuggle drugs and cash, drugs commingled with produce, as just some examples.

Critically important to our mission and related to the violence seen on the Mexican side of the border is our effort to give our officers the training and resources they need to ensure the security of the ports. We have conducted infrastructure surveys to improve the physical security of the ports that we have spent over \$3.2 million hardening our ports. We have deployed what we call tactical enforcement officers who are fully equipped with body armor and the long guns and all the other associated equipment. We continue to improve and enhance our special response team program.

I also would like to mention the much-needed infrastructure projects we have taken and continue to pursue. Chairwoman, you mentioned this along with Mr. Cuellar. The Commissioner and I just had the opportunity to open up the new Peace Arch Port of Entry in Blaine, Washington. Clearly it is a state-of-the-art facility that showcases what an effective partnership we have between all the stakeholders: The trade community, the community at large, the general public, GSA, and what we can produce at CBP. Really, the port of entry in Blaine, as I mentioned, is state of the art; but it also is fully equipped with all that we need from a standpoint of our requirements with audit, video capabilities and primary and secondary as well as ample space to process individuals.

Over the past year, we have opened two new ports of entry in Anzalduas and Donna. San Ysidro has begun a well-needed expansion and enhancement plan. I was just recently down there for the groundbreaking. We will see enhancements in San Luis, Arizona, as well.

The fiscal year 2012 budget request contains money for 300 CBPOs for new and existing infrastructure, and I look forward to working with this committee to ensure that we have the essential personnel resources going forward.

These improvements not only bolster security but also enhance our ability to facilitate legitimate trade and travel. Our focus should be to consistently and constantly find new and innovative ways to reduce transaction costs. That comes through working with our partners and take our trusted traveler and trusted shipper programs to the next level.

I thank you for the opportunity to testify and I look forward to answering your questions.

[The statement of Mr. Winkowski follows:]

PREPARED STATEMENT OF THOMAS WINKOWSKI

APRIL 5, 2011

Chairman Miller, Ranking Member Cuellar, Members of the subcommittee, it is a privilege and an honor to appear before you today to discuss the work of U.S. Customs and Border Protection (CBP), particularly the tremendous dedication of our men and women in the field, both at and between our ports of entry.

My testimony today focuses on CBP's operational efforts that are leveraged to combat narcotics, weapons, and cash smuggling along our borders.

I would like to begin by expressing my gratitude to Congress for its continued support of the mission and people of CBP. It is clear that Congress is committed to providing CBP with the resources we need to increase and maintain the security of our borders. We greatly appreciate your efforts and assistance, and I look forward to continuing to work with you on these issues in the future.

The creation of CBP, which established a single, unified border agency for the United States, is a profound achievement, and our responsibilities are immense and challenging. CBP is responsible for protecting more than 3,900 miles of border with Canada and 1,900 miles of border with Mexico, and 2,600 miles of shoreline. In fiscal year 2010, CBP officers at 331 ports of entry inspected 352 million travelers and more than 105.8 million cars, trucks, buses, trains, vessels, and aircraft. Each day, CBP officers process nearly 1 million travelers entering the United States at our air, land, and sea ports of entry and inspect more than 47,000 truck, rail, and sea containers.

In fiscal year 2010, CBP seized 4.1 million pounds of narcotics, including more than 870,000 pounds seized at the ports of entry, 2.4 million pounds seized between the ports of entry, and 831,000 pounds seized, assisted by CBP Air and Marine. These numbers demonstrate the effectiveness of our layered approach to security. Violent crime in border communities has remained flat or fallen in the past decade, according to the Federal Bureau of Investigation's (FBI) Uniform Crime Report, and some of the safest communities in America are at the border. In fact, violent crimes in Southwest border counties overall have dropped by more than 30 percent, and are currently among the lowest in the nation per capita, even as drug-related violence has significantly increased in Mexico.

Working with our partners, our strategy is to secure our Nation's borders by employing and enhancing our layers of defense throughout the entire supply chain (for goods) and transit sequence (for people)—starting from their points of origin, transit to the United States, arrival and entry at our borders, routes of egress, and ultimately to final destination in the United States. This strategy relies upon increased intelligence and risk-management strategies regarding the movement and flow of both travelers and trade. We accomplish our mission of expediting legal trade and travel by separating the "knowns" from the "unknowns". This risk segmentation allows us to enhance security by focusing more attention on stopping illegitimate trade, while at the same time facilitating legitimate travel and commerce. Security and prosperity are mutually reinforcing, and the United States and Mexico are

closely linked by a common interest in robust security and growing economies. DHS is committed to continuing to work with Mexico to foster a safe and secure border zone, while facilitating the legal trade and travel that helps our shared border region prosper.

Thanks to the continued support of Congress, CBP now has 293 large-scale Non-Intrusive Inspection (NII) systems deployed to our ports of entry. Of the 293 NII systems deployed, 53 are deployed on the Northern border and 145 are deployed on the Southwest border. Additionally, CBP has deployed 60 backscatter X-ray vans to Southwest border land ports of entry. To date, CBP has used the deployed systems to conduct over 32 million examinations resulting in over 7,600 narcotic seizures with a total weight of 2.4 million pounds of narcotics, and the seizure of over \$19.2 million in undeclared currency. Used in combination with our layered enforcement strategy, these tools provide CBP with a significant capability to detect contraband, including illicit nuclear or radiological materials. The deployment of NII technologies has also enabled our staff to efficiently process a significant volume of passengers and trade.

NII technologies are the only effective means of screening the large volume of rail traffic entering the United States from Mexico. CBP currently has rail imaging systems deployed to all 38 Southwest border commercial rail crossings. These systems currently provide CBP with the capability to image and scan 100 percent of all commercial rail traffic arriving in the United States from Mexico. The rail NII imaging technology is bi-directional which provides CBP with the added capability to image southbound trains. In March 2009, CBP began conducting 100 percent outbound screening of rail traffic departing the United States for Mexico for the presence of contraband, such as explosives, weapons, and currency.

SOUTHWEST BORDER OPERATIONS

Over the past 2 years, DHS has dedicated historic levels of personnel, technology, and resources to the Southwest border. In March 2009, DHS launched the Southwest Border Initiative to bring unprecedented focus and intensity to Southwest border security, coupled with a smart and effective approach to enforcing immigration laws in the interior of our country. Under this initiative we increased the size of the Border Patrol to more than 20,700 agents today, which is more than double the size it was in 2004; and quintupled deployments of Border Liaison Officers to work with their Mexican counterparts. With the aid of the \$600 million supplemental appropriation passed by Congress in the summer of 2010, we are continuing to add technology, manpower, and infrastructure to the border. This includes the addition of 1,000 new Border Patrol agents and 250 new CBP officers; improving our tactical communications systems; adding two new forward operating bases to improve coordination of border security activities; and adding additional CBP unmanned aircraft systems.

To continue to secure the Southwest Border, CBP must continue to increase the probability of detection and apprehension of people attempting to enter the United States illegally or engaging in cross-border crime. Doing so requires integrated planning and execution of operations across CBP, as well as seamless partnerships with other government agencies and sustained collaboration with Mexico. In recent months, we have taken additional steps to bring greater unity to our enforcement efforts, expand collaboration with other agencies, and improve response times. In February, we announced the Arizona Joint Field Command (JFC)—an organizational realignment that brings together Border Patrol, Air and Marine, and Field Operations under a unified command structure to integrate CBP's border security, commercial enforcement, and trade facilitation missions to more effectively meet the unique challenges faced in the Arizona area of operations.

In March 2009, under the Southwest Border Initiative, CBP created the Outbound Programs Division within its Office of Field Operations. This division is focused on stemming the flow of firearms, currency, stolen vehicles, and fugitives out of the United States. CBP also increased its use of "pulse and surge" strategies for outbound operations on the Southwest border. In fiscal year 2011, we have continued to strengthen the use of these operations along the Southwest border and to enhance our cooperative efforts with Federal, State, local, and Tribal law enforcement agencies. These increased outbound security operations have yielded significant results on both borders.

Our partnership with Mexico has been critical to our efforts to secure the Southwest border, and we will continue to expand this collaboration in the coming year. CBP is continuing to assess and refine its outbound enforcement strategy to include coordinated efforts with U.S. law enforcement agencies and the Government of Mexico to maximize southbound enforcement. These activities serve to enforce U.S. ex-

port laws while depriving criminal organizations in Mexico of the illicit currency and firearms that fuel their illegal activities. In fiscal year 2010, CBP and Mexican Customs participated in 22 joint operations along the Southwest border that resulted in the seizure of over \$113,000 in currency, 23.75 kilograms of narcotics and the recovery of five stolen vehicles.

In 2003, CBP opened an attaché office at the U.S. Embassy in Mexico City to oversee CBP operations in Mexico, including border operational support at and between the ports of entry, bilateral coordination to secure the shared border, and training for Mexican government agencies. In addition to supporting our Mexican counterparts, the attaché's office provides subject matter expertise to the Ambassador and U.S. interagency groups within the U.S. Embassy in support of the U.S. Government's trade, travel, and security agendas.

As we have enhanced our collaboration with our neighbors to the south, CBP also has continued to build upon our partnerships within the United States. In September 2009, we initiated the Operation Alliance to Combat Transnational Threats (ACTT)—a collaborative enforcement effort to leverage the capabilities and resources of more than 60 Federal, State, local, and Tribal agencies in Arizona and from the Government of Mexico to combat individuals and criminal organizations that pose a threat to communities on both sides of the border. While ACTT's initial focus is on Arizona, as it continues to evolve, focused operations will expand to other operational corridors.

CBP continues to work with its partners in the Drug Enforcement Administration (DEA) and the Southwest Border High Intensity Drug Trafficking Area program to expand the National License Plate Reader (LPR) initiative to exploit intelligence on drug traffickers and drug trafficking organizations. The LPR initiative utilizes established locations to gather information regarding travel patterns and border nexus on drug traffickers for intelligence-driven operations and interdictions. We have also established positions at the El Paso Intelligence Center (EPIC), the Organized Crime Drug Enforcement Task Force Fusion Center, and the DEA Special Operations Division and continue to partner with fusion centers in States along the Southwest border and participate in other multi-agency task forces such as the ICE Border Enforcement Security Teams and Border Intelligence Centers targeting drugs, weapons, and currency across the Southwest border.

These partnerships enhance interaction with the intelligence community and law enforcement agencies to more effectively facilitate the collection, analysis, and dissemination of actionable intelligence in support of drug trafficking and money laundering investigations along the Southwest border.

CBP's fiscal year 2012 budget request continues these efforts by supporting 21,186 CBP officers who work around the clock with State, local, Federal, and Tribal law enforcement in targeting illicit networks trafficking in people, drugs, illegal weapons and money. Included in the request is funding to support the deployment of 300 new CBP officers and additional canine assets to port of entry operations that have recently come on-line. The additional CBP officers and canines will increase our enforcement capabilities to prevent the entry of unlawful people and contraband while enhancing our ability to process legitimate travelers and cargo. This reflects the largest deployment of law enforcement officers to the front line in the agency's history.

INFRASTRUCTURE

CBP has long recognized the need to maintain facilities and infrastructure that effectively support our mission requirements. Modern facilities must address our constantly evolving border functions, increasing traffic volumes and staffing levels, and new and updated technologies and equipment. To that end, CBP has implemented a facility investment planning process, and capital improvement plan for land border ports of entry. This process ensures that facility and real property funding is allocated in a systematic and objective manner, and is prioritized by mission-critical needs.

While CBP operates 167 land border facilities along the Northern and Southwest borders, CBP owns only 27 percent of these facilities. The U.S. General Services Administration (GSA) owns 58 percent, and leases the remaining 14 percent from private, State, or municipal entities. The average age of our facilities is 42 years old, which when coupled with the rapid and continuing evolution of CBP's mission, has left these vital assets in need of modernization and expansion so that they can continue to support mission-critical operations. The heightened responsibilities of the post-9/11 world are far beyond the legacy missions that the ports were originally designed to support and the capacity that they were designed to accommodate. For example, the majority of these facilities were not built to incorporate all of the en-

hanced security features that are now present at our ports of entry, including Non-Intrusive Inspection technology (Radiation Portal Monitors, Vehicle and Cargo Inspection System, X-rays) and License Plate Readers.

Through the American Recovery and Reinvestment Act (ARRA), CBP was provided with \$420 million for the modernization of CBP-owned land ports of entry, and GSA was provided with \$300 million for the modernization of GSA-owned land ports of entry. Through the use of innovative and cost-efficient construction management practices, CBP was able to use ARRA funds to modernize 39 CBP-owned land border crossings.

GSA received \$300 million under ARRA for the modernization of GSA-owned land ports of entry. The original GSA spend plan was for seven projects, four on the U.S.-Canada border and three on the U.S.-Mexico border. Due to cost savings, CBP and GSA also used funds to support smaller projects at four additional land ports. With the aid of \$200 million in ARRA funds, the Mariposa Port of Entry near Nogales, Arizona, is currently undergoing renovations to expand capacity and reduce wait times. These improvements will assist our officers in focusing their efforts on finding illegitimate trade and travelers. The Otay Mesa Port of Entry near San Diego is also undergoing a \$75 million upgrade to better facilitate commercial traffic. These are just a few of the many port projects designed to enhance security and support and expand trade and commerce along the border.

STAFFING AND TRAINING

We have no greater asset than our human resources and we are committed to continuing to recruit, hire, develop, and sustain a premier officer corps. To achieve this goal we are currently refining the recruitment and hiring processes, improving our retention capabilities, and enhancing our deployment and staffing processes.

We have developed a Workload Staffing Model (WSM) to better align resource needs and requests against levels of threat, vulnerabilities, and workload. By using the model we can adjust optimal staffing levels to changes in workload, processing times, new technologies and processes, mandated requirements, and threats. The staffing model alone does not determine how our officers are allocated; it is merely a tool to assist us in determining the optimum allocation of officers at each of our land, sea, and air ports.

CBP has also implemented numerous programs, initiatives, and training to build our officer corps and enable officers to more effectively respond to threats of terrorism, better utilize intelligence information, and continue to develop skills, streamline processes, and enhance inspection operations.

We have developed and implemented a comprehensive training curriculum for CBP Officers and CBP Agriculture Specialists. This training curriculum includes basic academy training, as well as comprehensive, advanced, on-the-job and cross-training courses. CBP continually strives to provide our frontline officers with recurrent and additional training to help them better perform their jobs. For example, CBP has extensive training in place for fraudulent document identification—both in the CBP officer academy and embedded in 40 additional courses.

To make the best use of our training time and resources, we train our officers when they need to be trained, and for the functions they are performing. This means that not every officer completes every cross-training module, but rather each officer receives the training needed to do the job he or she is currently performing. CBP has identified Field Training Officers to ensure that CBP Officers are receiving the training they need to do their jobs, and that internal measures are in place to monitor and assess training needs and accomplishments Nation-wide. CBP is constantly reviewing and revising its training, in accordance with the ever-changing border enforcement environment.

