

ON THE BORDER AND IN THE LINE OF FIRE:  
U.S. LAW ENFORCEMENT, HOMELAND SECURITY,  
AND DRUG CARTEL VIOLENCE

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HEARING

BEFORE THE

SUBCOMMITTEE ON OVERSIGHT,  
INVESTIGATIONS, AND MANAGEMENT  
OF THE  
COMMITTEE ON HOMELAND SECURITY  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED TWELFTH CONGRESS

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**ON THE BORDER AND IN THE LINE OF FIRE:  
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AND DRUG CARTEL VIOLENCE**

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**Wednesday, May 11, 2011**

U.S. HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON OVERSIGHT, INVESTIGATIONS, AND  
MANAGEMENT,  
COMMITTEE ON HOMELAND SECURITY,  
*Washington, DC.*

The subcommittee met, pursuant to call, at 10:12 a.m., in Room 311, Cannon House Office Building, Hon. Michael McCaul [Chairman of the subcommittee] presiding.

Present: Representatives McCaul, Long, Duncan, Keating, Clarke, Davis, and Thompson.

Also present: Cuellar, Green, Canseco, and Jackson Lee.

Mr. McCAUL. Good morning. The committee will come to order.

The subcommittee is meeting today to hear testimony from our witnesses in order to examine the validity of the assertion that the border is better now than it has ever been.

Before I begin my opening statement, there are several Members that have asked to join our hearing today. I ask unanimous consent that Mr. Cuellar, a Member of the full committee, Mr. Canseco of Texas, Mr. Green of Texas, also be allowed to sit on the dais for the hearing today.

Hearing no objection, it is so ordered.

I now recognize myself for an opening statement.

I would like to welcome everyone here to the hearing today. The hearing is titled, "On the Border and in the Line of Fire: U.S. Law Enforcement, Homeland Security, and Drug Cartel Violence." It is the second of two hearings to raise awareness of the dangers we face along our southern border with Mexico, to determine what we are doing to confront this growing National security threat to both countries.

Our first hearing examined the U.S. strategy, assisting Mexico to win the war against the drug cartels. Testimony revealed drug cartels are taking huge amounts of territory, and the violence in Mexico is escalating at an alarming rate.

We concluded there is no comprehensive U.S. strategy, and recommended they use lessons learned from Plan Colombia as our framework.

Additionally, Federal law defines terrorism as activity that is intended to intimidate a civilian population or to influence the policy

of a government by intimidation, or to affect the conduct of a government by assassination or kidnapping.

In my judgment, the drug cartels fall squarely within this definition. That is why Chairman King and I introduced H.R. 1270 designating the Mexican drug cartels as foreign terrorist organizations to provide us more authority to go after them and those who provide them with assistance.

We communicated all these findings to Secretary Clinton, Attorney General Holder, and Assistant to the President for National Security Affairs, Mr. Donilon.

I would first like to take this moment to commend President Calderón for taking on these drug cartels and the political courage he has demonstrated. But in my view, Mexico is losing this war, and so are we. It is my intention that through these hearings we can help Mexico win it.

Today, we examine the U.S. side of the border. It is necessary to provide a realistic security assessment as determined by local and State law enforcement, and accurately measure the level of crime in our border communities related to cartel activities.

In March, our Secretary of Homeland Security said that the border is better now than it has ever been. Many officials who are directly in the line of fire, such as Captain Bob Bullock of the Texas Rangers, disagree with the Secretary. We heard last week from Sheriff Dever in Arizona, stating he disagreed.

Of course there is violence along the border. There is a spillover of crime and intimidation.

Since January 2010, the Texas Department of Public Safety has identified at least 22 murders, 24 assaults, 15 shootings, five kidnappings directly related to this spillover. This past Sunday, there was a gun battle between Mexican marines and drug smugglers on Falcon Lake, which straddles the border, killing 13 people.

We have in our presence today Ms. Tiffany Hartley. This is the same lake where Tiffany Hartley of Colorado watched the cartels murder her husband in cold blood while they were riding jet skis together last year.

Thank you for being here.

Arizona sheriffs said that Mexican drug gangs literally do control parts of Arizona, noting that gang members are armed with radio, optics, and night vision goggles. Texas' Zapata County Sheriff Sigi Gonzalez, who is here today, as well, said that "The feds say our side of the border is safe, but we have bullet holes in our schools and businesses that say otherwise."

The cartels do not fear U.S. law enforcement. In February we saw evidence of that as the Los Zetas gangs ambushed and killed U.S. ICE Agent Jaime Zapata and wounded his partner, Agent Avila, in broad daylight on a Mexican highway. They commonly threaten law enforcement on American soil, most recently threatening to shoot at State police or Federal agents from across the river in Mexico.

Make no mistake. The drug cartels are here inside the United States. The Department of Homeland Security reports that Mexican drug cartels have infiltrated 276 U.S. cities. After Agent Zapata was killed, more than 450 cartel members were arrested across this country.

The greatest impact on the U.S. side of the border is not well publicized. The Mexican drug cartels continue to threaten and intimidate. They offer their victims “plato o plomo,” silver or lead, meaning the bribe or the bullet.

This is exactly how these cartels operate. For example, in the border town of Reynosa, Mexico, across the Rio Grande from McAllen, body parts were found this past December, which were no longer recognizable. A blood-stained poster board had a message of intimidation written on it. “See, hear, shut up, if you want to stay alive.”

It has been reported by the FBI, which issued a bulletin as early as 2008, warning drug gangs stockpiling weapons in safe houses in the United States in response to crackdowns against drug traffickers. The bulletin also said a drug kingpin ordered gang members to “regain control and engage law enforcement officers if confronted.” Gang members were armed with “assault rifles, bullet-proof vests, and hand grenades.”

Late that same year, the Mexican federal police and Mexican army discovered what was then the largest weapons seizure in Mexico’s history just a few miles from our border—540 rifles including 288 assault rifles, .50-caliber sniper rifles, 287 hand grenades, anti-tank weapons, 500,000 rounds of ammunition, ballistic vests, and 14 sticks of dynamite.

While we know that spillover violence occurs, the Congressional Research Service recently found that no one set of data exists that can definitively answer whether there has been significant spillover violence. The Federal definition of spillover violence is based on the Uniform Crime Report. Significantly, this report does not include key data such as kidnappings, extortions, home invasions, smuggling, and cartel-on-cartel violence.

In contrast, the Texas Department of Public Safety’s definition of spillover violence includes aggravated assault, extortion, kidnapping, torture, rape, and murder. The director of the Texas DPS, Colonel Steve McCraw, who is here today, says, “There is no question spillover violence is growing in Texas.”

I have urged the President to visit the border, but to do more than to deliver a political speech. While I am pleased that we have added more resources to the border, it is not secure.

It has never been more violent or dangerous than it is today. Anybody who lives down there will tell you that.

There is a disagreement about the definition of spillover violence and the extent of that violence. But there should be no disagreement about the threat we face and what will happen if this administration continues to downplay the threat.

So, what should we do?

For starters, I think we should get out of our foxholes and lean forward against this growing threat. If we do not take the cartels, they will eventually take over our cities.

We need to extend the use of the National Guard troops on the border and increase their numbers until we have a sufficient number of Border Patrol agents.

We need to incorporate DOD surveillance technology along the border.

We need to add at least two more unmanned aerial vehicles to the Texas-Mexico border.

We need to increase southbound checkpoints or our best teams to confiscate weapons and cash, and then use the cash to help pay for border security operations.

Finally, we need to increase funding to State and local law enforcement along the border through increased funding of operations like Operation Stonegarden.

[The statement of Chairman McCaul follows:]

OPENING STATEMENT OF CHAIRMAN MICHAEL MCCAUL

MAY 11, 2011

Welcome to this Subcommittee on Oversight, Investigations, and Management hearing titled “On the Border and in the Line of Fire: U.S. Law Enforcement, Homeland Security, and Drug Cartel Violence.”

It is the second of two hearings to raise awareness of the danger we face along our Southern border with Mexico to determine what we are doing to confront this growing National security threat to both countries.

Our first hearing examined the U.S. strategy assisting Mexico to win its war against the drug cartels. Testimony revealed drug cartels are taking huge amounts of territory and the violence in Mexico is escalating at an alarming rate.

We concluded there is no comprehensive U.S. strategy and recommended they use lessons learned from Plan Colombia as our framework.

Additionally, Federal law defines “terrorism” as activity that is “intended to intimidate or coerce a civilian population; to influence the policy of a government by intimidation or coercion, or to affect the conduct of a government by assassination or kidnapping.”

That is why I, along with Chairman King, introduced H.R. 1270, designating the Mexican drug cartels as Foreign Terrorist Organizations to provide us more authority to go after them and those who provide them assistance.

We communicated all these findings to Secretary Clinton, Attorney General Holder, and Assistant to the President for National Security Affairs Mr. Donilon.

I would like to commend President Calderón for taking on the drug cartels that are overtaking his country. Mexico is losing this war. It is my intention through these hearings to help Mexico win it.

Today we examine the U.S. side of the border. It is necessary to provide a realistic security assessment as determined by local and State law enforcement and accurately measure the level of crime in our border communities related to cartel activities.

In March our Secretary of Homeland Security said, “The border is better now than it ever has been.” Many officials who are directly in the line of fire, such as Captain Bob Bullock of the Texas Rangers, disagree with the Secretary. Of course there is violence along the border—spillover of criminal organizations and spillover crime and intimidation.

Since January 2010, the Texas Department of Public Safety has identified at least 22 murders, 24 assaults, 15 shootings, and 5 kidnappings directly related to spillover violence.

This past Sunday there was a gun battle between Mexican Marines and drug smugglers on Falcon Lake, which straddles the border, killing 13 people. This is the same lake where Tiffany Hartley of Colorado watched the cartels murder her husband when they were riding jetskis together last year.

Arizona Pinal County Sheriff Paul Babeu said Mexican drug gangs “literally do control parts of Arizona,” noting that gang members are armed with radios, optics, and night-vision goggles.

Texas Zapata County Sheriff Sigifredo Gonzalez said, “The feds say our side of the border is safe, but we have bullet holes in our schools and businesses that say otherwise.”

The cartels do not fear U.S. law enforcement. In February members of Los Zetas ambushed and killed U.S. ICE Agent Jaime Zapata and wounded his partner, Agent Avila in broad daylight on a Mexican highway.

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U.S. cities. After Agent Zapata was killed more than 450 cartel members were arrested across this country.

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This is exactly how these cartels operate. For example, in the border town of Reynosa, Mexico, across the Rio Grande River from McAllen, Texas, body parts were found this past December which were no longer recognizable. A blood-stained poster board had a message of intimidation written on it; “See. Hear. Shut up, if you want to stay alive.”

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There is a disagreement about the definition of spillover violence and the extent of such violence. But there should be no disagreement about the threat we face and what will happen if this administration continues to downplay the threat.

So what should we do? For starters we should:

- Get out of our foxholes and lean forward against this growing threat. If we don’t the cartels will eventually attempt to take over our cities.
- Extend the use of National Guard troops on the border, and increase their numbers, until we have a sufficient number of Border Patrol Agents.
- Incorporate DOD surveillance technology.
- Add at least two more Unmanned Aerial Vehicles to the Texas-Mexico border.
- Increase southbound checkpoints to confiscate weapons and cash then use the cash to help pay for border security operations;
- Increase funding to State and local law enforcement along the border through increased funding of Operation Stonegarden.

We look forward to hearing the testimony from our witnesses.

Mr. MCCAUL. So, with that, let me say I look forward to the testimony here today. I want to thank the witnesses for being here.

Now, the Chairman recognizes the Ranking Member of the full committee, Mr. Thompson.

Mr. THOMPSON. Thank you, Mr. Chairman.

I will defer to the Ranking Member first, if that is all right.

Mr. MCCAUL. I will now recognize the Ranking Member of the subcommittee, Mr. Keating.

Mr. KEATING. Thank you, Mr. Chairman. It is great to have our ranks all defined.

[Laughter.]

Mr. KEATING. If only this issue could be dealt with as easily as that, but thank you.

I would like to thank you, Mr. Chairman, for conducting the hearing and for providing the subcommittee with the opportunity to hear first-hand accounts in terms of what the occurrences are in our southwest border.

I would like to thank Ranking Member Thompson for being here and joining us, as well, and lending his experience to this morning's hearing.

I look forward to receiving an update on the strategy utilized by the Federal Government to secure our border, and to the extent to which the State and local enforcement agencies are incorporated in this effort.

We are obviously all here, because we are troubled with drug-related violence that occurs in the Mexican border and in Mexico. To that end, I am particularly interested in hearing from witnesses regarding the measures that are being deployed on the Federal, State, and local levels to prevent this violence from spilling over into the United States.

I believe that we are fully able to continue the valuable assistance we can partner with in the Government of Mexico in their fight against daily acts of violence in their country, and to take actions to keep our border secure from this threat, and to face head-on domestic challenges that we have here at home.

Any suggestion that we are not capable of doing these things simultaneously, I think discredits the admirable job performed by the Customs and Border Protection, Immigration, Customs Enforcement and the myriad of Federal, State, and local partners that really have worked tirelessly to keep our border secure and to implement immigration strategies.

President Obama and Secretary Napolitano's visit to El Paso and Austin, Texas, yesterday, to discuss both border security and comprehensive immigration reform, show a commitment to both of these concepts.

As we move forward in our discussion on the best way to address drug-related violence in Mexico, I am fully open to new ideas and concepts with the ultimate goal of ensuring that our homeland security is not threatened by the actions occurring in our neighboring country.

Our Government has successfully used the Foreign Narcotics Kingpin Designation Act to sanction Mexican drug trafficking organizations. I am assured that this act provides the United States with one of the best available tools from posing economic sanctions against Mexican DTOs.

It is my hope that moving forward we can work toward initiatives that provide bilateral efforts with Mexico, one of our closest allies, and maintain needed humanitarian aid provided to Mexicans by the United States Government.

Finally, we cannot have a full discussion on a Southwest border counternarcotics strategy and how best to protect our border security personnel without also having a discussion on the demand for drugs in the United States and the use of U.S. firearms in the violence occurring in Mexico.

As a member of the Addiction Treatment and Recovery Caucus, I am supportive of efforts here to reduce demand on drugs. I look

forward to working with colleagues on both sides of the aisle to address this aspect of the issue.

As I have stated before, as long as the demand exists here, the violence will continue there.

I look forward to hearing from our Federal witnesses on how demand reduction factors factor into our overall strategy.

Moreover, I am greatly concerned that so many of the guns seized in Mexico, including the firearms allegedly used in the recent killings and wounding of two immigration officials come from the United States.

As the President noted yesterday at the border, for the first time, we are now screening 100 percent of the southbound rail cargo to reduce the threat of gun trafficking into Mexico.

With that said, once again, to my disappointment here this morning, we do not have witnesses from the Bureau of Alcohol, Tobacco, Firearms, and Explosives on the panel despite two requests in our last two hearings to have them included.

I would encourage the Department of Justice witness, to the extent that she is able to do, to address the interplay of guns from the United States and Mexico, and how that interplays with the violence that is occurring in Mexico.

So, I look forward to today's testimony and thank everyone for participating.

Mr. MCCAUL. Thank you.

The Chairman now recognizes the Ranking Member of the full committee, Mr. Thompson.

Mr. THOMPSON. Thank you very much, Mr. Chairman, for holding today's hearing.

I would also like to thank our witnesses for their presence, and I look forward to their testimony.

The purpose of this hearing is to determine whether the United States has a substantive strategy to control the Southwestern border, and whether that strategy is producing results.

I would first like to express my concern about a recent statement made by House Speaker John Boehner regarding immigration reform. I understand that he plans to oppose any effort to reform the Nation's immigration laws before the violence at the border declines. As the committee's hearings have established, the violence is centered in Mexico.

I am troubled by this violence in our backyard. That is why I support the Mérida and other Federal initiatives to help our neighbors to the south address the violence.

However, I do not see any legitimate reason for the United States to let comprehensive immigration reform fall by the wayside, because Mexico is experiencing drug-related violence. The two should not represent a zero-sum equation.

As I previously stated, a comprehensive border security strategy must create an appropriate mix of personnel, technology, and infrastructure. In recent weeks, U.S. efforts along the Southwestern border have received a great deal of attention.

In fact, just yesterday, both President Obama and Secretary Napolitano visited El Paso, Texas, to discuss the unprecedented resources that have been dedicated to the Southwestern border over the past 2 years.

The United States has deployed more resources, personnel, technology, and infrastructure to secure the Southwestern border than ever before. There are more than 17,500 Border Patrol agents on the border. Authority to place up to 1,200 National Guardsmen has also been granted.

More than 250 Customs Immigration special agent investigators and intelligence analysts are working around the clock to secure our border and to keep illegal goods, narcotics, and dangerous individuals from entering the United States. Their presence deters violent actors from crossing over our border communities, which are among the safest places to live in the United States.

Legitimate travel and commerce occur between the United States and Mexico and within our border communities on a daily basis. Including services, we trade more than \$1 billion a day with Mexico.

To put this in perspective, we do as much business in goods and services with Mexico in just over a month as Mexico does with all 27 countries of the European Union combined in a year.

As we seek to define a solution to increasing violence in Mexico, we must remain mindful that Mexico is our third-largest trading partner, which the United States ranks first among Mexico's trading partners.

The source for much of the violence in Mexico has been Mexican drug trafficking organizations, called DTOs. The facts indicate that the violence occurring in Mexico is highly concentrated and, in many instances, limited to drug trafficking corridors, some of which are hundreds of miles away from the United States border.

The facts also indicate that the bulk of this violence occurs between rival DTOs seeking to conquer new turfs or DTOs as lower-level drug dealers seek to rise up within their organizations.

Moreover, the facts show that DTOs are motivated by one thing and one thing only—money. They are not ideologically based. They do not seek an effectual political change. They do not organize orchestrated attacks against the government.

They only seek to make a profit by any means necessary.

Fortunately, statistics and concrete evidence show that the violence does not spill over substantially into the United States. The combined efforts of our Federal Government working along with our State and local law enforcement have produced real results.

In fiscal year 2010, ICE-led efforts along the Southwestern border resulted in 1,616 criminal arrests, 907 administrative arrests, 868 indictments, 697 convictions, the discovery of two tunnels and the seizure of tons of marijuana, cocaine, and methamphetamines.

In the past 2 years, Customs and Border Protection seized \$147 million in currency and between ports of entry along the Southwestern border, in addition to 4.1 million pounds of narcotics. These results do not negate the violence that is occurring in Mexico. However, they do indicate that current U.S. strategies are improving the safety and security of the United States.

I would be remiss if I did not mention the significant budget cuts proposed by the Republican majority in this current budget proposal. In this Congress, the majority passed H.R. 1, which cut \$350 million from the Department of Homeland Security budget for border security, fencing, and technology. If enacted, these cuts will

also reduce the number of Border Patrol agents on the Southwestern border.

I would encourage my Republican colleagues to show a real concern for border security by fully funding border security efforts. Moving us backwards by slashing funds and decreasing our human and financial resources will certainly result in less secure borders.

Again, I look forward to hearing from our witnesses and having an honest discussion about the future of our border security efforts.

I yield back, Mr. Chairman.

Mr. MCCAUL. Thank you, Mr. Thompson.

Let me also say in response to the resource issue, it is my commitment and my sincere hope we can work together in a bipartisan fashion. It is a tough budgetary time, but this is the one area we cannot afford to cut back. We need to add additional resources down to the border.

Thank you for bringing that point up.

Mr. THOMPSON. Thank you.

Mr. MCCAUL. With that, other Members of the committee are reminded that opening statements may be submitted for the record.

We are pleased to have two panels here today. The first panel, we have a witness from the Department of Homeland Security and Department of Justice, and the second panel more State and local witnesses.

I encourage the members of the press and those in attendance at this hearing to stick around for both. I think you will find the opinions may vary. I would just encourage you to stay and hear both testimonies from both panels.

First we have Mr. Grayling Williams, who has served as the director of the Office of Counternarcotics Enforcement since 2009, coordinating policy and strategy to stop the entry of illegal drugs into the United States. Prior to his appointment, Director Williams served as a special agent with the DEA for almost 23 years where he taught undercover operations, surveillance techniques, and informant management to law enforcement officers in the United States and overseas.

Mr. Williams, thank you for being here, and thank you for your service in the field.

Ms. Amy Pope currently serves as deputy chief of staff and counselor to the assistant attorney general for the Criminal Division at my old alma mater, the Department of Justice. Prior to this position, Ms. Pope served on detail as senior counsel to the AAG. Ms. Pope has previously served as counsel to Senate Majority Leader Harry Reid and as the liaison between the Senate leadership and the Senate Judiciary Committee.

With that, Mr. Williams, if you would give us your testimony.

**STATEMENT OF GRAYLING G. WILLIAMS, DIRECTOR, OFFICE OF COUNTERNARCOTICS ENFORCEMENT, DEPARTMENT OF HOMELAND SECURITY**

Mr. WILLIAMS. Yes. Good morning, and thank you.

Chairman McCaul, Ranking Member Keating, and distinguished Members of the subcommittee, I am honored to appear before you today to discuss the efforts of the Department of Homeland Security in securing the Southwest border.

DHS is committed to protecting our Nation's borders from the illegal entry of people, weapons, drugs, and contraband, and is continuing to work with our Mexican counterparts to address the violence and criminal activities occurring in Mexico, and guard against spillover effects into the United States.

We are in the midst of National Police Week. Before beginning my formal remarks, I would like to recognize the law enforcement officers serving the department, other Federal agencies, State, local, and Tribal governments, who put their lives on the line each day to protect our communities and our Nation.

I particularly want to honor the service and recognize the sacrifice of U.S. Immigration and Customs Enforcement Special Agent Jaime Zapata, and Border Patrol Agent Brian Terry, who were recently killed in service to their country.

As director of the Office of Counternarcotics Enforcement, I serve as the primary advisor to Secretary Napolitano on counterdrug issues. I work closely with the Department's components and the interagency to ensure that our counterdrug efforts are well-coordinated and support the Secretary's priorities.