Recognizing the complexity of our mission and the broad border authorities of our agency, we have established specialty functions and teams that receive additional focused advanced training. For example, counterterrorism response teams were created for deployment within secondary inspection areas. These teams are provided with a new and intense training curriculum that teaches our officers how to detect deception and elicit information. We have also established targeting and analysis units, roving teams, and prosecution units. Our enforcement officers receive additional advanced training to develop expertise in the questioning of individuals suspected of being involved with organized smuggling of aliens or drugs, terrorism, and document fraud.

CONCLUSION

Chairman Miller, Ranking Member Cuellar, and Members of the subcommittee, thank you again for this opportunity to testify about the work of U.S. Customs and

Border Protection. CBP is committed to continuing to secure our Nation's borders and safeguard our way of life. Your continued support of CBP has led to significant improvements in the security of our borders, and made our Nation safer. I will be glad to answer any questions you may have.

Mrs. MILLER. Thank you very, very much. I appreciate that testimony. As my Ranking Member said, sometimes we don't pay enough attention to our men in blue, so I am appreciative of you coming.

As we said, this committee's focus as we looked at operational control of the border, as we have looked at some on the follow-ons, the SBInet and technology and various things that we might be able to utilize in between the ports of entry, I think we do need to look more specifically at the POEs and what is happening there. Again, what is the proper mix of manpower and technology, dogs, et cetera? Those will be really the impetus for my questions.

I guess I would start certainly with the manpower question. Just trying to understand your assumptions, your matrix, if you will, for manpower decisions. It has been explained to me that you are in the middle of the crafting of a new staffing model. But could you tell the committee to the best of your knowledge what some of the assumptions are, crafting that, about what your manpower needs actually are, and when we would be looking for some of that information.

Mr. WINKOWSKI. Yeah. I don't have a number for you, but I can tell you that we have taken a whole new look at our workforce allocation model. The old model that we had that Mr. Cuellar referred to, in my view just didn't address really the complexities of field operations. As I mentioned in my testimony, we have re-engaged in the area of out-bound for example. The old model that we had did not have that particular criteria and that particular line item in there.

So as we continue to move forward with new infrastructure that does take into effect our out-bound needs—so, for example, in Anzalduas and Donna and even at Peace Arch, we have a section of that port of entry, those ports of entry, that have enough space and the technology needs for our officers to do effective out-bound inspections. So the staffing model didn't really contain that. So I took a step back and decided to really redesign the staffing model.

The other thing that we need in that staffing model was the ability to do a plug and play, if you will, from the standpoint of airports, for example. I know we are talking about the Southwest border and the Northern border, but we have 95 million passengers that come in every year at our international airports. To be able to have a model that you could work with the airlines on from the standpoint of their business model, when they bring an international flight in, getting that individual processed through Customs and Border Protection and onto a connecting airline, how many booths you would need, how many people you would need from a standpoint of about a 30-minute turnaround or a 45-minute turnaround. The previous model didn't have that.

So where we are, we have a good solid draft. We have briefed the deputy commissioner, as well as Commissioner Bersin. Commissioner Bersin had a series of questions and we are back looking at that model. We will be going forward briefing him and then up to

the Department and OMB. So I hope at some point we can at least sit down with the committee to talk about the methodology behind the staffing model.

Mrs. MILLER. I appreciate that, because as my Ranking Member has talked about, the volume that is going through his border and—we can all cite various volumes that are happening at some of the POEs, et cetera. But you have different dynamics, right? When you are looking at a manpower matrix, it is not just volume. It is the type of threats—I mean, you do have different dynamics in the types of threats just as you mentioned at the air ports of entry.

Mr. WINKOWSKI. Absolutely. So that model would take into consideration, for example, the threat. Once you make a narcotics seizure, you lose a whole host of officers to process that particular seizure. You have got to make sure that you have enough resources to continue to staff those booths so we can facilitate legitimate trade and travel as well. So that model takes all of that into consideration.

Mrs. MILLER. We talked about manpower, and I am sure some other Members of the committee might have some questions about canines. I have to ask that because I am sort of on a mission as well to understand why in the Northern border we essentially don't have canines. We have maybe 1 or 2 dogs, and yet you have got huge amounts at the Southern border. Again, I am not minimizing that. I am just trying to understand how do you get to a matrix where you don't really use dogs in some areas and yet you use them very heavily in others, and what is the plan for the agency as far as balancing that, if you have no plan to balance it? Just explain to me what your thought process is on all of that.

Mr. WINKOWSKI. Yeah. As was mentioned, the canines are a wonderful tool for us. They have been with us for many, many years. We are big canine program supporters. But when you look at the result side of it when you get down to pure numbers, say the Northern border versus the Southern border, the results are tremendous down in the Southwest border. So the decisions you have to make are, well, do I take some of these existing resources that I have up in the Northern borders—not only the Northern border, but it is also airports—and move them, move some of those down to the Southwest border where our cost-effective ratio is so much higher. I have moved canines, particularly from airport environments where they just don't produce, and have moved them down to the Southwest border.

I think the other thing that we have to keep in mind is one of the—I think the many good things about creating the Department of Homeland Security and our Customs and Border Protection, we have got one office now, one Commission that owns the entire border at the ports of entry, and between the ports of entry, as well as in the air and the water. The Border Control has its canine resources. What we are doing is we want to make those dogs fungible. The Customs Service had certain standards and requirements and response protocols and Border Control had their response protocols. They didn't all match up. You need a different dog in a pedestrian environment versus a cargo environment.

What we are doing is we are training all of those dogs so those dogs are fungible from the standpoint that if you needed a canine from field operations at a checkpoint, that dog is trained for checkpoints as well as points of entry. Border Control, the same thing. If we need a dog down at the ports of entry, we can call Border Control and that dog is trained for ports-of-entry response protocols; because when you look at the numbers Nation-wide, we have in the area between us and Border Control probably in the area of about 1,400–1,500 dogs. I think in field operations, we have 606, if I recall correctly. The bulk of those canines are down in the Southwest border.

Mrs. MILLER. Thank you. I recognize the Ranking Member.

Mr. CUELLAR. Thank you again, Madam Chairwoman.

Mr. Winkowski, thank you again. I think you are doing a great job and I appreciate the work that you are doing.

I have a series of questions. South-bound inspections, I think is something Michael McCaul and I have been working on in Texas. The State legislature is looking at passing some law to allow more south-bound. I told some of my former colleagues, look, it really doesn't matter what you all do, because it still depends on CBP to allow you to go in.

I am a big believer that the more you can include the local and State folks to do those south-bound, you can catch more of the guns going down. Cash also. Cash, if you do the asset sharing with the locals, for local police department or sheriffs, that means a lot of money to them. I know that I have asked some of the folks down in my district to do a little bit more and they keep saying there are footprints.

We certainly don't want to impede the movement of vehicles and create long lines going down. But why is it that we just can't implement a policy to allow the border sheriffs, the border police departments to work with you? Because if they are willing to do it like in the city of Pharr where they set up a low point, why not allow them? Because I know we are always saying we don't have enough personnel. But if they are willing to do that and work with you all, it is only common sense to allow them to do this.

Mr. WINKOWSKI. I totally agree. I can tell you that along the Southwest border we have a great partnership with the State and locals. I was down in I believe it was Pharr just not too long ago. I met the sheriff. They have a trailer there right at the port of entry.

Mr. CUELLAR. A FEMA trailer that we got.

Mr. WINKOWSKI. That is right. That is correct. They work on a regularly occurring basis. As you know, Pharr and Hildago have been very, very successful with their out-bound operations. The sheriff has made—I think it is the chief of police actually—made it very, very clear that they do get money from asset sharing, and also with the different grants that are out there able to pay for their overtime. So I believe we have a very, very robust fingerprint on the Southwest border with the State and locals.

Mr. CUELLAR. Pharr is in my district. I am very familiar with that. Could you instruct your folks at the Southwest—and I assume in the Northwest—to actually not come up with some excuses, because I know there are some areas where they are doing that. But

if the locals are willing to put the time into it, that would help I think all sides; Mexico, for the guns to go in; cash so we can stop the money from going to the drug cartel. I would ask you to please send that instruction down and be a little more aggressive on that.

The other thing that I have also, a matter of efficiency. The last time we had Chief Fisher here, I asked him how many Border Control he had at the headquarters. I think he had about 230. His response was we need all 230 there at the headquarters.

It is the old thing about school districts. You get teachers away, put them in administrative and—I know you need some of those down at headquarters, but I think you can contract some of those services out and put those people out in the border.

My question to you: How many CBP officers do you have at headquarters?

Mr. WINKOWSKI. The way we count it, because we count the National targeting centers in our headquarters numbers, I think you are—

Mr. CUELLAR. Let us get that sector away. Do you know how many CBP officers you have at headquarters doing administrative work that could be down in the border?

Mr. WINKOWSKI. A combination of CBPOs and agriculture specialists, I would say it is probably in the area that is doing the staff work side of it, not the targeting operational side of it, it is probably in the area of 150 to 175.

Mr. CUELLAR. Okay. I would ask you to do the same thing as we asked Chief Fisher, is to evaluate to see if he can send any of those to the Northern or the Southern border and allow some of the contracting—have some folks—I can understand certain areas you do need CBP. I understand that. But I would ask you to look at that.

The other thing, I would ask you also—and if you can do that in the next 10 days from today. The other thing is, it has to do with technology. I was approached by the former Governor of the State of Texas, Mark White. He had some technology that they use in Europe at the checkpoints. It is a very simple technology that when a trailer comes in, that they just check to see if there is a heart-beat. That would tell you automatically if there is somebody that is being smuggled in.

He went through the process for years and he couldn't break the bureaucracy. He asked me to help him; and guess what? I couldn't break the bureaucracy also. I mean, if there is some technology out there that is proven somewhere else at another place, let us say Europe, why can't we implement some of that technology that would help us stop some of the smuggling coming in?

Mr. WINKOWSKI. Well, we are always in search. This committee has been very, very supportive of our technology needs. Just the Recovery Act alone was \$100 million in NII. I am always open for new technology. New technology is one of the cornerstones of what we do at the ports of entry. Consider the bureaucracy broke, I would be more than happy to meet with that individual to talk through the product that he has.

Mr. CUELLAR. Yeah. I know my time is up, but I would just ask you—and I am not pushing this technology, I am just saying technology that works out there. I would be happy to set that up. But the problem is they will set up a meeting, and the bureaucracy

takes over and nothing happens, I still say if it works somewhere else, why not use it here in the United States?

Thank you again for the good work that you have been doing. Thank you, Madam Chairwoman.

Mrs. MILLER. The Chairwoman recognizes the gentleman from Alabama, Mr. Rogers.

Mr. ROGERS. Thank you, Madam Chairwoman. Thank you, Commissioner, for being here again. Do you have enough personnel?

Mr. WINKOWSKI. Well, the bill for fiscal year 2012 calls for 300 additional CBPOs, along with 42 additional targeters for our—for our targeter center.

Mr. ROGERS. I take it that means no?

Mr. WINKOWSKI. Well, I support the President's bill. I mean, from a standpoint of if additional resources were given, we would have work for them to do.

Mr. ROGERS. My concern is you are down 2,000 officers since 2009 and 300 sounds like a really light lift, given that you are down 2,000; and you just talked about your reconfiguration of your staffing and the new missions that you are trying to achieve. The problem I have got in this committee as well as the Armed Services Committee, is we count on professionals like you to give us your unvarnished opinion. I recognize that you have got orders from Commissioner Bersin, as well as the President, that you don't deviate from. But we can't help you if you don't tell us what you need. So it just seems to me that while you like to have the 300 and you are saluting and saying, yes, sir, I am for that, what we need to know is do you need more than that?

Mr. WINKOWSKI. I think certainly, as I said, if we were given additional resources, we would have plenty of work for them to do. I think along those lines, though, Congressman Rogers, is we have got to look at why did the numbers come down. One of the challenges that we have in field operations is that about 37 percent of our staff are funded by user fees. So when the economy is robust and people are traveling and cargo is crossing and they are paying user fees, it gives us that ability to go and hire additional officers. The last couple of years, as you well know, we, this country, was going through a very tough economic time, and passenger counts had dropped, which means revenues have dropped from the standpoint of user fees. So, for example—

Mr. ROGERS. You are talking about budgetary matters and the fact is this is the Homeland Security Committee. Our responsibility is to make sure you have what you need to provide secure ports of entry. Frankly, it shouldn't matter to you whether our revenues are up or down. What we want to know is from you as a professional, what do you need to secure the ports of entry? It seems to me your personnel down there—it may be because we are not paying them enough, we are having a hard time recruiting, retention, whatever. That is what I am getting at.

Mr. WINKOWSKI. I don't mean to misdirect the question, but we are tied to this user fee. So my point is, look at—it should be appropriated, rather than a user fee.

Mr. ROGERS. That is an excellent point.

Second question. Do you have enough canines? You said you have 606. Obviously you have one on the Northern border. It seems to me the answer is no.

Mr. WINKOWSKI. I think the next step with our staffing model is going to be directed at our canine program.

Mr. ROGERS. Where do you produce your canines? Front Royal?

Mr. WINKOWSKI. Front Royal.

Mr. ROGERS. And El Paso?

Mr. WINKOWSKI [continuing]. And El Paso for Border Control. What we need to make sure that we are doing is, as I mentioned earlier, is that we are effectively utilizing the existing canines that we have on board.

Mr. ROGERS. But you don't have enough?

Mr. WINKOWSKI. I think it is too early to tell because—

Mr. ROGERS. You only have one on the Northern border. You can't have enough.

Mr. WINKOWSKI. The question becomes from a standpoint of effectiveness. I could go and put—

Mr. ROGERS. I recognize that the only way to get 606, you have got to allocate them where they are most effective. But you are putting all 605 of them on the Southwest border and only one on the Northwest border. So obviously you don't have enough.

According to the 2010 Congressional Justification to Congress from your Department, you are apprehending only 30 percent of the violators on the land POEs. We need to get you some more assets. Basically I am here to help you, but you have got to help me by saying, yeah, I need more. That is all I am looking for, and I don't want to put you on the spot. I know you have got folks above you trying to keep you in line. I am sure there is somebody up in your legislative liaison office back there with a gun pointed at you right now.

Last question. You talked about the state-of-the-art POE, ports of entry, the new ones like Blaine. Can you describe for me the characteristics of a state-of-the-art facility as opposed to one of your antiquated facilities?