CNE works with components to identify and resolve issues impacting the DHS counternarcotics mission and the President's National Drug Control Strategy.

I also serve as an executive agent for the development and implementation of the administration's National Southwest Border Counternarcotics Strategy. The strategy is a comprehensive plan that provides the resources and tools necessary to combat transnational crime.

Over the past 2 years, DHS has deployed historic levels of personnel, technology, resources to the Southwest border. The Border Patrol more than doubled the number of agents to over 20,700. Under the Southwest Border Initiative, launched in March 2009, DHS has doubled the number of personnel assigned to border enforcement security task forces under ICE's Homeland Security Investigations Office.

With the aid of \$600 million from the border security supplemental requested by the administration and passed by Congress in 2010, we have continued to add more technology, manpower, and infrastructure to the border. Further, President Obama authorized the temporary deployments of up to 1,200 National Guard personnel to contribute additional capabilities and capacities to assist law enforcement agencies.

Additionally, to support State and local law enforcement jurisdictions along the border, we directed more than \$123 million in Operation Stonegarden funds in 2009 and 2010, to Southwest border States to pay for overtime and other border security-related expenses.

In partnership with the Drug Enforcement Administration and the Department of Justice, and the Department of Defense, we have also achieved initial operational capability for the new Border Intelligence Fusion Section within the El Paso Intelligence Center.

This new section will provide a comprehensive Southwest border common intelligence picture as well as real-time operational intelligence to our law enforcement partners in the region.

Taken as a whole, the additional manpower, technology and resources directed at securing the region represent the most serious and sustained effort to secure our border in our Nation's history. Every key metric shows that these border security efforts are producing significant results.

Seizures of drugs, weapons, and currency have increased across the board, and violent crime in border communities has remained at a common level, or has fallen. At the same time, challenges do remain.

We remain deeply concerned about the drug cartel violence taking place in Mexico. We know that these drug organizations are seeking to undermine the rule of law in Mexico, and we must continue to vigorously guard against potential spillover effects into the United States.

Our partnership with Mexico has been critical to our efforts to secure the Southwest border, and we will continue to expand this collaboration.

Mexico's president, Felipe Calderón, has demonstrated a tremendous level of commitment and resolve to breaking the power structure of the transnational criminal organizations operating in his country.

I have visited Mexico and have met with officials from the government to discuss how DHS can further support them. Our progress in securing the Southwest border against illicit drug trafficking is unprecedented.

Even with the current budget restraints, I am committed to continuing to work efficiently and effectively with DHS's components and the interagency to ensure that counternarcotics policies and operations are well coordinated, and that DHS commits the resources necessary to respond to the evolving threats posed by transnational criminal organizations.

Chairman McCaul, Ranking Member Keating, and Members of the subcommittee, thank you again for this great opportunity to testify. I am happy to respond to your questions.

[The statement of Mr. Grayling follows:]

PREPARED STATEMENT OF GRAYLING G. WILLIAMS

MAY 11, 2011

Chairman McCaul, Ranking Member Keating, and distinguished Members of the subcommittee, I am honored to appear before you today to discuss the efforts of the Department of Homeland Security (DHS) in securing the Southwest border. DHS is committed to protecting our Nation's borders from the illegal entry of people, weapons, drugs, and contraband, and is continuing to work with our Mexican counterparts to address the violence and criminal activities occurring in Mexico and guard against spillover effects into the United States.

As Director of the Office of Counternarcotics Enforcement (CNE), I serve as the primary advisor to the Secretary on counterdrug issues, working closely with the Department's components and the interagency to ensure that our counterdrug efforts are well coordinated and support the Secretary's priorities. CNE works with components to identify and resolve issues impacting the DHS counternarcotics mission, while also supporting the goals identified in the President's *National Drug Control Strategy*.

On behalf of the Secretary, I also serve as an executive agent for the development and implementation of the administration's *National Southwest Border Counternarcotics Strategy*, which is produced by the White House Office of National Drug Control Policy. This strategy is a comprehensive plan that identifies concrete joint actions to improve intelligence and information sharing, enhances interdiction at

and between U.S. ports of entry, and provides investigators and prosecutors with the resources and tools necessary to combat transnational criminal organizations.

Over the past 2 years, DHS has deployed historic levels of personnel, technology, and resources to the Southwest border. Today, the Border Patrol is better staffed than at any time in its 87-year history, having more than doubled the number of agents from approximately 10,000 in 2004 to more than 20,700 today. Under the Southwest Border Initiative launched in March 2009, DHS has doubled the number of personnel assigned to Border Enforcement Security Task Forces; increased the number of intelligence analysts focused on cartel violence; quintupled deployments of Border Liaison Officers to work with their Mexican counterparts; begun screening 100 percent of southbound rail shipments for illegal weapons, drugs, and cash; and expanded unmanned aircraft system coverage to the entire Southwest border.

With the aid of \$600 million from the border security supplemental requested by the administration and passed by Congress in 2010, we have continued to add more technology, manpower, and infrastructure to the border. These resources include 1,000 additional Border Patrol Agents; 250 new U.S. Customs and Border Protection (CBP) officers at our ports of entry; 250 new U.S. Immigration and Customs Enforcement (ICE) agents focused on transnational crime; improving our tactical communications systems; adding two new forward operating bases to improve coordination of border security activities; and additional CBP unmanned aircraft systems.

Further, President Obama authorized the temporary deployment of up to 1,200 National Guard personnel to contribute additional capabilities and capacity to assist law enforcement agencies as a bridge to longer-term enhancements in the efforts to target illicit networks' smuggling of people, drugs, illegal weapons, money, and the violence associated with these illegal activities. That support has allowed us to bridge an operational gap and hire additional agents to support the Southwest border, as well as field additional technology and communications capabilities that Congress so generously provided. The Departments of Defense and Homeland Security agreed to equally fund this support; however, Congress did not approve DHS' reprogramming requests. Consequently, the Department of Defense has been funding the full cost of this National Guard support.

Additionally, to support State and local law enforcement jurisdictions along the border, we directed more than \$123 million in Operation Stonegarden funds in 2009 and 2010 to Southwest border States to pay for overtime and other border-related expenses.

In partnership with the Drug Enforcement Administration (DEA) and the Department of Defense, we also have achieved initial operational capability for the new Border Intelligence Fusion Section integrated into the DEA-led El Paso Intelligence Center (EPIC). This new section will provide a comprehensive Southwest Border Common Intelligence picture, as well as real-time operational intelligence, to our law enforcement partners in the region—further streamlining and enhancing our operations. And we are continuing to work with Mexico to develop an interoperable, cross-border communications network that will improve our ability to coordinate law enforcement and public safety issues.

Taken as a whole, the additional manpower, technology, and resources directed at securing the region represent the most serious and sustained effort to secure our border in our Nation's history. Such efforts were undertaken with the support of Congress and were well coordinated within the interagency. While our work is not done, every key metric shows that these border security efforts are producing significant results. Border Patrol apprehensions—a key indicator of illegal immigration—have decreased 36 percent in the past 2 years, and are less than one-third of what they were at their peak. Seizures of drugs, weapons, and currency have increased across the board. And violent crime in border communities has remained flat or fallen in the past decade—in fact, studies and statistics have shown that some of the safest cities and communities in America are along the border.

At the same time, challenges remain, and we must continue to build upon the progress we have made. We remain deeply concerned about the drug cartel violence taking place in Mexico. We know that these drug organizations are seeking to undermine the rule of law in Northern Mexico, and we must vigorously guard against potential spillover effects into the United States.

Our men and women in uniform encounter danger every day, and they put their lives on the line for our country. The murder of a U.S. Immigration and Customs Enforcement special agent in Mexico in February 2011 and of a Border Patrol agent in December 2010 underscore the risks our men and women on the frontlines face as they work to protect our borders and our country. As the Director of CNE, I take very seriously my position and responsibility to ensure our law enforcement officers have the resources necessary to carry out their duties in protecting America's bor-

ders. We owe them every tool and every resource in our arsenal so that they can safely and successfully do their jobs.

Our partnership with Mexico has been critical to our efforts to secure the Southwest border, and we will continue to expand this collaboration. Mexico's President, Felipe Calderón, has demonstrated a tremendous level of commitment and resolve to breaking the power structure of the transnational criminal organizations operating in his country. Through our attachés in Mexico, the Mérida Initiative and direct, operational cooperation and information sharing, DHS is working to support the Government of Mexico's continuing counternarcotics efforts. As part of a broader bilateral effort, the Department has increased joint training programs with Mexican law enforcement agencies and, for the first time in history, Border Patrol agents are coordinating joint operations along the Southwest border with their colleagues in the Mexican Federal Police to combat human trafficking and smuggling in our respective nations.

I have visited Mexico and have worked with the Government of Mexico to develop the CNE sponsored *U.S.-Mexico Bi-National Criminal Proceeds Study*. The success of this study is the result of the collaborative efforts of CNE, ICE, other Federal agencies and the Government of Mexico. This study reveals the means by which criminal networks, particularly drug cartels, move criminal proceeds from the United States into Mexico and beyond. The study includes critical assessments of money collection sites, transportation routes, and chokepoints. It also enables the United States and Mexico to strategically target our law enforcement operations and resources. Its findings are being addressed and implemented by several bi-national planning and strategic working groups. These groups provide a forum for U.S. and Mexican law enforcement to coordinate, de-conflict, and enhance significant criminal investigations. I am encouraged that as our governments expand collaborative efforts, the level of cooperation and information sharing continues to improve.

Our progress in securing the Southwest border against illicit drug trafficking over the past 2 years is unprecedented and our efforts greatly contributed to protecting the safety and security of individuals and communities along the Southwest border. I am committed to continuing to work with DHS' components and the interagency to ensure that counternarcotics policies and operations are well coordinated and that DHS commits the resources necessary to respond to the evolving threats posed by transnational criminal organizations.

Chairman McCaul, Ranking Member Keating, and Members of the subcommittee, thank you again for this opportunity to testify. I am happy to respond to your questions.

Mr. MCCAUL. Thank you, Mr. Williams.

The Chairman now recognizes Ms. Pope to testify.

**STATEMENT OF AMY E. POPE, DEPUTY CHIEF OF STAFF AND COUNSELOR, OFFICE OF ASSISTANT ATTORNEY GENERAL, DEPARTMENT OF JUSTICE**

Ms. POPE. Good morning, Mr. Chairman, Mr. Keating and distinguished Members of this subcommittee. Thank you for the invitation to address the subcommittee about the Department of Justice's strategy to combat the violence on the Southwest border.

Your commitment to this issue and these hearings come at a critical time for the United States and for Mexico. In a nutshell, the Department of Justice's strategy to eliminate the threat posed by the Mexican drug cartels is two-pronged.

First, to intensify our investigative and prosecutorial efforts through coordinated, intelligence-driven operations here in the United States.

Second, to strengthen the Mexican government's own capacity to dismantle the cartels.

Both aspects of this strategy are essential to defeating the organized criminal groups operating in both countries.

The first prong of the Department of Justice's strategy is to increase and intensify our own investigative and prosecutorial efforts here in the United States.

We are investing unprecedented agent and prosecutorial resources in fighting the Mexican drug cartels. With these resources and with our partners at DHS and other agencies of the Federal Government, we are using intelligence to coordinate long-term investigations that identify all of the tentacles of a particular organization.

Through the Special Operations Division, we are able to connect the dots between jurisdictions, arresting and prosecuting as many high-level members of the organization as possible, disrupting and dismantling the domestic transportation and distribution networks of the cartels and seizing as many of the organization's assets as we can identify.

This comprehensive approach has led to a number of remarkable successes. Five of the most recent SOD-coordinated investigations combined resulted in more than 5,500 arrests and the seizure of more than \$300 million in U.S. currency, 260,000 pounds of marijuana, 36,000 kilos of cocaine, 1,400 pounds of heroin, 6,500 pounds of methamphetamines, and 1,500 weapons.

We have also realized that the key to the vitality of the drug trafficking and other criminal organizations is their continued access to enormous sums of money. Thus, we are aggressively using our asset forfeiture and anti-money laundering laws to deprive the cartels of their illicit proceeds.

The Criminal Division has created a new Money Laundering and Bank Integrity Unit and a Mexican drug cartel team within our Asset Forfeiture and Money Laundering Section, which is devoted exclusively to investigating and prosecuting complex criminal cases involving the financial institutions and the individual criminal facilitators who hide the money that fuel the cartels.

Similarly, the Department is aggressively seeking the extradition of high-level traffickers to the United States to face criminal prosecution here. In the past 2 years, we have secured the extradition of more than 200 high-level drug traffickers and violent criminals—more than in any other 2-year period.

Just last month, Mexico extradited Benjamin Arellano-Felix, the former head of the Tijuana cartel, to face racketeering and drug conspiracy charges resulting from a long-running OCDETF investigation in San Diego. We hope to build and expand upon these successes in the coming year as we work more closely than ever with the Mexican government in this critical area of cooperation.

The second piece of our strategy is to increase Mexico's own ability to investigate and prosecute the cartels—in Mexico. With funding from the State Department and USAID, our Federal prosecutors stationed in Mexico do work that runs the gamut from high-level advice on criminal code reform to practical training on investigations and prosecutions.

Since July 2009, working with our U.S. Federal agency partners, the Department of Justice has trained more than 10,600 different individuals at all levels and in the executive and judicial branches of the Mexican government.

We are partnering with law enforcement agencies in Colombia. We are sending Mexican members of Congress, of the judiciary and of the Executive branch to train in tandem with our U.S.-trained Colombian counterparts.

But our training and our mentoring extends beyond the classroom. We are partnering on investigations and prosecutions.

Assistant U.S. attorneys and Criminal Division prosecutors are mentoring and partnering with their Mexican counterparts in the attorney general's office in Mexico, the PGR, who are in turn collaborating with the Mexican federal police, the SSP, and the DEA as never seen before.

We are identifying cases to work on both sides of the border, and our Southwest border U.S. attorneys are forging relationships with their regional counterparts.

Before I conclude, I am compelled to add that we cannot achieve success without the support and input from Members of Congress. Through the investment in our efforts along the Southwest border, as in last summer's emergency supplemental, the collaboration on legislation and a recognition that this is a sustained, long-term investment, Congress has already and can in the future play a meaningful role in this fight.

I will be happy to answer any questions you may have.

[The statement of Ms. Pope follows:]

PREPARED STATEMENT OF AMY E. POPE

MAY 11, 2011

INTRODUCTION

Good morning, Mr. Chairman, Mr. Keating, and distinguished Members of the subcommittee. Thank you for your invitation to address the subcommittee and for the opportunity to discuss the Department of Justice's work in the United States and in Mexico to combat drug cartel violence. Mr. Chairman, I followed with interest your last hearing on the Mexican war against the drug cartels. Your commitment to these issues—and these hearings—comes at a critical time for both Mexico and the United States. Just last month, Attorney General Holder participated in a U.S./Mexico High Level Meeting, hosted by Secretary Clinton at the State Department, where leaders from Mexico's Law Enforcement, Security, and Diplomatic agencies met with their U.S. counterparts to discuss the progress achieved under the Mérida Initiative and to set out next steps and commitments for the joint work that lies ahead. The stakes are high for both countries. The safety and well-being of the public in Mexico and the United States depend on our joint work on investigations and prosecutions and advancing the rule of law. These efforts will help defeat the drug trafficking organizations that threaten the safety of all our citizens.

*I. Mexican Drug Trafficking Organizations Remain a Critical Threat to U.S. and Mexican Security*

This committee needs no reminding of the critical importance of Mexico to the security of the United States. The National Drug Intelligence Center's 2010 National Drug Threat Assessment indicates that Mexican Drug Trafficking Organizations (DTOs) "continue to represent the single greatest drug trafficking threat to the United States." The influence of the Mexican DTOs is felt in every region of the United States and in at least 230 U.S. cities, up from about 50 cities in 2006. Although historically the Colombian cartels posed the more significant threat, there is increasing evidence that as the United States and Colombian governments successfully dismantle the Colombian cartels, the Mexican cartels have become more powerful and active.

In Mexico, in recent years, there has been a marked increase in violent crime, particularly as a result of desperate drug cartels battling for turf. Murder rates have risen significantly in some major cities located on or near the border. Kidnapping remains a serious threat in that country. Moreover, DTOs have engaged in increasingly brazen behavior within Mexico including: (a) The creation of unauthorized checkpoints where they have killed motorists who have not stopped; (b) the use of automatic weapons and grenades in confrontations with the Mexican army and police; and (c) the use of full or partial police or military uniforms and vehicles. The violence in Ciudad Juarez, just across the border from El Paso, Texas, makes it one of the most dangerous cities in the world, outside of a war zone. Large firefights

have taken place in towns and cities in many parts of Mexico, often in broad daylight on streets and in public.

The violence in Mexico has impacted U.S. citizens and U.S. Government employees who live, work, and travel in Mexico. Indeed, U.S. citizens and U.S. law enforcement officers have been the victims of violent crime in Mexico, including kidnapping and murder. In the wake of the deteriorating security situation in Mexico, the United States Government has curtailed the movement of U.S. Government personnel; prohibiting U.S. personnel from driving from the U.S.-Mexico border to the interior of Mexico or Central America; advising U.S. Embassy employees to defer travel to parts of the State of San Luis Potosi, including the entire stretch of Highway 57D; and prohibiting Embassy personnel from hailing taxis off the street in Mexico City because of frequent kidnappings and robberies. In September 2010, the U.S. Consulate in Monterrey became a partially unaccompanied post, with no minor dependents of U.S. Government employees permitted in response to changes in the security situation. The current State Department Travel Warning urges U.S. citizens to defer unnecessary travel to Michoacán and Tamaulipas, and to parts of Chihuahua, Sinaloa, Durango, and Coahuila, and advises U.S. citizens residing or traveling in those areas to exercise extreme caution.

Of course, the impact on U.S. citizens and U.S. Government personnel is dwarfed by the tremendous and tragic violence experienced by Mexican civilians, law enforcement, journalists, and politicians who have suffered at the hands of the cartels. Although the vast majority of the victims of the violence are believed to be affiliated with the cartels, there are far too many innocent bystanders who are often tragically caught in the cross-fire. We have not seen a significant spike in crime on the U.S. side of the Southwest border, but the fact remains that the instability and violence in certain cities along the border such as Ciudad Juarez raise concerns about the safety and security of communities along both sides of the border as the cartels become more desperate to secure distribution routes into the United States.

## *II. The Department of Justice's Two-Pronged Strategy for Addressing Drugs and Violence on the Southwest Border*

The dismantling and disabling of the Mexican DTOs is a priority for this administration. To target these DTOs, members of the Executive Branch are coordinating their efforts as never before. The prosecutors of the Criminal Division and the U.S. Attorneys' Offices work with all of the law enforcement agencies of the United States, including the Department of Justice's Drug Enforcement Administration, Federal Bureau of Investigation, U.S. Marshals Service, and the Bureau of Alcohol, Tobacco, Firearms, and Explosives, and the Department of Homeland Security's Immigration and Customs Enforcement and Customs and Border Protection.

Our strategy is two-pronged: First, to intensify our investigative and prosecutorial efforts through coordinated, intelligence-driven operations; and second, to strengthen the Mexican government's own capacity to dismantle the DTOs. Both aspects of this strategy are essential. Transnational organized crime knows no borders—and without strong, stable, and trustworthy foreign law enforcement partners, we cannot hope to defeat organized criminal groups.

### *A. Prong One: Increasing and Intensifying Our Law Enforcement Efforts in the United States*

The first prong of the Department of Justice's strategy for addressing drugs and violence on the Southwest border is through our own investigative and prosecutorial efforts as detailed in our Strategy for Combating the Mexican Cartels, promulgated by the Attorney General on January 5, 2010. The Strategy uses intelligence to coordinate long-term, extensive investigations to identify all the tentacles of a particular organization. Through the Special Operations Division (SOD), we are able to execute multi-jurisdictional enforcement actions, arresting as many high-level members of the organization as possible, disrupting and dismantling the domestic transportation and distribution cells of the organization, and seizing as many of the organization's assets as possible, whether those assets be in the form of bank accounts, real property, cash, drugs, or weapons. Finally, we prosecute the leaders of the cartels and their principal facilitators, locating, arresting, and extraditing them from abroad as necessary. In this effort, we coordinate closely with our Mexican counterparts to achieve the goal: Destruction or weakening of the drug cartels to the point that they no longer pose a viable threat to U.S. interests and can be dealt with by Mexican law enforcement in conjunction with a strengthened judicial system and an improved legal framework for fighting organized crime.

This "whole-of-government" approach has led to a number of remarkable successes. Some recent examples of such SOD-coordinated investigations involving mul-

multiple Organized Crime Drug Enforcement Task Forces (OCDETF) and other task forces include:

- *Operation Bombardier*.—Announced in 2011, this disruption operation was a multi-agency coordinated response to the murder of one U.S. agent and wounding of another by members of Los Zetas Cartel. Operation Bombardier was a rapid response strike targeting all Mexico DTOs including cartel members, associates, infrastructure, and activity operating in the United States regardless of specific cartel affiliation and resulted in 676 arrests;
- *Project Deliverance*.—Announced in 2010, this 22-month multi-agency investigation targeted all Mexican DTO transportation and distribution infrastructure along the Southwest border and elsewhere in the United States, resulting in more than 2,200 arrests;
- *Project Coronado*.—Announced in 2009, this 44-month multi-agency operation targeted the La Familia Michoacana Cartel's distribution networks within the United States. It was the largest ever undertaken against a Mexican drug cartel and resulted in 1,186 arrests;
- *Operation Xcellerator*.—Announced in 2009, this 21-month multi-agency operation targeted the Sinaloa cartel and resulted in the arrest of more than 750 individuals; and
- *Project Reckoning*.—Announced in 2008, this 18-month multi-agency operation targeted the then-combined Gulf and Los Zetas Cartels and resulted in 621 arrests.