Mr. WINKOWSKI. Yeah. I think No. 1, it has enough lanes to process passengers. It reduces these wait times to an absolute minimum. It is fully equipped with electronic signage so you can direct traffic into lanes from a standpoint of—with the complying documents only, to Trusted Traveler. It has got complete audio/video capability in the booths as well as in secondary. It is hardened from the standpoint of the necessary barriers that we need. It has a very, very robust out-bound section that our officers can use.

Mr. ROGERS. Excellent. Thank you very much.

Mrs. MILLER. The Chairwoman recognizes Mr. Clarke from Michigan.

Mr. CLARKE. Thank you, Chairwoman.

First of all, Commissioner Winkowski, I want to commend your service with U.S. Customs Service working up through the ranks. That is very impressive. I want to commend your mission to help prevent terrorists and weapons and other contraband from coming through our ports of entry.

I represent the Detroit border sector which includes the Quincy Ambassador Bridge. There is a lot of long wait times there and the

wait times really add to the pollution and toxins that pollute those neighborhoods that I represent.

Just your opinion, how does CBP balance its mission on stopping these terrorist threats with facilitating cross-border commerce? Is there a way that you see that we can reduce those wait times without compromising security?

Mr. WINKOWSKI. Yeah. Really that is really the challenge that we have in field operations. If you come between the ports of entry, you are a violator. I don't care if you are a U.S. citizen or not a U.S. citizen. If you are coming through a port of entry, we process legitimate trade and travel there, as well as prevent bad people and bad things from coming into the country. So our officers in blue are always working with that fine balance.

What we have done is we have come up with a number of programs that segregate risk. For example, the more that we know about a particular traveler, the more that we know about a particular company and shipment, the better judgment that we can make from a standpoint of determining whether or not that particular shipment, that particular individual, needs to be inspected. Thus we created C-TPAT, Customs Trade Partnership Against Terrorism; fast lanes that have fully vetted truckers on the passenger side as our NEXUS program of which up on the Northern border we have about 400–500,000 members. But we need to make sure that our infrastructure, as you go forward here with new infrastructure that they are talking about here, addresses that kind of risk segmentation.

So the more I know about that particular company, the more I know about that particular individual, the more—hey, I can blow away from the needle. That is how we do it. That is a big piece of how we do it.

Mr. CLARKE. Just one follow-up on the Ranking Vice Chair's question regarding staffing. Does your—and I am assuming lack of CBP officers is an assumption that you may not have enough that you need. How does that affect the burden that our local first responders have to bear?

Mr. WINKOWSKI. From the standpoint of emergency vehicles coming in?

Mr. CLARKE. Just in terms of security.

Mr. WINKOWSKI. Well, again, you know we have enjoyed a plus-up in staffing. When you look at the Northern border and the Southern border, up in the Northern border from fiscal year 2006 to fiscal year 2011 here, up to March 12 of 2011, we have had a 15 percent increase in CBPO, which you know in a time of shrinking budgets I am very, very grateful for that. We also have some flexibility with overtime and some of the other compensations that we can give our officers.

Mr. CLARKE. Thank you, Commissioner. I yield back.

Mrs. MILLER. I thank the gentleman. The Chairwoman now recognizes the gentleman from Texas, Mr. McCaul.

Mr. MCCAUL. Thank you, Madam Chairwoman. Thank you commissioner for being here today. I want to follow up on some points that my colleague from Texas, Mr. Cuellar, made on the south-bound interdiction efforts. The figures I have, there is somewhere between \$18- to \$39 billion that flow from the United States back

into Mexico, and of course that is speculative but that is the estimate, not to mention the guns and I know we have the best teams down there. I have seen them, very impressive. But really two questions. I mean, the other information I have is that the Department from March 2009 through February 2011, the Department seized only \$67 million, which is less than 1 percent of all this illicit smuggling. It seems to me that we could do a better job and I think that the beauty of this program, if we can enhance it as we are proposing out of this committee, is that it could be a payoff for a lot of our border security operations.

So my first question is, where we do seize the assets, where does that money go?

Mr. WINKOWSKI. That money goes into the Forfeiture Fund, and that money is used for reimburse State and locals. Oftentimes State and locals are working with us; they get a piece of that. Also we were able to get, I believe it was \$10 million, out of the Forfeiture Fund for canopies for our south-bound operations, those locations that don't have that outbound footprint.

Mr. MCCAUL. My time is limited. So when the forfeiture money comes to Washington, the Secretary controls that. Is that correct?

Mr. WINKOWSKI. It is actually controlled out of the Treasury Department.

Mr. MCCAUL. Okay, and who determines where that money goes?

Mr. WINKOWSKI. Treasury has a voice in it and the Department.

Mr. MCCAUL. It seems to me that all the money we are seizing down there ought to go back towards our border security operations. It is my understanding that does not currently happen. I think we need to fix that.

The second thing is if we are only getting less than 1 percent—and Mr. Rogers alluded to this as well and you may be handcuffed to answer the question—but what can we do to enhance the best teams and the operations on the south-bound interdiction? You know, what more resources do you need down there?

Mr. WINKOWSKI. Well, I think from the standpoint of south-bound, the technology piece is a big piece that is needed. We have 111 south-bound lanes going into Mexico. I believe less than half are covered by old license plate technology. We are in the process of deploying, as I said in my testimony here, handheld—standing up with handheld license plate readers which I think are very, very important because that enables us to trigger our systems. We have also employed our officers with handheld ATS mobile systems which enables them to be out there in the lane accruing names and running licenses. So we are beginning to deploy that technology.

I think the other thing you have to keep in mind with that number, and I have seen that number as well, you have got wire transfers, you have got a whole host of ways that money is leaving the United States, and I think we also have to keep in mind tunnels. You know, we have seen an upshot in the number of tunnels. I think last year we found 12. This year we are already up to 11. I mean, that tells me a story that it is hard to get between the ports of entry and it is hard to get through the ports of entry, so they are going under us and, looking at it from a money standpoint, leaving through the tunnels as well. But I will say that the out-bound area, while we have always been engaged in out-bound,

certainly the last few years we have really tripled our efforts and as part of that footprint that we have got to make sure it is with the ports of entry and we have got adequate——

Mr. MCCAUL. I think as has been mentioned before by the Chairwoman and Mr. Rogers, I have seen the canines down there running around those cars, and I hope that happens when we are not there as well. I am sure it does. But they are impressive. I mean they can sniff the stuff out and so, you know, I look forward to working with you and my time is about ready to expire. But I would like to work with you and the Department in a bipartisan way to enhance this effort because I do think the money confiscated could be directed back towards your operations and make it safer.

Mr. WINKOWSKI. Thank you.

Mr. MCCAUL. Appreciate it.

Mrs. MILLER. The Chairwoman recognizes the gentleman from Arizona, Mr. Quayle.

Mr. QUAYLE. Thank you, Madam Chairwoman, and thank you for holding this very important hearing. Thank you for coming, Mr. Commissioner.

I want to first off commend the men and women of CBP. I was recently along with the other people of the Arizona delegation. We went down to the various ports of entry in the southern part of Arizona and the Yuma sector and the Tucson sector, and they are top-notch and very professional people and we enjoyed our time with them.

One of the areas that has really struck me was when we were in Douglas and it really showed that the violence and the amount of drugs that are coming across the borders really do affect our ports of entry because we got there and about an hour before the CBP actually pulled over a car that was driven by a young woman with her two young children in the car, and the dogs came out and they got about 200 pounds of marijuana right before we were there. We also were able to watch a video that the CBP put forth. It was on their surveillance cameras because in Douglas, as you know, we are right there next to the Mexican side and there was an incident about a few weeks ago where a few fake police cruisers on the Mexican side of the border went right past the port of entry, went to a restaurant, unloaded three hundred rounds of ammunition, killing between three and five and injuring about 20 people, depending on the reports.

So the violence that you guys have to deal with in terms of the proximity continues down there as the drug cartels up their violent regime.

But one of the things I was going to ask about, and we are talking a lot about the interdiction going south-bound, which I saw first-hand and it is actually great to see how much cash and weapons that you have been able to stop, but what sort of help has the Mexican authorities been giving you in south-bound interdiction and also, because you just mentioned it, with regard to the tunnels because their involvement is seeing where it starts on the Southern side is going to be so important until we can actually have the technological advances to be able to see those tunnels through the ground because in the Yuma sector, which has been fairly secure,

they just found a tunnel a little while ago that was 40 feet deep underneath the fencing.

So if you could talk to me about how the Mexican authorities are actually working with you on that.

Mr. WINKOWSKI. Well, we have a very, very strong relationship with the Mexican government on the border. Matter of fact, about a year ago we established binational port security committee meetings that we meet every month with the Mexicans. We were doing that before-hand but it wasn't as structured and Commissioner Burson wanted to bring some structure to that. So we have done that.

We run joint operations with the Mexican government. So we are doing south-bound operations. They are doing north-bound operations. So we have got this coordination piece, and I can tell you in the 4 years that I have been in this job as the Assistant Commissioner, the relationship on the communication with our friends in Mexico has grown tremendously. We are very good partners with them. We work very, very hard with them. We meet with them on a regular and recurring basis at their ports of entry. They are automating their ports of entry with license plate readers. We have done a lot of training. We have sent their officers to our training. We have worked on their curriculum.

So the relationship is a very, very healthy and robust relationship.

Mr. QUAYLE. Okay. My other question is the amount of attrition that happens at CBP. It is fairly high. I was just trying to figure out ways, and maybe you have some solutions, to try to minimize that attrition because it takes what, about a 1½ years to actually train an officer, and when you have an increasing level of attrition, if that is occurring today—I don't think it is right now because the economy is bad—but how do we keep those levels so they are acceptable so that we can keep men and women on the front lines there at our border who have the experience to actually spot, you know, somebody who is trying to get contraband across the border because I notice that some of the people, it is just ingrained in them their ability to be able to spot out some of these is a little off but also it takes a lot of experience.

Mr. WINKOWSKI. Well, our attrition rate right now is about 3 percent, which is not bad. A lot of that has to do with really the work that the committee and subcommittee have done over the years with us. The committee has been very, very supportive of giving us CBP officers law enforcement retirement coverage, which is very, very important, and we truly appreciate that.

Also, last year we were able to increase the grade level for the Border Patrol agents as well as for CBPOs as well as our agriculture specialists. So back many years ago when I started in this business as a customs inspector I became a GS-9 and asked my boss when I could become a GS-11, and he told me 15 years, and he was right. Today our officers go up to 11th—7, 9, 11, 12—and it has to do with really the responsibility that are placed on the men and women's shoulders in CBP and the Department.

So our attrition rate is low right now. I like to think a lot of that has to do with the fact that the retirement and the grades, but we are also in some tough economic times. So it will be interesting to

see that as time goes on and we dig our way out of this economic situation that we are in if there will be more movement.

I think the other thing we have to keep in mind is unlike when I came in this organization, I am under the civil service retirement system. Once you are in, you are in. You leave, you lose everything. These officers now are under FERS, and it is 401 and it is not unusual for this generation to have four or five different jobs. So we are dealing with a whole different clientele as well than from my generation.

Mr. QUAYLE. Thank you, Mr. Commissioner. Thank you, Madam Chairwoman.

Mrs. MILLER. The Chairwoman now recognizes the gentleman from South Carolina, Mr. Duncan.

Mr. DUNCAN. Thank you, Madam Chairwoman. Commissioner, I appreciate the job you guys do and I will talk about that a little bit.

I share President Reagan's vision for America as a shining city on a hill, and when I heard President Reagan talk about that, he talked about that city may have to have walls, and if the city has walls, then there would be gates and that those gates would facilitate the flow of legitimate travel, commerce, and legal immigration.

We have had numerous hearings here in this committee about our border. Being from South Carolina, we are about as far away from the Northern and Southern border as you can get, and although we have a natural port in Charleston and Georgetown, where we do have some commerce and other issues come through South Carolina, the issue that concerns my constituents are what comes across our Southern border, and that seems to be the glaring issue of the day.

So it is a concern of ours, and I want to thank you guys because you man those gates that President Reagan talked about. So as we talk about operational control with Chief Fisher and with Secretary Napolitano, let me be clear that where they are, the point they have arrived at with operational control and the point that I am at and when I look at the Secure Fence Act of 2006 and the definition of operational control, they are 180 degrees apart. So I don't believe we are there.

But the line of questions I would like to talk with you about today is the Operation Fast and Furious that the ATF has and guns being smuggled across the U.S. border and comments of the administration with regard to guns.

Secretary of State Hillary Clinton said this: She said our inability to prevent weapons from being illegally smuggled across the border to arm these criminals causes the deaths of police officers, soldiers, and civilians. The U.S. State Department claims that 95 percent of all drug-related murders in Mexico used firearms obtained in the U.S.A., and that seems awful high to me.

I understand that since 2008 the ATF has been conducting this operation known as Fast and Furious, 1,998 guns purchased, 797 of which were later linked to crimes. Two of these guns were recovered at the crime scene where Border Patrol agent Brian Terry was murdered this past December. Secretary Napolitano has denied knowing about the program and Attorney General Eric Holder has

admitted that he knew of the operation but stated that cross-border gun trafficking was not acceptable.

I am greatly concerned about this administration's lack of knowledge about those operations but also lack for concern for the dangers to the American people on our Southern border. So the question, one question I have for you is was CBP aware of and involved in that operation?

Mr. WINKOWSKI. Not that I am aware of, no.

Mr. DUNCAN. Not that you are aware of.

Mr. WINKOWSKI. No.

Mr. DUNCAN. You are aware of the on-going border violence along the border, as you deal with it every day. Many experts believe that Mexican drug cartels and the terrorist organization Hezbollah have been working together for years.

In the face of such threats to our National security, operations like Fast and Furious only increase the threat of terrorist attacks against America, I believe, and I am outraged that this administration refuses to honestly assess the active threats on our Southern border.

So I just ask that you and your area within the Department of Homeland Security continue to be aware of the terrorist threats along our Southern border. The fact that operations such as Fast and Furious, although had the right intention of trying to control illegally smuggled weapons across the border, sometimes, Madam Chairwoman, the consequences can be damaging to the liberties of Americans.

I am a strong advocate for the Second Amendment right and agree with the Senator from Texas who recently said that he didn't think that the solution to Mexico's problems was to limit the Second Amendment gun rights in this country, and so when I see that Secretary Clinton and others have pointed to American weapons being smuggled and want to limit sales along our border to Americans it concerns me. They want to limit new purchases along the border, and my knowledge from studying this is that the average age of a weapons seized in Mexico is over 15 years old, and so we need to be cognizant and aware of that.

So I just stop there, Madam Chairwoman. Thank you.

Mrs. MILLER. I thank the gentleman, and the Chairwoman now recognizes the gentleman from New York, Mr. Higgins.