Combined, these five Department of Justice-led SOD and OCDETF investigations over the past 3 years resulted in more than 5,500 arrests and the seizure of more than \$300,000,000 in U.S. Currency; 260,000 pounds of marijuana; 36,000 kilograms of cocaine; 1,450 pounds of heroin; 6,500 pounds of methamphetamine; and 1,500 weapons.

The Department is also committed to combating violent and organized crime through aggressive use of our asset forfeiture and anti-money laundering laws. The key to the vitality of drug trafficking and other criminal organizations is their continued access to enormous sums of money. Disrupting that flow of money is a top priority for the Department. Wherever possible and particularly in our multi-jurisdictional investigations, U.S. Attorney's Offices and the Criminal Division are adding forfeiture counts to indictments, not as an afterthought, but as part of a deliberate and targeted strategy.

As a measure of how seriously the Department takes this responsibility, the Asset Forfeiture and Money Laundering Section (AFMLS) of the Criminal Division has created a new Money Laundering and Bank Integrity Unit and a Mexican Drug Cartel Team devoted to investigating and prosecuting complex criminal cases involving financial institutions and the individual criminal facilitators who hide and obfuscate the financial flows that enable the cartels to operate. The Team will aggressively use all of the tools at their disposal to develop domestic and international forfeiture cases targeting the criminal proceeds and operating assets of the Mexican drug cartels, and all those who support their operations. To achieve this objective, the team is partnering with countries throughout the Central American region.

Similarly, the Department is aggressively seeking the extradition of high-level traffickers to the United States. The Criminal Division's Office of International Affairs, working with the full collaboration of the Mexican government, and our embassies and foreign counterparts, has sought and secured the extradition of major Mexican traffickers to face criminal prosecution in the United States. In the past 2 years, we have secured the extradition from Mexico of over 200 drug traffickers and violent criminals, more than in any other 2-year period. Just last month, Mexico extradited Benjamin Arellano Felix, the former head of the Tijuana Cartel, to face racketeering and drug conspiracy charges resulting from a long-running OCDETF investigation in San Diego. And our work in Mexico has led to the apprehension and extradition of other high-value targets, such as Mario Villanueva Madrid, the former governor of the Mexican state of Quintana Roo charged with money laundering conspiracy, bribery, and narcotics conspiracy offenses for his support of the Juarez cartel; Vicente Zambada Niebla, son of Ismael Zambada Garcia, one of two Sinaloa cartel leaders; Oscar Arriola Marquez, designated as a Foreign Narcotics Kingpin under the Kingpin Designation Act, and CPOT (Consolidated Priority Organization Target) Oscar Nava Valencia, charged with drug conspiracy offenses in the Southern District of Texas. We hope to build and expand upon these successes in the coming year as we work more closely than ever with the Mexican Attorney General's Office and the Foreign Ministry in this critical area of cooperation. However, while extraditions are an important tool in our joint efforts against the cartels and the violence, we are also determined to assist our counterparts with

long-term measures to reform and strengthen institutions that the public can trust and in which they can have confidence.

*B. Prong Two: Increasing the Capacity of the Government of Mexico to Investigate and Prosecute Cases in Mexico*

We and our Mexican counterparts recognize that we cannot rely on criminal investigations and prosecutions in the United States alone if we are to defeat the DTOs. Instead, we must ensure that Mexico has the capacity to investigate and prosecute these and other criminals in legal systems that are transparent and efficient, and that are seen to be so by their populations. Mexico has committed itself to significant legal reforms to accomplish this goal, and we are strongly supporting the Mexican efforts.

The Department of Justice's primary rule of law work is undertaken pursuant to the Mérida Initiative, a multi-year program that aims to improve law enforcement capabilities to identify, disrupt, and dismantle transnational DTOs and organized criminal enterprises. With funding from the State Department and U.S. Agency for International Development (USAID), we currently have three senior Federal prosecutors stationed in Mexico City under the auspices of the Criminal Division's Office of Overseas Prosecutorial Development, Assistance, and Training to work on rule of law issues with their Mexican counterparts. Our rule of law work in Mexico runs the gamut from high-level advice on criminal code reform—as Mexico moves forward on its own decision to create a more adversarial system—to practical training on investigations and prosecutions. To assist the Mexican transition to the accusatory system, expert-to-expert exchanges, seminars, and workshops and training programs are underway. To date, working with U.S. Federal law enforcement agencies and the Department of State, the Justice Department has trained over 10,657 individuals at all levels and in the Executive and Judicial branches.

We are also partnering with law enforcement agencies and prosecutors in Colombia, and have sent Mexican members of congress, prosecutors, and law enforcement officers to train in tandem with their U.S.-trained Colombian counterparts on code reform, strengthening internal affairs and corruption investigations, and creating effective witness protection programs.

But our training and mentoring extends beyond the classroom to partnering on investigations and prosecutions. First, the DEA has provided counsel to several vetted units of highly trained investigators from the SSP, the Mexican Federal Police. These vetted units have achieved tremendous success, including the apprehension of significant leaders of the drug cartels such as Antonio Arcos-Martinez. This past year, the Criminal Division, working jointly with DEA, began training prosecutors of the PGR, the Mexican Attorney General's Office, to join the SSP investigators to work as part of a task force. As part of this project, Assistant U.S. Attorneys and Criminal Division prosecutors are mentoring and partnering with their Mexican counterparts as they begin to use the task force model. For the first time, we are seeing PGR prosecutors and SSP investigators truly sharing their expertise and intelligence.

Additionally, as of December 2010, prosecutors and investigators from the Departments of Justice, Homeland Security, and Treasury are collaborating with our counterparts in the Mexican government to work on several money laundering cases together.

Finally, our Southwest border U.S. Attorneys are forging relationships with their counterparts in the PGR so that they can more effectively share leads on cases and fight crime on both sides of the border. These essential relationships have resulted in the coordination of prosecutorial efforts and strategies to fight crimes along and on both sides of the border and better protect our own citizens.

*III. A Meaningful and Robust Partnership With Congress is Crucial to Our Success*

While we have made great strides against the Mexican drug cartels in recent years, we cannot achieve success without the support and input from Members of our Congress. There are several ways Congress has already, and can in the future, play a meaningful role in this fight.

*A. Investing in the Southwest Border*

First and foremost, we are grateful to Congress for its investment in our efforts along the Southwest border. The supplemental funding from last summer's Southwest Border Initiative, of which the Department received \$196 million, has been crucial to our strategy along the border and in Mexico. Much of that money went to our law enforcement agencies to expand their successful investigative efforts, but we also invested a significant amount in shoring up our ability to prosecute the cartel members whose drug trade is the root cause of violence in that region. We hired more prosecutors, bolstered Mexican fugitive apprehension, enhanced capacity at

the multi-agency SOD and OCDETF Fusion Center, and provided additional funding for OCDETF Strike Forces along the Southwest border. As a result, our five Southwest border districts have increased the overall number of felony prosecutions, particularly prosecutions of narcotics, firearms, and public corruption offenses.

Within the Department's Criminal Division, we have explicitly dedicated a number of our resources to Mexico and the Southwest border. The supplemental funding allowed the Criminal Division to deploy another attaché to Mexico City to work with AUSAs around the country to build cases against the cartels. In addition to AFMLS's new Mexican Drug Cartel Team discussed above, we created a new Mexico cartel unit in the Criminal Division's Narcotics and Dangerous Drug Section that is dedicated to the prosecution of these Mexican drug cartels. We also have added prosecutors in the Division's Organized Crime and Gang Sections to investigate and prosecute the gangs that do the bidding of the drug cartels, using statutes such as RICO. The recently announced indictment against 35 members of the Barrio Azteca international gang for violations of RICO, including the murders of a U.S. Consulate employee and two family members, is a direct result of Congress' investment. The Department is working through the administration to identify areas where additional tools and resources will strengthen our anti-money-laundering and forfeiture efforts. We would welcome the opportunity to work with Congress should we identify any such areas.

*B. A Sustained Commitment is Crucial*

Finally, we appreciate Congress' recognition that our efforts in Mexico must be consistent and sustained. It was over a period of 10 years that Plan Colombia achieved the success we now see today. Plan Colombia was preceded by years of work by the U.S. Government. Our experience teaches us that we will not see quick fixes to a problem as complex as the Mexican drug cartels. But we are in this struggle for the long haul. And through a long-term, cooperative partnership with our neighbors in Mexico, we will weaken the influence of organized crime on Mexican society, thereby better protecting our citizens.

CONCLUSION

In sum, working with Mexico to fight the drug cartels and the violence associated with them both in our country and in Mexico is a top priority of the Department of Justice. I thank you for the opportunity to discuss our efforts, which make the citizens of both our countries safer, and we look forward to partnering with you to ensure that we are doing all we can to curtail the reach of these organized crime rings.

I will be happy to answer any questions you may have.

Mr. MCCAUL. Thank you, Ms. Pope.

The Chairman now recognizes himself for questions.

My first question is, I realize—first of all, let me commend both of you for a job well done in what you do every day. I realize there have been more resources put down on the border than probably ever before. Yet, the violence and the danger, in my view, it has never been more violent or dangerous.

So, when the Secretary of Homeland Security says that the border has never been more secure, and the President just the other day in El Paso said that we strengthened border security beyond what many believe possible, do you agree with that assessment?

Mr. WILLIAMS. I guess I will take a stab at that.

Yes, I do agree with that assessment, Congressman. I believe the Secretary and the President are speaking to the violence that we see on this side of the border.

While some of it can be attributed to drug dealing in our communities and drug trafficking, we are not seeing the level and the overall viciousness of violence that you see in Mexico—the beheadings, the, you know, constant shooting of police officers and military personnel. We are not seeing that on this side of the border.

Mr. MCCAUL. In terms of spillover crime, though, you know, I demonstrated in the opening statement, you know they are here. The drug cartels are present in the United States.

At what point do we have cartel-on-cartel violence in the United States like we are seeing in Mexico?

Mr. WILLIAMS. That, I do not have exact stats or information on, you know, the violence that we are seeing between actual, identified cartel members versus other cartel members.

There is—you know, with drug trafficking and drug dealing—there is violence as far as New York City, you know, dating back to the 1980s, dating back to when I was a DEA agent working undercover, working drug cases. So, drug trafficking has an inherent violent streak to it, because people are in competition against each other.

But again, the level of violence that we see in Mexico is not being seen—

Mr. MCCAUL. Let me follow up with Ms. Pope on that point, because, you know, the FBI Uniform Crime Report has been used to say that that violence is not here in the United States. Yet, that definition and the definitions used by the Southwest Border Task Force in September, in testimony from DEA, both these definitions they use exclude crimes such as home invasions, kidnappings, extortions, and trafficker-on-trafficker violence.

So, if you are excluding all these crimes, how can this be an accurate assessment of the violence present in the United States?

Ms. POPE. It is true, Mr. Chairman, that the FBI UCR does exclude those particular crimes. But that does not mean that we are not very concerned about any amount of crime. One kidnapping is too many. One murder is too many.

To the extent that there is drug trafficker-on-trafficker violence, we are investigating it and prosecuting it.

I will tell you—

Mr. MCCAUL. But does it not count if a cartel member kills another cartel member in the United States? That does not count as a violent crime?