Mr. HIGGINS. Thank you, Madam Chairwoman. I just want to raise the issue of congestion at land ports of entry, and it poses a number of problems relative to security, but also environmental problems as well, and idling truck engines emit a lot of carbon dioxide and nitrogen oxide, which poses major threats to the environment generally and to the areas surrounding these land port ports of entry.

Do you have any data relative to—I represent the Buffalo area, which includes the Peace Bridge, which is the biggest Northern border crossing for passenger vehicles. Any data relative to that issue? Have you heard from stakeholders in that community? As you may know, from the past 2 decades we have been planning to build more capacity at the bridge and a new American Plaza as well. So just can you enlighten us at all on that issue of congestion and mitigation efforts relative to relieving that congestion?

Mr. WINKOWSKI. Yeah, we meet on a regularly occurring basis with the stakeholders, the bridge authorities up there in Buffalo as well as other locations. A lot of the congestion has to do with footprint issues that I know you are very familiar with, Congressman.

Some of the things that we are doing is certainly looking at wanting to get more and more people into trusted travel programs, our NEXUS program and certainly on the cargo side C-TPAT and Fast, so we can do that risk segmentation, we can get those low risk people out and focus in on those individuals that need to be focused in on.

We are also working a joint effort with Transport Canada and CBSA and our DOT to get accurate wait time measurements, okay, from the standpoint of using technology and we are going to be testing some systems, I believe it is up in Blaine—excuse me, up in Peace Bridge, Buffalo, and sometime this year, as well as putting signage up as you have some of these other crossings that aren't all that far away that aren't as busy and can we come up with a system where if you are thinking of going over Peace Bridge, instead of going over Peace Bridge we have a sign that says if you go to Whirlpool, it is a 5-minute wait.

Mr. HIGGINS. We don't want to divert traffic. I think the problem—let me also say this. I have only a couple of minutes.

The issue of using technology for like the NEXUS pass it makes a lot of sense, but if you don't have the capacity at the bridge to get those vehicles to those, you know, expedited review and approval, then it doesn't do you much good and that is part of the problem. The Peace Bridge you only have three lanes and trucks can't get and passenger vehicles can't get to those lanes because of the congestion.

Second, just on the issue, should border management—or pre-clearance has been deemed dead by the Secretary.

Mr. WINKOWSKI. Correct.

Mr. HIGGINS. Can you elaborate a little bit on this concept of pre-screening?

Mr. WINKOWSKI. Well—

Mr. HIGGINS. Is it workable?

Mr. WINKOWSKI. I don't know what you mean by pre-screening. I mean—

Mr. HIGGINS. Well, the President and the Prime Minister of Canada have talked about cooperative efforts to make more efficient—

Mr. WINKOWSKI. Right, I am familiar with that. Well, you know, I think it is working with the Canadian government and getting as much advance information as possible so you can make judgments and that you can make judgments from the standpoint of what is deemed low-risk and what is not deemed low-risk and being able to build on those pillars that are in that document. You know, we are still working through a lot of these pillars and a lot of these issues and working very closely with the Canadian government, and we continue to look at new and innovative ways. I guess one of the concerns that I have is you know I went up to Peace Arch and I looked at that beautiful facility and how much bigger can these things get, hundreds of millions of dollars. You look at San Ysidro, \$600 million at the end of the day, and it is not all about

brick and mortar. Brick and mortar is important, I understand that, but it is also how do we leverage advance information, how do we segregate that low-risk traffic so at somewhere along the line perhaps they don't even have to come through a port of entry as we know a port of entry today. I think it is that kind of innovation that we have got to work through with Canadian government as well as the Mexican government.

Mr. HIGGINS. Thank you.

Mrs. MILLER. I thank the gentleman and before we go to our next round of witnesses, our next panel, I have a follow-on question for you as well, sir.

You know, I was trying to take notes when you were talking about Blaine, Washington, and what you described as state-of-the-art and some of the various things you said there: Enough lanes, reduced wait times, electronic signage, audio-visual or video in booths, hardened barriers, robust out-bound. I am sure I missed a few. I was trying to write them down as you were mentioning them all there.

But I say that because one of our next witnesses is going to be from the Northern border, from the Blue Water Bridge, and Mr. Higgins was just mentioning it with the Peace Bridge, and I am sure this is so in many other areas, where the Canadians have actually done their plaza expansion on their side and the United States has not done the plaza expansions on our side and much of the problems that we are having that are expediting is obviously just not having enough capacity to accommodate what we need to accommodate for expediting the traffic, as well as ensuring all of our security concerns as well.

I am just wondering how you came to Blaine, Washington. I know they need it. But I am just saying what is your priorities—how do you prioritize where you are going to go to expend those kinds of funds?

I ask that question because in regards to the city of Port Huron, which is the municipality that holds the American side of the Blue Water Bridge, where at the foot of that bridge is actually the genesis of both I-69 and I-94, two major trade corridors. It is the second-busiest. I sound like a broken record here, but the second-busiest border crossing on the Northern tier. We have been dealing with CBP and our Michigan Department of Transportation, et cetera, GSA, to expand the plaza on the U.S. side for a decade, and we had originally started with 87 acres as a footprint, gone through a number of different iterations. We are now at 16 acres. So they significantly downsized what they were thinking about there, and CBP still is not able to actually say that they are going to have enough to put a little skin in the game there.

So we are not quite sure where this entire thing is going. In the interim you have a community that essentially has got, you can imagine, all the condemnation and funds that we have gotten to tear down all of this. We now have a huge amount of acreage sitting vacant in the middle of what was once a very thriving, busy area. So we do have concern about that, and again we want to work with CBP. We are happy to be an international border agency.

But I am just wondering how you prioritize where you are going with these various POEs and the plaza expansions, both in the south and north. Do you have a list of what they are?

One follow-on thing, as you were mentioning, the NEXUS lanes and the Trusted Travelers and that, I mean I have my NEXUS card right here in purse. We have it on our Congressional website. We try to promote all of these various things to help our folks understand how important it is to be an active participant, just as a citizen, of trying to get through quickly.

But in regard to—for instance, in our area, much of the traffic that is coming through there is automotive-related. So we do have—the CBP, et cetera, has a number of different programs that they deal with to expedite the flow of traffic, but the whole issue, I am not sure if this is the correct characterization of reverse inspection—that is what I call it—the reverse inspection where you actually would pre-clear before they come across the border, whether that is the north and the south, and I know you have different dynamics and relationships with the Mexican authorities as you do the Canadian government.

Do you have any suggestions on how we may be able to assist in trying to get a reverse inspection type of scenario, if you think that would be helpful as far as expediting commerce as well?

Mr. WINKOWSKI. Well, a couple of points I would like to make. First of all. Thank you for being a NEXUS member and promoting the program.

These projects take 7 years from cradle, from the beginning to the cutting the ribbon. So Blaine, you know, that was in—it was in the works for about 7 years, as is San Ysidro, and we do have criteria from the standpoint of need and congestion and things of that nature, which I will be more than happy to brief you on.

As far as reverse inspection, I think we need to work through those ideas, and I think in terms I was telling Mr. Higgins, I think one of the challenges that we have, a positive challenge that we have, is I think a real strong relationship with the Canadian government and the border vision. I think it really opens up a lot of opportunity for us to be more creative, because as I mentioned earlier, it can't all be about brick and mortar, you know. I am very familiar with the Blue Water Bridge and what everybody went through. I worked very closely with stand on the Canadian side. I have known her for many, many years.

But we have got to look at not only brick and mortar but we have got to look at more innovative ways. The automobile industry, extremely low-risk, extremely, as you well know, time-sensitive, that backseat and that trailer going into an automobile in 2 hours. We understand that, but it is looking at those types of transactions and really asking the question why do they even have to come through a port of entry as we know it today. Okay. We know who GM is, their C-TPAT they are good corporate citizens, Chrysler, Ford and many, many other companies, and we got to stop looking at the border, as Commissioner Burson would say, as the line that begins the process. That process begins far interior in a foreign country, whether it is Canada or Mexico or in Europe, and be able to make sure that we design a system that addresses you know the flows of people and things.

So I think, you know, I will be more than happy to sit down on criteria that we use. As you know with Peace or Blue Water Bridge, it is a funding issue associated with that and we understand the urgency. We understand the need and very, very much appreciate kind of reducing the footprint a little bit and just handle the cargo side, as I recall, the initial layout.

Mrs. MILLER. Thank you very much. Do you have any further questions?

Mr. CUELLAR. Just to say thank you very much for being here with us.

Mrs. MILLER. We certainly want to thank you very much for your appearance and for your testimony, and with that, we will call the second panel. Thank you.

Mr. CUELLAR. Madam Chairwoman, as the witnesses are getting into seats I will ask for unanimous consent to make part of the record the testimony of Nelson Balido, President of the Border Trade Alliance. As you know, this is a nonprofit that has been serving as a forum for border trade for many years, since 1986, and I would ask unanimous consent.

Mrs. MILLER. Without objection.

Mr. CUELLAR. Thank you.

[The statement of Mr. Balido follows:]

STATEMENT OF NELSON H. BALIDO, PRESIDENT, BORDER TRADE ALLIANCE

APRIL 5, 2011

The Border Trade Alliance appreciates the opportunity to submit testimony for this important subcommittee hearing on security at our Nation's ports of entry.

ABOUT THE BORDER TRADE ALLIANCE

Founded in 1986, the Border Trade Alliance is a non-profit organization that serves as a forum for participants to address key issues affecting trade and economic development in North America. Working with entities in Canada, Mexico, and the United States, the BTA advocates in favor of policies and initiatives designed to improve border affairs and trade relations among the three nations.

BTA's membership consists of border municipalities, chambers of commerce and industry, academic institutions, economic development corporations, industrial parks, transport companies, custom brokers, defense companies, manufacturers, and State and local government agencies.

A DISCREPANCY IN AGENCY RESOURCES

The committee will get no argument from the trade community and the constituency that the BTA represents that the Border Patrol is not an integral component of our Nation's border security strategy.

But the increased attention that Congress and this and previous administrations has directed towards Border Patrol has left the agency responsible for security at the ports of entry, Customs and Border Protection, coming up short in the chase for dwindling human and technological resources.

Border Patrol has seen a huge spike in agents since fiscal year 2004. That year, Border Patrol was allocated \$4.9 billion to fund 10,817 agents. But by fiscal year 2010, Border Patrol was allocated \$10.1 billion to fund just over 20,000 agents.

According to a March 30, 2011 GAO report, the Border Patrol is now better staffed than at any other time in its 86-year history.¹

The same rapid rise in staffing levels cannot be said for CBP inspectors at our ports of entry.

¹<http://www.gao.gov/new.items/d11508t.pdf>.

2010 BORDER SECURITY SUPPLEMENTAL: PORTS COME UP SHORT

The 2010 supplemental border security funding bill provides an illustration of how port security often plays second fiddle to security between the ports.

The President in August signed the supplemental appropriations bill that allocated \$176 million to fund 1,000 new Border Patrol agents. The same bill appropriated \$68 million for 250 new CBP officers, which was half of what the House of Representatives originally sought in July 2010.

A RENEWED COMMITMENT TO IMPROVING PORT STAFFING LEVELS

CBP in fiscal year 2010 was responsible for inspecting 352 million travelers and nearly 106 million cars, trucks, buses, trains, vessels, and aircraft at over 330 air, land, and sea ports of entry.²

By increasing the number of frontline inspectors, Customs and Border Protection can devote the manpower necessary to interdict those individuals who would seek to do us harm. But the increased staffing levels can play a marked role in the facilitation of trade and travel by letting safe travelers and cargo pass more quickly into U.S. commerce.

To that end, the BTA is encouraged that Rep. Silvestre Reyes is likely to re-introduce legislation that would markedly improving CBP staffing levels at the ports of entry.

His bill introduced in the last Congress, the Putting Our Resources Towards Security Act, which we expect will serve as the basis for forthcoming legislation, called for an increase of 5,000 CBP officers over a 5-year period at the ports of entry.

The BTA was strongly supportive of that bill for two obvious benefits a dramatic increase in port personnel offers: More inspectors to curtail contraband smuggling, and more inspectors to facilitate legitimate trade and travel. Simply said, there is no one single resource as valuable as increased human capital at our points of entry that results in increasing the flow of trade, thus increasing the flow of tax revenue through international travelers' purchases of goods and services on the U.S. side of the border.

CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM: IMPROVEMENT CAN STRENGTHEN SECURITY, ECONOMY

CBP inspectors at the ports are charged with the important dual mission of security and facilitation.

Inspectors, using technology and relying on experience, make quick decisions on whether to release a shipment or traveler into the United States or refer that cargo or vehicle to a secondary inspection area for more intense inspection.

The Nation's major importers are especially sensitive to the role CBP plays in a company's bottom line. If there aren't enough inspectors to open up all the lanes at a land border port during a period of peak traffic, then shipments can get stuck waiting in sometimes miles-long backups, stalling just-in-time manufacturing operations and increasing costs.

CBP and the private sector are working closely together to make the international supply chain stronger and to help speed the passage of legitimate cargo in order to allow our limited inspection resources to focus on infrequent, less-known shippers.

The trade community is acutely aware of the economic damage that our country would suffer if an unsecured supply chain were to facilitate terrorist activity. And day in and day out, companies are undertaking measures—both seen and unseen—to root out the scourge of drug and human trafficking and the illegal export of guns and currency that fuel the cartel violence to our south.

For example the vast majority of companies engaged in robust international trade are members of the Customs-Trade Partnership Against Terrorism, otherwise known as C-TPAT. Members of C-TPAT partner with CBP to ensure that their supply chains are secure by strengthening the physical security of warehouses and manufacturing facilities, strengthening the security of conveyances by using special seals on truck trailers and employing shipment tracking technology such as GPS to ensure that a shipment is not tampered with, in addition to host of additional measures designed to minimize as much as possible the chance that a shipment could be compromised to smuggle contraband into the United States.

In exchange for C-TPAT members undertaking the oftentimes expensive steps to make their supply chains stronger from point of origin to destination, CBP commits to facilitating expedited service at the U.S. ports of entry. Unfortunately, the trade

²<http://www.gao.gov/new.items/d11508t.pdf>.

community of late has been growing frustrated with the program's failure to deliver clearly identifiable benefits to its members.

To that end, the BTA has produced a detailed recommendations paper³ for ways to improve the program and has engaged in a thus far very productive dialogue with CBP in exploring pilot programs to ensure that C-TPAT is delivering on its promises to participating companies.

CURTAILING THE OUTBOUND FLOW OF GUNS AND MONEY

Our membership is concerned about any illegal trade that could disrupt supply chains and put our country's physical and economic security at risk. We are especially sensitive to drug cartel violence in Mexico and concerns that that violence could spill over the U.S.-Mexico border.