Ms. POPE. It does count as violent crime.

Mr. MCCAUL. But it is excluded under the definition.

Ms. POPE. I can tell you there is no Executive branch definition of spillover violence.

Mr. MCCAUL. But the UCR—the FBI Uniform Crime Report—excludes that. That is my point.

I am just trying to get to the truth here. That is the purpose of this hearing.

People are going to spin this thing politically both ways. But it seems to me, if you are going to record crime statistics, you ought to be recording the things that they do best.

They kill each other. They kidnap, they extort. Yet, all that is removed from the definition of spillover violence.

So, I do not think we are getting an accurate—just my opinion—I do not think we are getting an accurate assessment here.

Ms. POPE. What I can tell you is that there are problems with the reporting of trafficker-on-trafficker violence, for the sole reason that if a person is already involved in drug trafficking violence,

they are far less likely to go to the police. Or if it is an undocumented person, they are far less likely to report the crime.

So, there may be kidnappings. There may be violent crime as a result of drug traffickers targeting someone who has upset them in some way. That information is not getting reported.

But to the extent that—

Mr. MCCAUL. Why shouldn't it? I mean, Ms. Hartley's husband was killed and murdered, and she is here today. That is not counted. That does not count under the FBI's definition.

Ms. POPE. The FBI has multiple definitions of crime. For example, I know that the FBI tracks the amount of crime along the Southwest border through the HIDTA task forces. Those numbers are consistent that the crime is—

Mr. MCCAUL. You know, all I am saying is, Congress, we have an oversight role. That is probably what we do best. I just want an accurate assessment of what is the level of crime.

When you have a definition that excludes all these things that the cartel members do, I do not think that the American people are getting a clear picture of what the rate of violence really is.

I would be very interested to get that kind of data, if that is possible. I am sure DOJ has that kind of data. I would be very much willing to work with you on that.

On that, just a last point, and my time has expired, but you talked a lot about asset forfeiture.

Ms. POPE. Yes.

Mr. MCCAUL. I think that is great news.

I think Mr. Cuellar and I have talked about enhancing the best team operations to confiscate the southbound flow to interdict that cash and guns going south. It is going to be one of the best ways to choke their lifeblood and to disarm them. I hope we can ramp up those efforts, as well.

Finally, I do not know how much of this asset forfeiture money is actually going back into border security operations, but I would certainly like to see a large percentage—and the Ranking Member of the full committee, I think we could work together to make sure that as much of that money as possible goes back into, to pay for these border security operations.

Ms. POPE. Thank you, Mr. Chairman. I think that is an important point that you are making.

What I can tell you is, what we have learned about the illicit finances of the cartels is that it is not just that it is going across the border. They are concentrating large amounts of money through cities throughout the United States in places like Atlanta and Chicago.

So, our goal is to find where that money is being collected and to target the people who handle the money long before it gets to the border and it is disbursed into smaller amounts and secreted into compartments.

Once it gets to that point, our job is much harder—

Mr. MCCAUL. Of course, if they are categorized as a foreign terrorist organization, you can seize their bank assets in the United States, as we did with the FARC in the 1990s, with that designation.

Ms. POPE. We are also able to do that through the Kingpin Act.

Mr. MCCAUL. That goes to the kingpin, the head, but not the body of the drug cartel.

My time has expired, though, and I appreciate everybody's patience.

With that, I yield to the Ranking Member, Mr. Keating.

Mr. KEATING. Thank you, Mr. Chairman.

By all accounts Mexico is our largest supplier of drugs. While the United States is the largest supplier of weapons in Mexico.

Mr. Williams, in particular, it has been reported that the guns that are seized and that guns that were used, that 90 percent of them come from the United States. What steps are being taken on the outward supply of U.S. guns used to facilitate drug-related violence in Mexico?

I mean, given your experience in New York City, Boston, I noticed, I am curious as to what steps and how successful we are in trying to deal away with the really greatest supplier of drugs—I mean, of guns, rather—for Mexico? What are we doing in particular? No one from ATF is here, but I am just curious from your experience.

Mr. WILLIAMS. Well, that is a very good question. I know that Customs and Border Protection, they have changed their focus. They still, obviously, focus on people coming into the country. But in light of money and weapons going out of the country and south into Mexico, there is greater emphasis placed on outbound or southbound flow.

So, as I believe you mentioned in your opening statement, we are doing 100 percent rail inspections, utilizing special equipment to do that. Customs and Border Protection officers at the ports of entry now have outbound entry exit areas where they are doing more work.

They do what we call "pulse and surge." So, they will take an area and they will, in essence, check the pulse of that area for a couple of hours, maybe a couple of days, to see what their efforts are as far as outbound flow.

If they get a lot of contraband going out, then they will do a surge to that area. If they do not see that kind of activity, then they will move to another area and do a pulse there to see what the outbound flow is like.

I know that both Immigration and Customs Enforcement and ATF are working cooperatively together to take a look at the weapons flow from the United States into Mexico. But also, in concert with the Mexican government, they are also going to work closely with them to look at weapons flow into Mexico from their other border areas, from Central America, you know, north.

Mr. KEATING. I am curious, too. How successful are we, Ms. Pope, in terms of domestic prosecution for gun trafficking in the area? What is your experience for that?

Ms. POPE. What I can tell you is that this Department of Justice has been more aggressive than ever before at targeting the flow of guns into Mexico. We are using every resource at our disposal. We are using wiretaps, we are using surveillance, we are using confidential informants to build a case.

Our goal is not just to get the straw purchasers, the people who buy the guns legally. But our goal is to get to the heads of the organizations.

So, we are building cases against the organization itself. That is our goal. That is what we are doing every day.

I can also tell you that, in line with our strategy, we have our investigative efforts here in the United States. We also have what we are doing in Mexico. We are partnering with our Mexican counterparts as never before.

Recently, Mexico has gotten access to something called Spanish e-Trace, which allows them to trace firearms that are originating in the United States, and share that information with law enforcement in the United States.

Mexico just announced within the past 2 weeks that they are going to expand access of Spanish e-Trace to other law enforcement in Mexico, which is key to our ability to target where those guns are coming from.

Mr. KEATING. I just had one question, too. You mentioned that we are able to track gun purchasing—often legal gun purchasing—in the United States. That has been helpful to do, because we had a vote in the House earlier in this session that did away with the reporting of multiple gun purchasing.

Now, that kind of change, should it be implemented, wouldn't that hurt our ability to go and track the guns, see where the legal purchases come from?

I was concerned, particularly on border issues, that if there is that change in the law, so we are not doing—contacting Justice, telling them about these multiple purchasing effort—and if that is done away with, wouldn't that hurt?

Ms. POPE. From a law enforcement point of view, it is important for us to know where the guns are coming from. I can tell you, in past investigations, that we have seen certain dealers with very, very high numbers of guns that end up later in Mexico. That is a tip to law enforcement to look at what is happening in—

Mr. KEATING. So, you would be hurt if that change occurred where multiple gun purchases were not reported to Justice.

Ms. POPE. We prefer to have more access to information wherever possible.

Mr. KEATING. Thank you.

Mr. MCCAUL. Thank you.

The Chairman now recognizes the gentleman from Missouri, Mr. Long.

Mr. LONG. Thank you. Thank you, Mr. Chairman.

Mr. Williams, in January of this year, Secretary Napolitano stated that any incursion of drug war violence in the United States would face overwhelming response. Is DHS and its components prepared to assist in providing such a response?

Mr. WILLIAMS. Yes, we are. We have a few operational plans with Customs and Border Protection in the event something like that was to happen.

But quite frankly, I would rather, you know, talk off-line with you about the actual plans, or get personnel from CBP. But we do have plans that we have set up.

Mr. LONG. Okay. That probably takes out my second part of that question, then. I will talk to you after this.

Ms. POPE, how have you been able to overcome any pre-existing turf battles to coordinate our efforts?

Ms. POPE. I can tell you that the agencies of the Federal Government are working together as never before. We are working together through interagency groups here in Washington.

We are working together through EPIC at the border. We are coordinating our law enforcement efforts. We are aware of what DHS is doing in terms of strategy. We are, on our side of the issue, trying to engage in complementary efforts.

For example, DHS plays an important role at intercepting drugs, guns, money. But you have to have prosecutors on the other side to bring those cases and to prosecute the defendants. We are working together to make sure that we are all walking in lockstep to focus on drug cartel violence.

Mr. LONG. Okay. What was that tracing program? What did you call that?

Ms. POPE. It is called e-Trace. It is called Spanish——

Mr. LONG. Called what?

Ms. POPE [continuing]. E-Trace.

Mr. LONG. I thought you said Spanish something.

Ms. POPE. Spanish e-Trace. So, we have made e-Trace available in Spanish to the Mexican government, so that they, too, as they find firearms, can trace them back to their source.

Mr. LONG. But that is strictly from the United States.

Ms. POPE. Right.

Mr. LONG. Okay.

Mr. Chairman, I yield back.

Mr. MCCAUL. Thank you.

The Chairman now recognizes the Ranking Member of the full committee, Mr. Thompson, for 5 minutes.

Mr. THOMPSON. Thank you very much. I would like to associate myself to the line of questioning the Ranking Member of the subcommittee raised with respect to guns.

I am an avid outdoorsman. I hunt all the time. Fact about it, I helped defeat the Republican Members of the House yesterday in the Sportsman Caucus.

[Laughter.]

Mr. THOMPSON. But I think the point I am trying to make is, all the guns I own are legal. I buy them through the normal channels prescribed by law.

Now, as I understand it, owning a gun in Mexico is illegal. Am I correct?

This is to Ms. Pope. I am sorry.

Ms. POPE. Yes, sir.

Mr. THOMPSON. So, if 90 percent of those guns that we have identified with some aspect of violence in Mexico, we have traced back to their point of origin in the United States, I think it would be a reasonable assumption that we need to close that loophole.

Has Justice looked at how we close that loophole?

Ms. POPE. What the Department of Justice has done is focus on the illegal transfer of guns. That is where we have made real efforts.

So, for example, increasing the sentences for straw purchasers, who may legally buy a gun, but then illegally transfer it with the intention for it to go down into Mexico—that is where our efforts are focused.

Mr. THOMPSON. So, how successful are you with that?

Ms. POPE. Frankly, we need to have tough penalties to focus on people who are illegally reselling guns, because our goal is not ultimately just get the person sells illegally. We want to get to the head of the trafficking organization. That is where—

Mr. THOMPSON. So, what other legislation or penalties do you need?

Ms. POPE. I would be happy to get back to you and as we work through it within the Department of Justice to figure out ways that we can partner to stop the illegal transfer of guns into Mexico.

Mr. THOMPSON. So, do we need to talk to somebody else? Are you the person? I am just—are you the person?

Ms. POPE. The Department of Justice does not have any particular, clear legislative proposals on how to stop the trafficking—legislative proposals on arms trafficking. But we would certainly be interested in talking to you about how to do that.

Mr. THOMPSON. Okay. Thank you.

Mr. Williams, according to your testimony, \$600 million that the Department received in supplemental monies allowed the Department to add technology, manpower, and infrastructure. If under H.R. 1, if that money is not available to the Department, what impact would it have on border security efforts?

Mr. WILLIAMS. I believe it would have a great impact. I believe that the plans that we have in place to utilize more technology, to utilize the 1,200 National Guardsmen that we have on post today, would be affected by that.

Mr. THOMPSON. So, your testimony is, rather than having less resources to fight crime and violence along the border, we should have more resources.

Mr. WILLIAMS. It would be my testimony that the resources given to us should be utilized to fight that crime and violence, that, you know, a reduction would affect us. Of course, you know, in law enforcement we always have a history of doing more with less, and we would continue the fight no matter what.

Mr. THOMPSON. Ms. Pope, explain to the committee how DOJ fights the drug trafficking organizations with respect to their financial operations. What do you do?

Ms. POPE. There are a number of ways. First, wherever possible, we are bringing forfeiture counts so that we could forfeit the assets of the drug cartel operations.

At one point, forfeiture was seen more as an afterthought to a drug conspiracy charge. Now we are leading with forfeiture charges wherever possible.

Second, the Criminal Division, with the money that Congress invested in the Southwest border, has now set up a Mexico cartel team in our Asset Forfeiture Section. The sole purpose of that team is to target the finances of the cartels through our investigative efforts here, through bringing cases here against individuals and against banks, and through working with our partners in Mexico, so that they can get the information, share the information, bring

the cases in Mexico and with our other partners in Central America.

Mr. THOMPSON. Thank you. Can you provide the committee with the statistics on the asset forfeiture program so far?

Ms. POPE. Yes, absolutely.

Mr. THOMPSON. Thank you.

I yield back, Mr. Chairman.

Mr. MCCAUL. Thank you.

Let me just clarify. If, say, a gun dealer provides a weapon to a—provides material support to a terrorist, that would have an enhancement on top of the underlying offense, correct, a 15-year enhancement?

Ms. POPE. The material support provision, yes, if a gun dealer were convicted of providing material support.

Mr. MCCAUL. So, if they were designated as foreign terrorist organizations, that would have a 15-year enhancement on top of the underlying weapons trafficking offense.

Ms. POPE. The problem in these cases, as I am sure you are aware, is that we need to prove that the gun dealer was providing support. That is the problem with our law now.

But, yes, if we can make that connection, if we can prove that the gun dealer knew that he was providing material support, the answer is yes.

Mr. MCCAUL. We could seize their bank assets, and we could deport them, even if they are here illegally.

With that, I recognize the gentleman from South Carolina, Mr. Duncan.

Mr. DUNCAN. Thank you, Mr. Chairman.

I just want to commend the Chairman—the gentleman from Mississippi—for shooting well yesterday. I enjoyed shooting with you.

Like you, I am an avid shooter. I own a number of firearms. I saw you bust a lot of clays yesterday, but I would almost be willing to guarantee that none of his guns and none of my guns have ever, ever killed another person.

So, I think that we need to be cognizant that it is not the firearm that kills. It is the person behind the firearm.

Gun purchases in the United States that make their way into Mexico point clearly that we do have a porous southern border, that humans and weapons travel both ways, back and forth. I think we have got to get back to focus on our border.

I notice in the Chairman's opening remarks he talked about the gun cache that was found in Mexico, and the number of weapons that were there. I remember hearing anti-tank weapons and anti-aircraft weapons and grenades, and a number of other things, as well as fully automatic AK-47s, that you cannot buy legally in the United States.

Those weapons are coming from somewhere. It is doubtful they are coming from Texas. It is doubtful they are coming from Arizona. It is doubtful they are coming from South Carolina, because they are illegal to purchase in this country.

They are coming from somewhere. I think we need to know that.

On March 31, this committee held a hearing on the U.S. Homeland Security role in the Mexican war against drug cartels, and I

listed a plethora of examples that cited evidence of the terrorist organization Hezbollah's influence on the Southern border.

I asked the panelists then if a possible relationship between Hezbollah and the Mexican drug cartels merited any further investigation. I received no response, no acknowledgment of the problem, no plan to investigate the situation further and no strategy to protect the safety and security of our country.

Since that time, the "San Diego News" reported on May 4 that Hezbollah is blending into Shia Muslim communities in Mexico, including Tijuana, and cited testimony from a former U.S. intelligence agent that Hezbollah is partnering with drug organizations.

The article stated that Hezbollah has been setting up shop in Mexico for 15 to 20 years. On May 9, Reuters reported the U.S. Border Patrol agents found a sophisticated tunnel fitted with lights, water pumps, ventilation systems running 250 feet from an abandoned building in Nogales, Mexico, to Nogales, Arizona, at a depth of 15 feet.

One of my staffers went and looked at one in the San Diego area that was 25 feet deep, very sophisticated.

We know that Hezbollah is a master of tunneling, and the *Washington Times* reported on March 31 that the Israeli military has released a map of nearly 1,000 underground bunkers, weapons storage facilities, and monitoring sites built by Hezbollah.

So, it is very clear that we do have a terrorist organization, a known terrorist organization, Mr. Chairman, not one that we would like to identify as a terrorist organization with the drug cartels operating in Mexico.

It concerns me. It concerns the folks back home.

So, Mr. Williams and Ms. Pope, are you aware of this problem?

MS. POPE. Mr. Duncan, I cannot say that I am aware of the influence of Hezbollah in particular. What I can say is that we are very cognizant of the need to protect our Southwest border, because of the kinds of threats that you are identifying.

It is for that reason that we have so many agents who are working on the border. It is for that reason that the FBI has now stood up eight hybrid task forces on the Southwest border and why they are so focused on border corruption.

We must secure our border, for all of the reasons that you have put forward. That is a top priority for this administration.

MR. DUNCAN. Mr. Williams.

MR. WILLIAMS. Yes, Mr. Duncan. The links between drug trafficking and terrorism is something that I have been talking about for several years, you know, since I was with DEA, and now at Homeland Security. We keep our eyes and ears open for that.

I know that through the investigator side of the house—i.e., ICE, DEA, the FBI—they look at that. There is a counternarcotics terrorism center, or section, at SOD, that has been stood up to take a look at when investigations identify these links between a drug trafficking organization and a terrorist organization.

So, through investigations, they look to exploit that and develop evidence to bring that to prosecution.

MR. DUNCAN. With those links that you talked about, would you support the Chairman's efforts to name the drug cartel, add them to the list of terrorist organizations in this country?

Mr. WILLIAMS. I think that there are enough laws in place to deal with drug trafficking. I mean, I can tell you right now, as I sit here today, there is an individual who I bought a kilo of cocaine from back in 1989. He is still in jail under a 40-year sentence for a continuing criminal enterprise.

So, from my perspective as a former Federal agent, I believe that we have enough laws in place to deal with these organizations. They are different from your regular terrorist organizations such as the FARC. The FARC—

Mr. DUNCAN. I am out of time. I would like to get Ms. Pope on the record whether you support the Chairman's definition of naming the cartel as a terrorist.

Ms. POPE. Frankly, Mr. Duncan, I am not sure that we need it. Because, as Mr. Williams has said, we have very, very powerful penalties here in the United States.

The problem is extradition. If cartel members can flee across the border into Mexico and escape U.S. prosecution, then having another crime won't make a difference.

We need to be able to extradite those people here to the United States, so that they can face justice, and they can face the tough penalties that we now have here.

Mr. MCCAUL. I am sure if we extradite the killers of Agent Jaime Zapata here in the United States.

But with that, I recognize the gentlelady from New York, Ms. Clarke.

Ms. CLARKE. Thank you, Mr. Chairman.

I wanted to ask my questions of Mr. Williams.

Mr. Williams, currently, the Department of Defense is funding the full cost of the National Guard deployment on the border.

Is the Department expected to reimburse the Department of Defense for its portion of the expenses? Is the Department able to do so? If not, what actions must Congress take so that the Department can pay its share?

Then, can you just discuss briefly, Operation Stonegarden—its costs, benefits and any results achieved as a result of this program?

Mr. WILLIAMS. Well, I would have to get back to you on the questions about reimbursement to the Department of Defense for use of National Guard personnel. I did not actually take part in setting that up. So, I would be glad to get back—

Ms. CLARKE. Fair enough. Fair enough.

Mr. WILLIAMS [continuing]. To your office on that.

As far as Operation Stonegarden, that is a grant program handled by FEMA for, on behalf of the Department of Homeland Security. It is for, obviously, you know, for equipment purchases by State and local law enforcement along the Southwest border.

I believe, from everything I am hearing, that it is moving along appropriately. The funding is adequate.

Ms. CLARKE. You find it beneficial.

Mr. WILLIAMS. Absolutely.

Ms. CLARKE. Okay.

The National Southwest Border Counternarcotics Strategy of 2011 report to Congress is due next month. What is the status of the report? Should the committee expect it to be submitted on time?

Mr. WILLIAMS. Yes. I believe the committee should expect it to be submitted on time. That is under the purview of the White House Office of National Drug Control Policy. I believe all the edits are in, and they are just going through the clearance process right now.

Ms. CLARKE. Okay. Thank you very much.

Ms. Pope, in 2009, President Obama named several different Mexican DTOs as suitable for prosecution under the Foreign Narcotics Kingpin Designation Act.

Has DOJ been successful with prosecuting Mexican DTOs under this framework? Does this act provide the necessary resources to successfully prosecute Mexican DTOs?

Then, secondly, a significant pillar of the Mérida Initiative is to support judicial reform in Mexico.

How does the Department of Justice work with its Mexican counterparts to improve Mexico's judiciary and system of justice?

Ms. POPE. Let me take your second question first. With respect to the judicial reform work that we are doing in Mexico, it is tremendous. We have AUSAs from all around the country, we have agents from all around the country, who are going down to Mexico, who are working, not just training, but building relationships with our Mexican counterparts.

The goal is that we have relationships so that, when there is information, information is being shared, so that we can naturally end up working together.

As I said, we have trained over 10,000 members of the Mexican government to-date. We are partnering with them. We have AUSAs who are mentoring members of the PGR.

We just had a group of Mexican legislators go to meet their legislative counterparts in Colombia, to talk about what Colombia has done to overcome drug cartel violence. We are facilitating that relationship in particular, because we think that there are a lot of commonalities between those countries, and they can learn from one another.

So, I would say that the work we are doing there is really unprecedented. The members of our Department who are down there are working tirelessly around the clock, so that Mexico can tackle this problem in Mexico.

With respect to the Kingpin Act, I will tell you about that act. There have been fairly few prosecutions under the act itself. The major reason is that we have other tools that we have been able to use to bring the cases that get to the same penalties.

There are no separate sentencing guidelines for the Kingpin Act. So, because of that, a court is most likely to apply the same sentences as someone who was convicted of money laundering. So, tough sentences under the Kingpin Act would make the difference.

Ms. CLARKE. Then, just finally, you know, I come from an urban environment in Brooklyn, New York. As I hear this discussion about at what point we sort of designate the gun trafficking, the drug trafficking as a part of a terrorist organization, I can see how it becomes a bit challenging. Because once it hits major urban cities, and you have local domestic type of gang activities that end up taking lives and distributing drugs, where do you draw that distinction?