We understand and support the desire to conduct out-bound inspections of cars and trucks in the border region to prevent the illegal export of firearms and currency into Mexico.

We would encourage CBP, however, to work with the Bureau of Alcohol, Tobacco, and Firearms and local law enforcement agencies to base its inspection operations on actionable intelligence whenever possible. Random inspections are akin to a search for a needle in a haystack, often resulting in increased delays and congestion to residents and the trade. It is our hope that an open dialogue between CBP, ATF, and other law enforcement agencies can shrink the size of the haystack.

FRUSTRATED WITH THE FEDS, STATES POISED TO ENGAGE IN BORDER INSPECTIONS

Getting out-bound inspections right is critical for CBP and the Department of Homeland Security because the border States are poised to fill the leadership vacuum on this issue, which we believe holds the potential to make a bad situation worse.

We are concerned that State legislatures, which have grown increasingly frustrated with the Federal Government's failure to adequately secure our borders, will direct State departments of public safety to conduct their own border region inspection operations.

We do not want to see a needless turf war sparked between competing State and Federal agencies in the border region. Legitimate cross-border trade and travel is too vital to the economic health of a country struggling to emerge from the throes of a deep recession to risk it to unnecessary slowdowns in trade.

We strongly support the President's call to double U.S. exports over a 5-year period. We will not achieve the President's goal, however, if we make it harder for legitimate cargo to exit this country due to poorly considered out-bound inspections.

A NOTE ABOUT SBINET

The BTA recognizes that Members of this committee were dubious of the effectiveness of SBInet, the so-called "virtual fence" in southern Arizona that was recently canceled by DHS.

Being the only third-party organization allowed to visit the program facility on a fact-finding mission late last year, and after a presentation with Border Patrol agents in the Tucson sector where the system is deployed and having studied the issue closely, we believe that the system should have been allowed to continue, especially in light of a recent request for information from DHS that calls for much of the same technology already in use as part of SBInet in southern Arizona.

While this testimony has focused mostly on security at the ports of entry, we're not blind to the fact that our constituency is in the midst of an uphill climb to direct attention to the ports when the area between our ports is perceived as porous.

We believe that an effective SBInet program between the ports will allow more human resources to be directed to the ports themselves. We are encouraged that DHS still believes that technology is a vital component to any border security strategy. We hope the Department gives the system in southern Arizona another look as it moves forward with the latest iteration of its border security strategy.

The Border Trade Alliance appreciates the opportunity to submit these comments for the record. We welcome the opportunity to testify before your committee in the future and we offer our 25 years of experience in border affairs as a resource to your committee as you investigate these and other important issues affecting border security.

³ <http://www.thebta.org/btaneews/bta-puts-forth-recommendations-for-an-improved-ctpat.html>.

Mrs. MILLER. The witnesses are prepared. We will begin with our second panel. I think what we'll do is just do the intros first, and then we will start with our first witness.

The first will be Stan Korosec, who is the Vice President of Operations of the Blue Water Bridge Canada. He was hired by the Blue Water Bridge Canada as Vice President of Operations in September 2003. He is responsible for the overall physical security of the bridge and the plaza, overseeing the operations and currency exchange departments, as well as the customer service department, a member of numerous binational communities and organizations dealing with border issues. Stan is also the immediate past President of the Public Border Operators Association, which represents all the publicly owned Ontario-Michigan, Ontario-New York border crossings.

Our second witness will be Timothy Koerner, who is the Vice President and Chief Security Officer of Canadian National Railroad Company. He joined CN as an Assistant Vice President of Risk Management in April 2008 after a distinguished career in law enforcement and risk management, including 25 years with the United States Secret Service, culminating as the Assistant Director for the Office of Protective Operations. He was responsible for overseeing risk management functions, including the Canadian National Police.

Our third witness on the second panel is Richard Cortez, who is the Mayor of McAllen, Texas. In 2005, Mayor Cortez was elected—would you like to—

Mr. CUELLAR. You are doing fine. I am very proud of Mayor Cortez being here with us, but go ahead and continue.

Mrs. MILLER. Okay. He was elected the 18th Mayor of the City of McAllen. He was reelected for a second 4-year term in May 2009, and in addition to being the Mayor is a member of the Texas Border Coalition, the TBC. The TBC is a collective voice of border mayors, county judges, and economic development organizations focused on issues that affect the Texas-Mexico border.

At this time, the Chairwoman would like to recognize Mr. Korosec. Stan, welcome, and we appreciate your traveling here to Washington and look forward to your testimony.

**STATEMENT OF STANLEY F. KOROSEC, VICE PRESIDENT,
OPERATIONS, BLUE WATER BRIDGE CANADA**

Mr. KOROSEC. Well, thank you very much, Chairwoman Miller and Ranking Member Cuellar and distinguished Members of the subcommittee. It is a pleasure to appear before you today to discuss issues with respect to manpower infrastructure and the allocation of Customs and Border Protection resources at the Blue Water Bridge.

As you know, the Blue Water Bridge provides a critical transportation link for both the United States and Canada. As the Chairwoman said, it is the second-busiest commercial truck crossing on the Canada-U.S. border and ranks third overall when including passenger vehicle traffic. Our crossing accommodates approximately 15 percent of all surface transportation trade between our two countries.

The bridge is also extremely important to our local communities on both sides of the border, as you have heard.

At the Blue Water Bridge, many positive steps have been taken and are being taken to ensure border efficiency and security, and I would like to provide a couple of examples. We at the Blue Water Bridge have formed strong partnerships with CBP, its Canadian counterpart, the Canada Border Services Agency, and with MDOT. In fact, we consider ourselves collectively as a Blue Water Bridge team. In fact we will meet with them in the next month for our annual pre-summer plan meeting where we prepare for the busy summer traffic season ahead of us.

As far as staffing is concerned, right now for CBP, there is not a staffing issue at the Blue Water Bridge at the present time. Summer of 2007 reminds us what can occur when staffing levels are not adequate. Long delays in excess of 1 hour headed into the United States, particularly during the summer months of that year, were experienced virtually every day at the Blue Water Bridge.

We appreciate the hard work of Congresswoman Miller for her efforts in helping resolve that crisis, and as well Assistant Commissioner Winkowski, who formed a dwell time task force of which I continue to be a member along with other border operators and stakeholders.

We are pleased to see that the I-94, I-69 reconstruction is underway. Similar reconstruction of the Highway 402 project in Canada is also underway. At Blue Water Bridge Canada we have completed the first phase of a \$110 million Canadian plaza improvement plan.

A lot of positive things are happening. Efforts are being put forth. It is not only because we are dedicated to maintaining a safe and secure and efficient border crossing, but it is also out of necessity.

I provided you with Appendix B, which clearly points out the inadequacies of the present U.S. plaza infrastructure, particularly regarding the current number of primary inspection lines for CBP. You compare these to other facilities, you can see that we put more traffic through our existing PILs than any other border crossing on the Canada-U.S. border. In spite of this, we still experience delays, particularly in the summertime.

We talked about the new U.S. plaza. In May 2009 it received a record of decision. The \$530 million plaza will help resolve all of these issues, facilitating legitimate trade and travel, as well as security. Currently, there is no place on the existing plaza in which to unload and inspect the contents of a commercial vehicle. This is at the second-busiest commercial crossing on the Northern border.

To unload a commercial vehicle, officers are forced to escort the uninspected vehicle to the Port Huron community to an off-site inspection facility. This procedure introduces increased security risks and is an inefficient use of limited CBP staff at the existing plaza.

The plaza, as we have heard, has been scaled down from a \$280 million Federal contribution to \$110 million. Before design and construction can begin CBP must secure funding in the 2013 appropriations budget. As a consequence, construction of the much-needed plaza is not expected to begin until 2015 at the earliest.

Now, although this scaled-down plaza as currently approved will resolve some of the present inadequacies, it does not address recommendations addressed by the originally approved plan. In particular, there are no accommodations in the scaled-down version for out-bound inspection facilities. The existing plaza that will remain a part of the latest design is elevated some 26 feet above ground level supported by a platform over 60 years old, with a major thoroughfare traversing underneath it.

The connectivity between I-94 and I-69 is not properly achieved, where we will have brand-new three lanes of I-94, I-69 coming to a plaza that only accommodates two lanes. That can do nothing but cause more traffic and safety concerns. In either scenario, an increase in the number of primary inspection booths will require the appropriate CBP resources to staff the booths when required.

As construction for the new plaza is not likely to begin until 2017, we have come up with a new way to expand some capacity at the Blue Water Bridge in the interim. This was put forth by a CBP field office in Detroit where we could add some staggered booths and some stacked booths. Because we are an elevated plaza, it is tough to do that. So this was put forth in November, and as of March 26, it has had one conference call, and nothing further, continues to be studied.

Blue Water Bridge Canada has offered to finance this project because we believe in the interim it will allow increased capacity and efficiency at this border crossing without affecting security. We are disappointed that this has not moved forward, and we look forward to some discussions in the very near future.

In conclusion, we do the best with what we have. It is what we have is the issue at the Blue Water Bridge. Thank you for this opportunity to testify about some of the positive work that has taken place at the bridge and some of the real challenges and opportunities before us. I can assure you that the Blue Water Bridge team will continue to ensure that this gateway is safe, secure, and efficient and enjoyable for all law-abiding travellers, and I look forward to any questions that you might have.

Thank you.

[The statement of Mr. Korosec follows:]

PREPARED STATEMENT OF STANLEY F. KOROSEC

APRIL 5, 2011

INTRODUCTION

Thank you, Chairwoman Miller, Ranking Member Cuellar, and distinguished Members of the subcommittee. It is a pleasure to be invited and appear before you today to discuss issues with respect to manpower, infrastructure, and the allocation of Customs and Border Protection (CBP) resources at the Blue Water Bridge Port of Entry, between the State of Michigan, U.S.A. and the Province of Ontario, Canada.

OVERVIEW OF THE BLUE WATER BRIDGE GATEWAY

Ownership and operation of The Blue Water Bridge (BWB) is shared by two independent entities, the Michigan Department of Transportation (MDOT) and Blue Water Bridge Canada (BWBC). BWBC is a Canadian Federal Crown Corporation which operates at arms' length from the Government of Canada. BWBC owns and operates the Canadian portions of the twin bridges connecting Sarnia, Ontario and Port Huron Michigan. MDOT operates the U.S. portions of the twin bridges. BWBC is a totally self-funded entity, receiving no appropriations from the Government of

Canada. BWBC is governed by a board of directors and reports to the Parliament of Canada through the most senior elected official, the Minister, of the Department of Transportation. Our mission is “To make our customers’ gateway experience safe, efficient, and enjoyable.”

The BWB provides a critical transportation link for both the United States and Canada. It is the second-busiest commercial truck crossing on the U.S./Canada border and the most active livestock entry point between our two nations. It ranks third overall when including passenger vehicle traffic. The crossing accommodates approximately 15 percent of all surface transportation trade between our two countries. Approximately 25 percent of the commercial traffic is related to the auto industry, which is heavily reliant on predictable crossing times for its just-in-time components delivery systems. The bridge’s geographic location, supported by direct highway access makes this a crossing of choice for shipments headed into the States of Michigan and Illinois and those in the southern and western regions. Commercial dangerous goods and hazardous materials also cross this facility on a regular basis.

The crossing is extremely important to the local communities on both sides of the border, whose residents cross frequently to work and for visits with family and friends, as well as for shopping and recreational purposes. The recent strength of the Canadian dollar and the improving Canadian economy have contributed to a large increase in the number of Canadian visitors to the United States, which has contributed to the local economic recovery efforts of Port Huron, neighboring St. Clair Township, and the State of Michigan.

ATTRIBUTES OF AN EFFICIENT BORDER CROSSING

1. For a border crossing to work safely and efficiently, we believe that there are six (6) key components that must be considered. They are: Integrated highway approaches, as well as local access, to the border crossing itself.
2. Appropriate sized and configured plazas, including sufficient infrastructure and inspection facilities for customs and immigration functions.
3. Suitable conveyance capacity of the bridge structure and lanes.
4. Modern technology services and support systems.
5. Appropriate staffing levels at the primary inspection lanes.
6. Operational partnerships involving all primary stakeholders.

At the BWB, many positive steps have been or are being taken to address these issues and I would like to provide some examples. We at the BWB have formed strong partnerships with CBP, its Canadian counterpart, the Canada Border Services Agency (CBSA) and with MDOT, in order to make this crossing the best and most secure that it can be. In fact, we consider ourselves collectively as the BWB “team.” I acknowledge Chris Perry, Director of Field Operations, CBP/Detroit, CBP Port Huron Port Director Dave Dusellier and Mike Szuch, MDOT General Manager at the BWB, for their efforts and strong commitment to this approach and the shared objectives of our team. The BWB team has worked together diligently to develop practical and effective protocols for maximizing the use of the restrictive and aging infrastructure, primarily the U.S. plaza and Primary Inspection Lanes (PILs) for CBP. Traffic and lane management during peak volumes ensures that both commercial and passenger vehicle traffic move safely and efficiently, with border security maintained. We will meet within the month for our annual pre-summer planning session, in order to prepare for the busy summer traffic season ahead. Our four agencies, along with local law enforcement and emergency responders will discuss a coordinated approach to traffic control, maintenance, construction, emergency preparedness, and other activities that could affect the BWB and surrounding area. Common strategies and protocols are maintained and routinely updated, in an effort to mitigate any potential concerns and threats. In shared initiatives regarding public awareness, information, and education, CBP and CBSA officers have assisted BWBC at events in local shopping malls and other public forums to promote the NEXUS and FAST programs, because these programs make the border crossing safer, more efficient, and enjoyable. BWBC alone has invested over \$100,000 in marketing and promoting the trusted traveler initiatives, as an effective means of promoting a more secure and efficient border crossing.

CBP staffing is not an issue at the present time. However, the summer of 2007 serves as a reminder of what can occur when staffing levels are not adequate. Long delays, in excess of one (1) hour heading into to the United States particularly during the summer months were experienced virtually every day at the BWB. In fact during the entire 2007 calendar year, there were 151 days where delays of 1 hour or more occurred. We appreciate the efforts of Congresswoman Miller for her efforts in resolving that crisis. The following year that number was reduced to 32. In calendar 2010 the number rose to 37. See Appendix “B”. We also appreciate Assistant

Commissioner Tom Winkowski who formed a Dwell Time Task Force of which I continue to be a member, along with other border operators and stakeholders. The taskforce has been successful in developing a coordinated approach to facilitating legitimate trade and travel, while enabling CBP to continue to fulfill its mission.

Continuing on the positive efforts, we are pleased to see that the reconstruction of Interstate I-94 and I-69, which serve as approaches to the BWB on the U.S. side, is underway. This \$90-million project, including the reconstruction of the Black River Bridge, is supported by a \$30-million TIGER grant and will greatly improve the safety and efficiency of local and Canada-bound traffic. A similar reconstruction of the Highway 402 approach to the BWB plaza on the Canadian side is also underway and scheduled to be completed in 2012.

BWBC has completed the first phase of its \$110-million Canadian Plaza Improvement Plan. In June, a new \$60-million facility, including seven (7) new commercial PILs for CBSA, will open. The facility, accredited as a Leadership in Energy and Environmental Design building, will house the bridge contingents of CBSA, and the Canadian Food Inspection Agency, along with several customs brokerage firms and our BWBC administration. The structure is an integral part of our on-going plans to further improve the safety, security, and efficiency of the Canadian Plaza during the coming decades.

These many positive efforts are being put forth not only because we are dedicated to maintaining a safe, secure, and efficient border crossing, but also out of necessity. The attachment I have provided to you (Appendix B), clearly points to the inadequacies of the present U.S. Plaza infrastructure, particularly regarding the current number of (PILs) for CBP, which are woefully insufficient considering current and projected traffic needs, particularly when compared to facilities provided at the other major land ports of entry (LPOE) along the U.S./Canada border. The 2009 figures I have compiled demonstrate that the BWB processes more vehicles per PIL than any other border crossing. In spite of all our efforts described earlier, delays are very common for U.S.-bound traffic, particularly during the busy summer months. These delays have serious, adverse economic consequences of local, regional, National and international concern. Further, they negatively affect our shared environment, as hundreds of vehicles sit idling in long queues.

CURRENT INFRASTRUCTURE ISSUES

In May, 2009, the United States Federal Highway Administration (FHWA), MDOT, CBP, and the General Services Administration (GSA) achieved a Record of Decision to proceed with a \$583-million project to expand the U.S. LPOE and the connecting I-94/I-69 freeways. The proposed expansion project would increase the existing customs and toll plaza from 18 acres to 56 acres. The project would also lower the elevated plaza to grade, add seven (7) more PILs and provide CBP appropriate space dedicated to secondary inspection areas for both commercial and passenger vehicles. This was a critical consideration, as additional space is needed to improve security associated with the screening of commercial vehicles at the BWB LPOE. Currently, there is no place on the existing LPOE in which to unload and inspect the contents of a commercial vehicle—this at the second busiest commercial crossing on the Northern border. To unload a commercial vehicle, CBP officers are forced to escort the un-inspected vehicle through the Port Huron community to an off-site inspection facility. This procedure introduces increased security risks and is an inefficient use of the limited CBP staff at the existing LPOE, resulting in increased delays for legitimate shipments delivery goods into the United States. The proposed BWB LPOE project will correct this existing deficiency and is anticipated to reduce crossing delays coming into the United States from an existing average of 28 minutes to a proposed average delay time of 3 minutes.

Citing funding limitations, officials from the CBP, the FHWA, the GSA, and MDOT announced that their BWB Plaza Expansion Project will be scaled back. The estimated construction cost of the lower-cost alternative for the planned, expansion of the U.S. Plaza is \$110 million.

Before design and construction can begin, CBP must secure funding in the 2013 appropriations budget. At this time, CBP has indicated it will be ready to commence design in 2013, pending the availability of resources. As a consequence, construction of the much-needed plaza expansion project is not expected to begin until 2015, at the earliest.

Although the plaza design, as currently approved, will resolve some of the present inadequacies, including the addition of 12 new commercial PILs, the scaled-down version does not address recommendations addressed by the originally approved plan, which centers on the specific purpose and need for the plaza redesign upon which the project was initiated. In particular, no accommodations have been made

for out-bound inspection facilities. The existing plaza that will remain a part of the latest design is elevated some 26 feet above ground level, supported by a platform over 60 years old, with a major thoroughfare traversing under it. In this latest scaled-down version, the connectivity to I-94 and I-69 is not properly achieved, as per the originally approved plan. Given the long-standing importance of the BWB trade corridor, combined with the most recent bi-lateral initiative of President Obama and Canadian Prime Minister Harper—*Beyond the Border: A Shared Vision for Perimeter Security and Economic Competitiveness*, we can assure you that the need for improved, secure facilities at BWB, which had been effectively addressed by the originally approved plaza design, has not diminished. In fact, the need for further essential improvements will remain, despite the implementation of the scaled-down alternative plan. In either scenario, an increase in the number of PILs will require the appropriate CBP resources to staff the booths, when required.

As construction for the new plaza is not likely to be completed until 2017, or beyond, the BWB must make some interim improvements to help facilitate the secure and efficient movement of legitimate trade and travel that is currently being hampered by the lack of PILs. In November, 2010, a proposal originally put forth by the CBP Detroit Field Office and subsequently discussed with BWBC and MDOT, was submitted to CBP Headquarters, in Washington. The proposal called for the construction of 4 “staggered PIL booths” and 3 “stacked PIL booths,” which would add significant capacity to this crossing, as required. Realizing the tremendous benefits of this proposal and acknowledging tight budgetary constraints in CBP, the BWBC Board of Directors has approved financial assistance, in order to move this proposal forward, so that the new booths would be functional by summer 2011. As of March 26, 2011, one conference call to move the initiative towards reality has taken place and the project continues to be “studied.” To ensure the project progresses, BWBC offered on January 27, 2011, to supply up to seven (7) new PIL booths, already completely fabricated and ready for delivery, to CBP as one part of BWBC’s contribution to the project. We are disappointed that this proposal has not been given the support it truly deserves, considering the significance of this border crossing to the economies of both nations and the associated challenges we continue to face. I understand that millions of dollars have been invested at much smaller ports on the U.S./Canada border, while a relatively minor investment at BWB could reap great benefits.

CONCLUSION

Chairwoman Miller, Ranking Member Cuellar, and Members of the subcommittee, in short, we do the best with what we have, it is what we have that is the issue. Thank you for this opportunity to testify about some of the positive work that is taking place at the Blue Water Bridge and some of the real challenges—and opportunities—before us. I can assure you that the BWB team will continue to ensure that this gateway is safe, secure, efficient, and enjoyable for all of its law-abiding travelers. I look forward to answering any questions you may have at this time.

Mrs. MILLER. Thank you very much. The Chairwoman now recognizes Mr. Koerner from CN Rail for his testimony.

STATEMENT OF TIMOTHY J. KOERNER, VICE PRESIDENT AND CHIEF SECURITY OFFICER, CN

Mr. KOERNER. Thank you, Madam Chairwoman and Ranking Member. Thanks for the opportunity to be here today. I am pleased to be joined this morning by Karen Phillips, our Vice President for Public and Government Affairs, and Mike Tamilia, our Senior Manager for Transborder Operations.

CN is a Class I railroad, one of only seven in all of North America. In addition to our transcontinental operations across Canada, CN employs thousands of people in the United States. CN owns and operates rolling stock, tracks, yards, and terminals in 16 U.S. States. The smooth, yet secure, flow of legitimate commerce between Canada and the United States is critical to the economies of both countries and to CN. Roughly, one-third of CN’s revenues are generated from cross-border commerce. Combined with the fact

that CN operates on a scheduled railroad philosophy, the smooth flow of cross-border commerce is essential to our operations.

CN consistently strives to meet our customers' needs for timely and efficient delivery. A fluid border is essential to this on-time service. CN has a long, positive working relationship with U.S. and Canadian Customs authorities. Our combined efforts to enhance cross-border security have increased substantially in the years following the September 11, 2001, terrorist attacks.

Indeed, the governments of Canada and the United States have been actively engaged since 2001 on a broad range of security initiatives embodied in the Smart Border Declaration and in subsequent programs. CN has been a willing and valued partner in U.S. and Canadian initiatives intended to enhance security while also ensuring the smooth flow of legitimate cross-border commerce.

We are proud of the fact that CN was the first North American rail carrier to participate in the U.S. Customs and Border Protection C-TPAT, Customs-Trade Partners Against Terrorism, and we have taken very seriously our responsibility to make needed investments and ensure that the security of our operations meet C-TPAT criteria.

CN has also been a participant for several years now with CBSA's version of C-TPAT, which is called Partners-in-Protection. In these programs we invite scrutiny from government, law enforcement agencies. They come to us, they examine our facilities, they review our security plans and assess our substantial efforts. All of this is done in an effort to ensure that both CBP and CBSA accept that CN is a known partner when we arrive at the border.

CN has a police presence. It is kind of unique that we have a police presence but we do, and it is on both sides of the international border. The CN police officers work in collaboration with Federal, State, provincial, local, and Tribal law enforcement agencies toward the common goal of safeguarding our nations and communities against harm. An example of this is our collaboration with the and our participation with the IBET team, the Integrated Border Enforcement Team, that is in upstate New York outside of Buffalo.

The CN police monitor border crossings with sworn law enforcement personnel and the use of technical security equipment such as barriers, alarms, and cameras with infrared and thermal detection capability. The CN police also conduct regular liaison and joint force operations with both U.S. and Canadian customs and border agencies in an effort to maximize the effectiveness of our collective resources.

In 2003, CN and Canadian Pacific Railway signed a declaration of principles with customs agencies on both sides of the border, and this introduced a screening system which is known as VACIS. VACIS stands for Vehicle and Cargo Inspection Systems. I am sure, Chairman, that you are familiar with it.

The effectiveness of this gamma ray screening is enhanced by the data that is transmitted electronically by rail carriers to the customs authority at least 2 hours in advance of arriving at the port. As a result, CBP personnel can compare what they see on the VACIS image with the rail manifest, which specifies the intended content of each and every car and container on the train.

CN crosses the U.S.-Canada border at seven crossing locations with a total of about 45 trains per day operating northbound and southbound across the border. Our largest operation is at the Port Huron-Sarnia crossing at which we operate about nine trains per day in each direction.

A key issue for CN is the harmonization of border regulations between United States and Canada wherever possible. While recognizing the unique priorities and sovereign rights of both nations, CN has long been engaged in encouraging this risk-based border security regulations that address security issues while also facilitating cross-border trade.

Most recently, we are looking forward to participating in the initiative announced on February 4 by President Obama and Prime Minister Harper to pursue a perimeter approach to security so as to accelerate the legitimate flow of people and services and goods between the United States and Canada. The two leaders noted their intent to use a risk management approach to foster greater information sharing between agencies of both countries and to work on innovative approaches to security and competitiveness.

Safety and security are cornerstones of CN's operations. We are proud to be actively engaged with government agencies in both the United States and Canada to ensure the security of our operations while also meeting the needs of our customers. We urge the subcommittee to ensure that screening, targeting, and inspection activities by government agencies associated with cross-border commerce are governed by these risk management principles. We also urge that agencies with border enforcement responsibilities work together to ensure effective and coordinated screening and inspection processes so as to not needlessly impede legitimate commerce.

Madam Chairwoman, thank you again for the opportunity to testify, and of course, I would be pleased to answer any questions you or any of the Members might have.

[The statement of Mr. Koerner follows:]

STATEMENT OF TIMOTHY J. KOERNER

APRIL 5, 2011

Madam Chairwoman and Members of the subcommittee: Thank you for the opportunity for Canadian National Railway Company (CN) to testify on using resources effectively to secure border ports of entry and CN's experience with cross-border commerce and security initiatives.

Like other large railroads operating in the United States, CN is a Class I railroad, as defined by the U.S. Surface Transportation Board. CN is a publicly-traded company, with extensive North American freight rail operations. In addition to our transcontinental operations across Canada, CN operates in 16 U.S. States. The smooth yet secure flow of legitimate commerce between Canada and the United States is critical to the economies of both countries and to CN.

CN's traffic across the U.S./Canada border includes automobiles, fertilizer, forest products, grain, intermodal, metals and minerals, and petroleum and chemicals. Roughly one-third of CN's revenues are generated from cross-border commerce. Combined with the fact that CN operates a scheduled railroad, the smooth flow of cross-border commerce is essential to our operations. CN consistently strives to meet our customers' needs for timely and efficient delivery; a fluid border is essential to this on-time service.

RAIL CROSS-BORDER SECURITY INITIATIVES

CN has a long-standing working relationship with U.S. and Canadian Customs authorities on efforts to enhance cross-border security. Those efforts have increased

substantially in the years since the September 11, 2001 attacks. Indeed, the governments of Canada and the United States have been actively engaged since 2001 on a broad range of border security initiatives, embodied in the Smart Border Declaration and in subsequent programs. CN has been a willing partner in U.S. and Canadian initiatives intended to enhance security while also ensuring the smooth flow of legitimate cross-border commerce.

CN was the first North American rail carrier participant in U.S. Customs and Border Protection's (CBP) Customs-Trade Partnership Against Terrorism (C-TPAT), and we have taken very seriously our responsibility to make needed investments and ensure the security of our operations meet the C-TPAT criteria. CN also has been a participant for several years in the Canada Border Service Agency's (CBSA) comparable Partners-in-Protection (PIP) program.

CN has a police presence on both sides of the international border. CN Police officers work in collaboration with Federal, State, provincial, local, and Tribal law enforcement agencies toward the common goal of safeguarding our nations and communities against harm. The CN Police monitor border crossings with law enforcement personnel and the use of technical security equipment. The CN Police also conduct regular liaison activities and joint force operations with both U.S. and Canadian customs agencies in an effort to maximize the effectiveness of our collective resources.

Also of note, CN and Canadian Pacific Railway in April 2003 signed a Declaration of Principles with CBP and CBSA's predecessor agency, under which 100 percent of rail traffic at border crossings equipped with non-intrusive inspection technology would be screened at the border by this equipment. As a result of this Declaration and the subsequent expansion of the program across the border, 100 percent of CN's rail traffic entering the United States from Canada at present is screened by VACIS equipment, a far higher proportion than for any other transportation mode.

The effectiveness of the gamma ray screening is enhanced by the data transmitted electronically by rail carriers to CBP at least 2 hours in advance of a train arriving at the border for entry into the United States. As a result, CBP personnel can more effectively target at-risk shipments for additional screening and, if necessary, inspection as well as to more accurately evaluate the cargo in each conveyance as a train passes through the VACIS equipment. The advance data transmittal was a provision of the Declaration of Principles as well as more broadly implemented for rail and, with other applicable time frames, for all transport modes in Section 343 of the Trade Act of 2002 (Pub. L. 107-210), as modified by Section 108(b) of the Maritime Transportation Security Act of 2002 (Pub. L. 107-295).

CN also complies with the requirements of the Bioterrorism Preparedness and Response Act of 2002 (Pub. L. 107-471), which requires advance notification to the Food and Drug Administration (FDA) of food that is imported or offered for import into the United States. We also are subject to U.S. Department of Agriculture (USDA) agricultural inspections of our cargo imported into the United States.

Last, much of the cargo transported by CN across the Canada/U.S. border initially entered Canada through sea ports that are participants in CBP's Container Security Initiative (CSI), at which CBP and CBSA staff work together to screen cargo entering Canada and to target high-risk cargo. Further, a large proportion of the traffic that enters the Canadian CSI sea ports sails from other CSI-participating ports outside of North America, which includes other security requirements. Most Canadian sea ports also participate in CBSA's Joint Targeting Initiative (JTI), through which CBP and CBSA share information and collaborate on inspections; this provides an additional layer of security.

CN OPERATIONS AT THE U.S./CANADA BORDER

CN crosses the U.S./Canada border at seven crossing locations, with a total of roughly 45 trains per day operating northbound and southbound across the border. Our largest operation is at our Port Huron, Michigan/Sarnia, Ontario crossing, at which we operate nine trains per day in each direction, with our crossing at Ranier, Minnesota our second-largest operation, with eight trains crossing the border daily in each direction.

At each border crossing, we provide cargo manifest data to CBP at least 2 hours in advance of each southbound train reaching the border. When we arrive at the border, the train slows to 5 miles per hour to go through the VACIS machine. At the majority of border crossings, CBP's VACIS equipment is located on the U.S. side of the border. However, at the Port Huron/Sarnia and the Detroit, Michigan/Windsor, Ontario crossings, CBP installed this equipment on the Canadian side of the border to facilitate operations.

When CBP wishes to conduct an inspection of a particular railcar or intermodal container, above and beyond the VACIS screening, we must stop the train with the targeted railcars or containers. In such cases, CN employs transborder specialists to assist Customs with the unloading and reloading of goods in railcars and intermodal containers. This may cause a train to have to cut that car and leave it behind, while the rest of the train moves through. In the case of intermodal stack trains, the railcars can be 200 feet in length and each carry up to 15 containers. The railcar that is cut from the train, with the container or containers that have been identified for inspection along with the other containers not targeted by CBP, will then be picked up by another train after the inspection process has been completed. When inspections such as these are conducted, it often requires the train to move back and forth over the track many times to effect the desired result of cutting out a specific car or cars.

ISSUES AND CONCERNS

A key priority for CN is promoting harmonized border regulations between the United States and Canada wherever possible, while recognizing the unique priorities and sovereign rights of both nations. CN has long been engaged in efforts to encourage risk-based, compatible U.S. and Canadian border security regulations that address security issues while facilitating legitimate cross-border trade.

More recently, we are pleased with the initiative announced on February 4 of this year by President Obama and Prime Minister Harper to pursue a perimeter approach to security, so as to accelerate the legitimate flow of people, goods, and services between the United States and Canada. The declaration by the two leaders noted their intent to use a risk management approach, to foster greater information sharing between agencies of both countries, and to work on innovative approaches to security and competitiveness.

As part of this initiative, President Obama and Prime Minister Harper announced their intent to establish a Beyond the Border Working Group, composed of appropriate government officials from both countries, which will develop a joint Plan of Action to realize the goals of the leaders' declaration. The leaders also announced the creation of a Canada/U.S. Regulatory Cooperation Council, which is tasked with finding ways to reduce and prevent barriers to cross-border trade, while maintaining high standards of public health and safety and protecting the environment. Both governments are now engaged in a consultative process with affected stakeholders, in which CN is eager to participate actively.

CONCLUSIONS

Safety and security are cornerstones of CN's operations. We are proud to be actively engaged with government agencies in both the United States and Canada to ensure the security of our operations, while also meeting the needs of our customers. We urge the subcommittee to ensure that screening, targeting, and inspection activities by government agencies associated with cross-border commerce are governed by risk-management principles, taking into account the C-TPAT status of participants in the movements, the cargo manifest data transmitted in advance of the traffic's arrival at the border, and other factors relevant to the security of the cross-border operations. We also urge that agencies with border responsibilities work together to ensure effective and coordinated screening and inspection processes so as to not needlessly impede legitimate commerce.

Madam Chairwoman, thank you again for the opportunity to testify. I would be pleased to answer any questions that you or Members of the subcommittee may have.

Mrs. MILLER. Thank you very much, Mr. Koerner. At this time, the Chairwoman would like to recognize Mayor Cortez for his testimony and welcome him to Washington.

STATEMENT OF RICHARD F. CORTEZ, MAYOR, McALLEN, TEXAS

Mr. CORTEZ. Thank you. Chairwoman Miller, Ranking Member Cuellar, and committee Members, thank you for giving me an opportunity to present our thoughts from our area to you today. I had a prepared presentation of my testimony here today but after listening to your opening comments, the Ranking Member's com-

ments, and the other panelists' comments, I would like to rather maybe paraphrase and just kind of discuss some of the highlights of my testimony with your permission.

Basically, my testimony is broken down into two parts. The first part is the imbalance of investment in our ports of entry and in between the ports of entry and the benefits that commerce has to our areas, and second is even though we do benefit from commerce and having these ports of entry, we also have some concerns that we have because we are on the border, and this does cause some problems being close to the border.

In answer to the question of Congressman Rogers, he asked: Well, what personnel? Well, that information has already been provided by Rich Stana from the Government Accountability Office, which he estimated approximately 6,000 new inspection personnel and about \$5 billion to bring in facilities.

We talked about efficiency and wait times. You know, it is interesting how sometimes we measure things, and if we look from the beginning of the bridge and look at that vehicle and then say, okay, to the end of the bridge and we trace that time, when you say it was 5 minutes. Well, but the problem is that that car that got to the beginning of the bridge has been waiting for 2 hours to get to the beginning of the bridge. So how you track wait times is very important.

But here is what we are asking for. We need to have more investment in our legal ports of entry. We talk about efficiency. How can you be efficient when you have antiquated facilities like we do have in Hidalgo? When you have all of this technology that requires electricity, we are down. Many times our electrical grid just went down. All our computers, everything in our legal port of entry just simply isn't working. Imagine what an inspector is going to have to do when you are relying on just simple things like electricity, and at our port of entry we constantly are breaking down and having to use generators.

So the investment of legal ports of entry, Madam Chairwoman and other committee Members, is extremely important because, as you have already stated in your opening comments, it seems like we are starting to do a pretty good job in defending our ports of entry. We are capturing most of the violators, but why is it that we are not doing that in our legal ports of entry?

Well, that goes into my testimony regarding how we are affected by being close to the border. You see, the bad guys cross in those legal ports of entry, and they come and do violent crimes or certain business in our communities and then they try to run back to that legal port of entry and leave. But now we have no communication in place, no connectivity. There is no connection between us saying: Hey, wait a minute, there is the perpetrator that just left our city that is entering or getting close to your port of entry, you know, how do we notify you, how do we tell you that that is happening.

So what we are suggesting is that the reason that the other side is so successful in breaching our security is they studied us very well and they have been able to—how can they breach our security 70 percent of the time when we have the canines. We have so many people. I mean, it begs the question: Well, why is that happening? Well, they know us very, very well. Well, we need to do the same

thing on our side. We need to have surveillance and intelligence because we don't want to become the breeding ground for criminal activity, and if we don't have that personnel and intelligence working for us on our side and then be able to communicate all our law enforcement agencies that are empowered for this enforcement, then we cannot be efficient.

So at the end, Madam Chairwoman, what we are asking is that help us be more efficient by investing in our legal ports of entry. We have two in the city of McAllen. We own two bridges. One is an old bridge that needs investment. The other one, we are not efficient because we don't accept any commercial truck traffic. Well, imagine if you want to be efficient in commerce and you have only one bridge that allows commercial traffic, and yet there is other bridges all around. We need a system of efficient bridges, not one bridge.

The other thing is that the Commissioner here from Customs said it takes a long time by the time you make a decision and you have the layers of funding ready in place to get something done. Right now we don't have any southbound inspections in our bridge. It is a brand new bridge. We have been there less than 2 years and we don't have any southbound inspections and we don't have any northbound commercial truck traffic.

Well, I will tell you what is happening in the real world. The real world, the business world, they want to find the lowest cost. For the lowest cost right now to bring in goods and products into the United States, from a lot of the produce companies that used to go to the Nogales port is now coming to Texas because they are saving \$1,500 or \$1,800 more in freight. Well, business is readjusting itself to our area, yet we don't have the necessary infrastructure and personnel to take care of that business.

We cannot be secured as a country if we don't have economic security.

My time is up. Thank you.

[The statement of Mr. Cortez follows:]

PREPARED STATEMENT OF RICHARD F. CORTEZ

APRIL 5, 2011

Chairwoman Miller, Ranking Member Cuellar, committee Members: Thank you for this opportunity to share my views on how to secure the border.

Without a strong and growing economy on the border, we cannot have a growing National economy or achieve our security goals. Trade directly generates one-third of the U.S. economy. Land ports of entry are responsible for more than three-quarters of a trillion dollars in trade annually with Canada and Mexico.

On the Southwest border, we need to assure that our economic climate not only helps fund the security measures we need, but also provides opportunity to the people in the region so they become part of the solution and are not tempted to become part of the problem.

To achieve our economic security, we need well-built, well-equipped, and well-staffed ports of entry that can facilitate legitimate trade and travel and interdict lawbreakers.

We are grateful that Senators Cornyn, Graham, Kyl, and Feinstein have asked the Senate Judiciary Committee to hold a hearing on U.S. ports of entry and infrastructure on the Southern border.

We have an imbalance of investment and results on the border. Since 1993, we have increased our investment 800 percent in Border Patrol personnel, mobility, communications, and technology. That effort between the ports has been successful; the Border Patrol intercepts 70 percent of lawbreakers across the border; in the El Paso sector, the success rate is 90 percent.

In contrast, we have let the land ports of entry fall into disrepair. We currently have ports like the McAllen Hidalgo-Reynosa POE in which the electrical grid is outdated and the infrastructure is antiquated at a time when the most advanced technology and infrastructure is needed to secure our borders. Over the same period, the land ports budget has risen only 17 percent and our ability to intercept criminals only 28 percent of the time.

That bears repeating. Between the ports, we catch the criminals 70 percent of the time. At the ports, we catch them less than 30 percent. That is an imbalance Congress must help to correct.

The criminal cartels are exploiting our weakness. According to the Department of Justice, 90 percent of the drugs smuggled into the United States enter through the land ports. The physical bulk cash that exits goes exclusively through the ports. There is no data on firearms, but anecdotally, the ports are where they too traverse the border.

To achieve our economic security, we need well-built, equipped and staffed ports of entry that can both facilitate legitimate trade and travel and interdict lawbreakers. We need those improvements for our National security, as well.

Rich Stana at the Government Accountability Office estimates we need 6,000 new inspection personnel and more than \$5 billion to bring the facilities up to snuff. We don't expect you to wave a fiscal wand and achieve this overnight. I do not advocate taking anything away from the Border Patrol. But if there are additional resources to be allocated, this year or next year, they should go to the ports of entry as a first priority.

Secure and efficient ports of entry are very important to cities like McAllen. They create jobs, sustain our economy, and improve our quality of life. They expedite legitimate trade and traffic to flow across our border and in our case, contribute to McAllen's \$3 billion retail industry. Without Federal-local coordination, efforts to simultaneously secure ports and make them more efficient will not be possible.

For example, it makes no sense to have an international bridge where commercial truck traffic is not allowed to cross. Right now the truck industry is moving away from crossing through the Nogales Port in Arizona to our ports in South Texas. This makes it necessary to increase our capacity to serve this new traffic. We cannot do that if some of our bridges cannot accept commercial truck traffic like our Anzalduas Bridge in McAllen. Our presidential permit states that a southbound commercial truck facility should have been operational prior to us opening the Anzalduas International Bridge.

However, we also have no southbound commercial truck traffic. Please help us expedite that and allow us to better serve our area businesses.

Year 2015 is just around the corner and we have no funding in place for the construction of a northbound commercial traffic facility at the Anzalduas International Bridge.

While our legal ports of entry have a positive effect on our commerce, they have a negative effect on our border communities because persons illegally in the United States commit crimes in our cities and then they try and make their run back into Mexico.

One example would be what we experienced in 2010. Around 9:30 p.m., closing time, in one of our busiest shopping intersections, four (4) suspects, all males from the state of Guerrero, Mexico and connected to drug activity and illegally in our country shot and killed another person. The victim was also a male from Mexico. He was shot twelve (12) times. All four suspects then simply boarded their vehicles and raced to Mexico. In this case we were very lucky that we were able to apprehend them just short of the port of exit. Currently, there is no communication system which allows us to alert our port of entry of what is approaching or leaving the port.

Drug trafficking is nothing new in our area. During 2009/2010 our officers seized:

- 75,000 pounds of marijuana,
- 2,000 pounds of cocaine, and
- 350 pounds of crystal meth.

Whereas before it was rare, today it seems to occur more frequent.

In a recent arrest, our officers seized 12,000 pounds of marijuana, 150 pounds of cocaine, one (1) 70 caliber machine gun, two (2) military issue flak jackets, two (2) hand grenades, six (6) semi-automatic weapons and 1,800 pounds of assault rifle ammunition. Eleven (11) persons were arrested including a Texas National Guardsman.

We are in an area of many political jurisdictions. We need a Border Financial Crime Task Force with personnel to provide intelligence and surveillance. It needs to be well connected with all of our law enforcement agencies. We must deter the idea that persons can simply run back undetected to Mexico after committing crimes

here. We need uniformed south-bound checks at all ports of entry specifically looking for fire arms and cash.

Thank you for allowing me to share this information with you, and on behalf of all our citizens, we thank you for your service to our country.

Mrs. MILLER. Thank you very much, Mayor. I appreciate those comments, and as you say, really the impetus for this hearing, as Ranking Member Cuellar and I have talked about this a number of times, you know, you see a lot of the attention on the Southwest border really being paid attention to what is coming across through the deserts and in between the ports of entry and everything and, as we have focused on all of that, somehow we just want to make sure that we are really looking at the resources that are necessary to secure our ports of entry where so much of this is coming across and we do have that issue, I think, again, on both the borders.

My first question would be to Mr. Koerner from Canadian National. Again, we appreciate your willingness to come today and the testimony that you provided to this committee. You mentioned about your VACIS machine, and I have had an opportunity to be out there and actually see it and see some of the images and various things that you have found there, and I think it is a fantastic technology. If I am correct, you are essentially screening 100 percent of everything that goes through your tunnel; is that correct?

Mr. KOERNER. That is correct. All seven of our border crossing locations are 100 percent VACIS screened.

Mrs. Miller, Now, in regards to the one that comes under the St. Croix River, I have often said and I just want to make sure I am correct in saying this, that is the busiest rail entry into the Nation. Is that correct? You mentioned your volume there, 9 trains per day. Could you quantify that a bit?

Mr. KOERNER. For the traffic that flows between Canada and the United States, CN is the largest of all of those Class I trains that would be moving freight from Canada into the United States and vice versa, and of our 70 ports of entry, the Port Huron-Sarnia border crossing is the largest for us.

Mrs. MILLER. What does that mean, 9 trains a day?

Mr. KOERNER. So a train obviously can carry many, many containers or carloads but on an annual basis we bring somewhere between 1,000,000 and 1,100,000 containers or cars across the border.

Mrs. MILLER. I see. Could you give us just an example? You were mentioning about when the manifest perhaps doesn't match up with what the VACIS machine is seeing there. Could you sort of flush that out a bit so we can understand what triggers something there?

Mr. KOERNER. Certainly. At the border, and we are talking again today about security primarily but a lot of things happen at the border. CBP isn't just looking for the drugs and the guns and the money. They are also doing things on behalf of USDA and FDA and other Government agencies who say: Hey, we also want to make sure that you are checking for X, Y, and Z. A lot of the delays that occur at the border I think occur because of these things as well.

But with regard to VACIS if we have some cars, cars are so simple because it is clear that they are rail vehicles but let's talk about a container that is closed, not easily looked into. It is packed tightly and it has come from Europe and it is coming through the port

of entry at Port Huron. That information is transmitted to us electronically. It is through a system called EDI, Electronic Data Interface. It is information that we share both with the Canadian authorities and with the U.S. authorities.

By the way, that is critical that we are all in the same system, so that we are all reading the same type of material and we are not having to digest or change criteria from DHS to beta or something like that, and so as that material is transmitted they have got 2 hours at a minimum, probably more, to go ahead and see if there is information about where that is coming from, the goods that are in there that they want to target. Let's say they don't need to target, they say hey, what we are reading here insofar as this advanced data that is coming to us says that this is good to go, but we know that it is supposed to be widgets coming through, and as the train goes through VACIS we see that it is not widgets but it is squares. That X-ray then would say, hey, we have got an issue that we need to do a secondary search. Just the same way you would be searched at an airport, they would want to take that particular car off of the train and unload that car and make sure that the images that they saw actually correspond to what they believe they were expecting.

That of course can cause a lot of issues for a train because trains are hooked up many cars long and means you have to stop and go back and forth and to cut a car or container out of a train there is lot of work involved.

Mrs. MILLER. Thank you. I appreciate that.

My other question would be to Stan Korosec, who we again appreciate you coming to Washington as well. It has been a pleasure to work with you. I look forward to continue to do that in the future.

You were mentioning about the manpower and you think it is okay. But we have had a lot of experience of huge backups at the Blue Water Bridge, both directions, for various reasons. One of the things you mentioned, Stan, was about the CBP. I wrote some notes down when you were talking about the stacked booths, that this is a subject that has been broached. But then there hasn't been apparently a follow-up. I am not quite sure what you are talking about there. How could we assist you with that?

Mr. KOROSEC. This actually came out of the field office in Detroit. Mr. Chris Perry, the DFO there, was a fantastic gentleman, as they all are in the area there in working together. The idea was in the interim—before this, before the new plaza hopefully gets funded and built, we have got to do something in the interim. A staggered booth—and I believe they use these down in San Ysidro and I know they have one at the Detroit Windsor tunnel they just put in, where you take an existing booth which now becomes just a stop area. Behind that booth is a series of maybe three or four other ones. In our case, it would be four booths, kind of angled. You think coming into Canada, the Blue Water Bridge, the far right lane there. Coming into the United States, that would be a stop, and then you would have a series of four booths there. So you wait there until the next available booth. So it actually gives us increases of three more inspection booths, which is significant. One more inspection lane will help the throughput.

The proposal also called for three stacked booths, which means your primary booth; and then behind that you have another one. So if there is nobody there, the first car would go past the first one, stop at the second. They are stacked like that. It doesn't give you the full capacity of an extra lane, because if the car in front of you is taking longer for inspection, you are behind it and you are finished and you have got to wait. But still, it is a great idea and something that we are hoping that can be done hopefully for the summer 2011.

Again, this was proposed in 2009 or in November last year. We at Blue Water Bridge felt so strongly about it, and we know there are funding issues with the CBP that our board of directors says, hey, we will contribute financially to this project to make sure it moves ahead and it doesn't sit on a desk somewhere here in the District of Columbia, gathering dust, because it is going to cost money to do. This way we can achieve legitimate trade and travel and it doesn't affect security.

Then later on in January, we have some brand new inspection booths that we won't be installing for a while. I offered them up as a loan or whatever to help keep it moving forward, in addition to any financial compensation that we could provide to get this project going. We had one conference call in March to say we are going to have another conference call and that is the last I have heard.

Mrs. MILLER. Thank you. Well, you and I will talk some more about that and see what we can do to have that happen. That would be a great idea.

With that, I would like to recognize the Ranking Member, Mr. Cuellar.

Mr. CUELLAR. Thank you very much, Madam Chairwoman. I want to thank you all for being here, in particular the mayor, from part of my Congressional district. Mayor, thank you very much. It is too bad that our CBP folks left, because I think it is always good that they listen to the end users or the folks that are involved on a day-to-day basis, and hopefully sometime in the future like you say, we can get everybody sitting there so they can hear what suggestions that you all have.

The stacking is something that we brought up years ago, and I know CBP at one time said that it was not going to save more time. I hope they have changed their mind on that. To me, it is only common sense that if you bring in two cars or whatever number—but let us say two cars at one time—you can be a little more efficient, especially for footprints in areas where there is so—you can't expand. Anzalduas has a lot of space, but in some areas they are pretty constrained. So only way you can expand, then put the stack thing—has anybody heard anything? Has CBP changed their mind on this? Because I know years ago, 4 or 5 years ago when I brought this up to them, they said they had looked into it and it was going to be more time-consuming.

Mr. KOROSEC. Like I said, it doesn't give you 100 percent extra lane. I think the figures that they provide us is about 60 percent increase in capacity. It would work perfectly at Port Huron because, like I said, the plaza is elevated 26 feet in the air and there

is no room to go this way, so you have got to go this way. The staggered booth kind of achieves the same thing.

I know that in the Detroit Windsor Tunnel, they just did that, which would give—which got them one extra lane down there. At San Ysidro, I have been down there and I know that is employed there.

Mr. CUELLAR. Right. I think it is a good idea. In areas that were constrained, we certainly have to think outside the box how we can move that quicker.

Mayor, let me ask you a couple of questions. We need more infrastructure dollars, you are correct. We need more personnel. You are correct about that. What recommendations do you have for the processes as to how we can improve the efficiency of the movement of goods and people that are here for legitimate purposes? I know you have got a lot of experience on economics. Can you give us some suggestions that you would have?

I know you mentioned one about better communication, and I agree with that. But any other ideas and thoughts on processes, how we can move things quicker?

Mr. CORTEZ. Sure. Thank you. We have two bridges in our area that we are on. One is the Anzalduas, which is a brand new bridge. Right now we are not allowing any commercial truck traffic to go through Anzalduas. So one thing we could do immediately is to allow empties, south traffic going south that takes not a lot of effort, something we can do quickly.

Also, we need to accept north-bound traffic that—right now, if the decision were to be made today to do that, it would take at least a 3- or 4-year cycle time to get all of the budgets and everything, personnel. That is a long time, because you cannot have efficient trade if you don't have a system of bridges helping you do that. So a very quick thing would be that.

Obviously, if I were going to go to the doctor, I would like to go to a doctor early in the morning than late in the afternoon. Because if I am going to see the doctor who has seen 100 patients already, I would rather for him to see me early. People get tired, and there has to be some correlation between how many hours somebody works and shifts and things like that.

So, obviously, the most personnel, the most technology that we have, and the best equipment is going to make us more efficient not only to process legal trade, but also to catch the bad people.

Now, getting back to the threat of violence. We live on the border and those people can cross daily, often, and if they commit any crimes, then it is a quick 4-, 5-, 6-minute ride from our city back to one of those ports of entry.

So obviously there has to be some system of communication with all of those that are involved in law enforcement. I don't know where we fix responsibility, but I can tell you in talking to my police chief and our people, we are lacking in that communication. We need to be able to quickly tell someone there has been a perpetrator in our city and probably, in all likelihood, they are running towards your exit port. We don't have that and I think that would be helpful.

I think those southbound inspections—again, nobody likes to hear about more inspections, because it creates more lines and

more obstacles in doing things. But from our perspective, it is a needed thing because there are bad things that are going south-bound.

Mr. CUELLAR. Mayor, I want to thank you very much. My time is up. But I would ask you if you can flush out this communication. I like the suggestion you have, and if you could submit that to the committee, we would appreciate it.

Thank you very much. Thank you, Madam Chairwoman.

Mrs. MILLER. I thank the gentlemen very much and I also appreciate his comment about whether or not CBP should have stayed here so that they could have heard this testimony. I think that would have been helpful. But then of course it would have begged the question: Why couldn't they just sit on the same panel with them? Obviously again, I have a lot of heartburn with that decision and the posture that the Secretary has taken toward this committee, which I think is very unfortunate, and I don't know why.

But at any rate, the Chairwoman now recognizes the gentlelady from Texas, Ms. Jackson Lee.

Ms. JACKSON LEE. Thank you, Madam Chairwoman, and to the Ranking Member. Let me thank both of you for this hearing. I am delighted to have been able to arrive before the conclusion of the hearing. I apologize for not hearing all of the testimony. I do want to thank the Chairwoman coming from Michigan and making sure that we know full well that there are two borders, Northern and Southern border. I can say that as one of the Members on this committee, that I have been to the Northern border quite extensively and am well aware of the concerns there. I would attribute the needs of that border as much importance as the Southern border.

Because of the uniqueness of the Southern border, Mayor Cortez, I want to first of all thank you for your testimony and allow me to pursue maybe a slightly different line of questioning, and I think your testimony is enormously instructive. If I might just quickly make note of the fact that you have commented that the Border Patrol personnel in the area between ports have increased investment 800 percent. But I think the big numbers are they have intercepted bad guys 70 percent across the border and their success rate is about 90 percent. We are grateful for that. That is the land between ports.

But isn't it interesting that we come to the land ports and the infrastructure there is, if you will, very limited. I want to thank this committee, but I also will acknowledge that there will be a hearing—and I hope there will be some action behind that hearing when the Senate holds a hearing to discuss the importance of infrastructure.

So my first question to you is: Is this a good time to cut into what are vital needs of infrastructure that, in my understanding of what you are saying, will generate income, revenue, and taxation if we can fix the land ports with better infrastructure?

Mr. CORTEZ. Yes. We cannot have security without economic security, and so much of our trade comes to legal ports of entry. In the last years, we just simply have neglected to continue to make financial investments for our legal ports of entry. So we totally agree with that, Madam Congresswoman.

Ms. JACKSON LEE. So Federal funding for infrastructure would be a real investment, and this would not be the time to cut that kind of investment?

Mr. CORTEZ. Absolutely. I couldn't agree with you more.

Ms. JACKSON LEE. Let me cite another number for you. According to the Department of Justice, 90 percent of the drugs smuggled into the United States entered through the land ports. That is actually the ports where people are supposed to enter. You would think that someone else, just with that information, would say oh, I know where they come, they come in between. But you are giving us a fact, as the mayor on that border, that that influx comes through those land ports where there is a limited infrastructure. That doesn't make sense, does it, Mayor, in terms of our investment? That is where we should get the technology, increase the number of officers there.

Mr. CORTEZ. That is correct, Madam Congresswoman. Also our data was verified by the Secretary himself as well as the CBP, and a study made by the University of California in San Diego. So there is an abundance of information that confirms those percentages.

Ms. JACKSON LEE. I am a champion on Texas and, as I said, I am very grateful to the Chairwoman for enlightening me on the issues of the Northern border.

But I just note in your testimony as well, you indicated that trucks are beginning to move away from the port in Arizona, coming to our port. Again, infrastructure is needed to make that a more viable pathway, is that correct, if they start coming in large numbers?

Mr. CORTEZ. Yes, ma'am. It is just like Walmart. If you have more customers, you need more doors for them to come in and more cash registers to serve them as they are leaving.

Ms. JACKSON LEE. I just want to follow up on this questioning as well. Let me just cite another note that you made that I think is very important. You mentioned the recent arrests where officers seized 12,000 pounds of marijuana, 150 pounds of cocaine. Let me thank the local law enforcement for their work and hope they are benefiting from the Cops on the Beat program and they get extra dollars, 70 caliber machine guns, two military-issued flak jackets, two hand grenades, six semiautomatic weapons and 18,000 pounds of assault rifle ammunition.

Mr. Mayor, you are a mayor that has to address the security of your citizens. Can we do better by you in terms of what I call gun regulation or the enhanced activity to help stop gun-running that is coming out of the United States and going into Mexico?

Mr. CORTEZ. Madam Congresswoman, I really would hate to offer an opinion there because it would be a very lay opinion. I can tell you that I have a lot of confidence in our law enforcement people in McAllen. With the right resources, the right network of intelligence and surveillance, I think we can do a better job.

Ms. JACKSON LEE. Do you think it would help if we had laws in the United States that would stop the gun-running going into Mexico?

Mr. CORTEZ. Well, anything that would stop cash and guns going into Mexico would benefit both countries, the United States and Mexico. So anything that can be done would be helpful.

Ms. JACKSON LEE. Mayor, you are giving me wide latitude on that, and I am certainly going to be looking for anything and something, because those guns kill law enforcement officers.

I just end on this note. I understand recent news has just indicated—and I am not going to point out the particular area on the border. I would be inaccurate. Two individuals were sitting at a land port and were shot dead in their car. Obviously it may have been drug cartel-related, but they were in line and they were assassinated at that point. That seems to me that your point in your testimony about more dollars for infrastructure and officers at that land port is a very important message for this Congress to hear.

Mr. CORTEZ. Absolutely. We think that would be a good investment because you are going to be receiving double benefits. You are going to be enhancing the efficient trade in our country as well as having and adding resources to interdict criminals.

Ms. JACKSON LEE. Thank you, Madam Chairwoman, and I yield back.

Mrs. MILLER. I thank the gentlelady for her questions. I just remind all the committee Members that the hearing record will be held open for 10 days if there are any other questions or comments, and we will try to get those responded to as well.

I certainly want to thank all of the witnesses for their testimony today. We are certainly appreciative of it. I think it has been a very good hearing.

It certainly has enlightened many of us on the committee here about some of the challenges that are faced by our ports of entry, by various agencies, and all the stakeholders involved. We have a lot of work to do as a Nation to be able to secure those and get the resources that we need out to the various ports of entry, wherever they are, the north, the south, et cetera.

So again, we thank you all for coming, taking the time out of your schedule to come to Washington and participate in this hearing today.

With that, the committee will stand adjourned.

[Whereupon, at 12:15 p.m., the subcommittee was adjourned.]