I'm wondering if you could just share a bit about that, because the same guns are manufactured in the United States that end up illegally in the hands of domestic gangs. Where do you draw the distinction?

Mr. WILLIAMS. Well, coming from Harlem, and having attended Brooklyn Technical High School in Brooklyn, I understand the urban environment. I think, if I hear what you are saying, it would be—you know, do we call gangs on the streets of Bedford-Stuyvesant terrorists, because they engage in rival gun battles? I think that is what you are talking about.

So, again, my feeling is that the laws that are on the books, the Federal laws—and we have taken street gangs Federally, and they have gotten significant jail time. Again, I—

Mr. McCAUL. I hate to interrupt, but we have a second panel of witnesses that we need to hear from, came all the way from the border States that deal with this kind of thing every day. I want to hear from them pretty soon.

But we have a lot of Members that want to ask questions. I am going to keep everybody to the 5-minute rule, as much as I can.

With that, I recognize the gentleman from Texas, Mr. Canseco.

Mr. CANSECO. Mr. Chairman, Mr. McCaul, and Ranking Member Keating, I appreciate very much the opportunity to come before this panel and ask questions of your panel. So, thank you very much.

Ms. Pope and Mr. Williams, I am from a district in Texas that represents 780 miles of Texas-Mexico border. We have problems along that border.

I am hearing it from my constituents, from ranches, from ranch owners, from schools, school districts, where, for a number of years now, there has been an infiltration by drug gangs into the school district, by home invasions, automobile thefts. The list goes on and on, and bullets flying over the river in El Paso, into El Paso, and threatening people there.

There is a very serious concern about this spillover violence.

When I hear Ms. Napolitano say that the border is better now than it ever has been, I really wonder where that is coming from, because many of my constituents are not.

Now, let me start out by telling you that, first of all, I am in the process of finalizing a piece of legislation that will define cross-border spillover violence. It will instruct the Department of Homeland Security to measure and track the level of spillover violence and require the Department of Homeland Security to regularly report to Congress on the levels of spillover violence occurring along our border.

Because I believe that accurately defining and measuring cross-over violence will allow our local and Federal law enforcement officials to better execute their mission of keeping the United States and its citizens, especially along the border and into the interior of the United States, more secure.

So, help me out a bit, please.

Mr. Williams, what is your definition of—and your Department's definition—of spillover violence?

Mr. WILLIAMS. Well, I know that we look at the deliberate plan of a cartel to attack U.S. assets or innocent civilians, or military and law enforcement personnel, public or private buildings.

I know that there is violence in all of our communities throughout the United States.

The question is: How do we find out or attribute that to specific drug cartels or to the drug cartels in Mexico? How do we link that violence?

I would submit to you that there are gangs and, you know, thugs at work in our communities every day. There are thugs in Brooklyn, New York, just like there are thugs down on the Southwest border.

Mr. CANSECO. Well, let me interrupt a bit here. Let me ask you specifically, would you consider it being spillover violence if we had drug cartels whose family, friends and immediate family, and even themselves, have residences here in the United States?

Mr. WILLIAMS. If now you are saying they live here as—

Mr. CANSECO. If that were to be the case.

Mr. WILLIAMS. Well, I do not have any information regarding that. I do not know if I would consider it spillover violence. It depends upon what type of violence you are talking about. I mean—

Mr. CANSECO. What if they intimidated neighbors? What if they have violence among themselves? Would that be spillover violence?

Mr. WILLIAMS. Well, let me just say this. It has been my experience that, if you had such, you know, family members of cartel members living here in the United States, they would like to probably stay under the radar screen, because if there is one thing that I know that these cartels, when they come to America, they like to stay under the radar screen, because they are afraid of U.S. law enforcement.

Mr. CANSECO. Would it be advisable for the Department to find out how many of those cartel people have families and themselves in this country?

Mr. WILLIAMS. I can tell you categorically that my Department and the Department of Justice are trying to find that out through all the joint investigations that they do.

Mr. CANSECO. Thank you.

With the limitation of time, and I am a guest here, I go to Ms. Pope. Would you please answer that same question?

Ms. POPE. The Department of Justice does not have one definition of spillover violence. But the bottom line is that any violence is something that we are taking seriously. Any violence is too much. One kidnapping is too much. One home invasion is too much.

So, we are putting unprecedented resources on the border, because we believe that we must stem any violence, and particularly as it relates to the Mexican drug cartels.

Mr. CANSECO. Would you think that it is prudent for your Department or Homeland Security or that the Government find out who is residing in the United States that is a member of that cartel, and who is related to that cartel in one way or the other?

Ms. POPE. Absolutely. I can tell you that one of our priorities is to identify not just family members of cartels, but the facilitators.

Who is helping to launder the money? Who is helping to get the guns and the drugs? Those are all investigative priorities.

Mr. CANSECO. Thank you very much, Mr. Chairman. Thank you for your hospitality in having me.

Mr. MCCAUL. It is good to have you here. It is almost 11:30. We have a second panel that has traveled very far to testify here today. I hope the Members will take that into consideration.

With that, I recognize the gentleman from Illinois, Mr. Davis.

Mr. DAVIS. Thank you, Mr. Chairman.

Thank both of you, Mr. Williams and Ms. Pope.

It seems to me that the cartels are seriously coordinated on both sides of the border. Their operations appear to be pretty seamless. That is, they just kind of connect up, so there is a tremendous amount of communication, interaction, and cooperative work between them.

How much interaction or coordination is there between law enforcement on both sides of the border? Meaning, how do we work with the authorities in Mexico, and they work with the authorities on our side?

Mr. WILLIAMS. Well, I will take a stab at that.

I have been to Mexico City twice and spoken with representatives of the PGR and the SSP. They are extremely complimentary of the assistance and the help that they received from the United States Government—not just specifically DHS or DOJ, but every facet of the U.S. Government, you know, State Department and everything.

We work very, very closely with our Mexican partners. As a matter of fact, I believe there are two border enforcement security teams that actually have Mexican law enforcement officials on them. There are Mexican law enforcement officials at the El Paso intelligence center working with us.

So, we coordinate all these operations and work with our partners in Mexico. If there is information we can pass to them for them to take action on, we do it. If there is information they can pass to us to take action on, they do that with us.

Mr. DAVIS. Ms. Pope.

Ms. POPE. Mr. Davis, there is an incredible amount of cooperation going on between U.S. law enforcement and Mexican law enforcement.

Much of this is due to the tremendous leadership of President Calderón. He has recently appointed a—the new attorney general has recently been confirmed, her name is Marisela Morales—has been an incredible partner with the United States.

Just one example to share with you, DEA has a series of vetted units where they vetted members of the Mexican federal police and members of the Mexican attorney general's office. Those vetted units are working hand-in-hand.

We have mentors from our U.S. attorneys' offices working. They have, you know, telephone connections on a daily basis, weekly basis, communicating information, sharing strategies, helping and working with our partners there.

Mr. DAVIS. You do not have to answer this question, but it would just appear to me that the trust levels are so important, and that unless the trust levels are such between both entities that it be-

comes a bit difficult to have the same level of security and assurance as perhaps the cartels have in terms of their trust levels with each other.

You do not have to answer or respond to that. But it just seems to me that that is part of the problem.

I do not have any other questions, Mr. Chairman, so I yield back.

Mr. McCAUL. The Chairman now recognizes Mr. Cuellar from Texas.

Mr. CUELLAR. Thank you, Mr. Chairman.

Thank you to the Ranking Member.

Mr. Chairman, I ask for unanimous consent from you to distribute graphs to the Members dealing with the crime rate in border and other areas. I think we are going to have that in the charts also.

Mr. McCAUL. Without objection, so ordered.

Mr. CUELLAR. Thank you, Mr. Chairman.

First of all, I want to thank both Mr. Williams and Ms. Pope for the work that they do, and all the men and women that work with you. We really appreciate it.

Also, my good friend, Steve McCraw, thank you for everything you do at DPS. As you know, my brother is a sheriff, a border sheriff, and he got trained with DPS. Thank you for all the great work that you have provided. Thank the Governor also.

Sigi Gonzalez, one of my constituents, also is a sheriff. Thank you very, very much for being here. Chief Victor Rodriguez, another constituent of mine from McAllen.

Thank you for allowing all my constituents to be here today.

Of course, to the attorney general also, thank you very much for being here with us.

Mr. Chairman, first of all, the only thing I would ask is, you know, I am with you, I have worked with you on many issues before. The only thing I ask, that we do not confuse what happens in Mexico and what is happening in the United States.

In fact, I just got an e-mail from my Laredo folks, border business people, who are worried about this type of hearing. We have got to be measured on how we provide border security without creating hysteria about the work that, you know, there, because it does affect our border businesses down there.

The only thing I do ask, for example, I met with the Zapata family, the mom, the dad, the brothers. Today they send me the best. Thank you, Mr. Chairman. They asked me to personally thank you for all the work.

Agent Zapata was killed in Mexico. Tiffany Hartley, who is also present here, also—we have got to also keep in mind that her husband got killed, I believe it was 2½ miles inside Mexican territory, and not in the United States. So, we have got to be careful that we do not use that to say this happened on the U.S. side.

Let me give you a couple of rankings a little bit, and ask you to just take a look at it. Murders, this is 2010 crime ranking. I would ask you to look at El Paso. This is, again, murders per 100,000 population.

El Paso has the lowest, 1.9 murders per 100,000. Brownsville has 2.2; Yuma has 2.2 per 100,000; McAllen, three per 100,000; San Diego, 3.1; Laredo, 7.1. Chicago has 16.1 per 100,000; Philadelphia,

19.5; Memphis, 19.8; Washington, DC, has 23.8. Baltimore has 37.3 per 100,000. Detroit has 40.2 murders per 100,000.

So, again, the figures show that we are looking at the border areas, at least the murder rates are lower there, regardless of how we come up with a definition.

I would ask you also to look at the next chart also, Mr. Chairman, Members. These are cities, 400 cities ranked per rates of crime. This includes murder, rape, robbery, aggravated assault, other ones.

You see the lowest, Brownsville, at 97, ranked out of 497; McAllen, 110; El Paso, 126; San Diego, 180; Yuma, 197; your home town, 198, which means it is higher. Then you have Houston, which is also part of the area that is represented by some of the Members.

Again, it shows that the lowest rankings are on the border area itself, also.

I have got other rankings also, Mr. Chairman. I do not have time to go into this.

The only thing I ask as we approach that, that we do this in a measured way. I am with you. I support what we are doing with Plan Mérida as part of what Homeland, the Department of Justice are doing. We have just got to do it in a measured way, because it does affect us.

My family lives in Laredo. I represent Laredo. Just like Mr. Canseco, who is originally from Laredo and now represents San Antonio also, our families are there.

Right now, I think the border folks—State, Federal, local—are doing a great job. I am just asking that we do this in a measured way without crying that, you know, the sky is falling. I would just ask that we just work on this. I really want to thank our State, Federal, and local folks.

I would ask only the Federal folks, because I have about 27 seconds left, I would only ask that you work with DPS, work with the local sheriffs and the police, because they are a great source. I know you are doing that. But I would ask you to just continue working with them.

Mr. Chairman, I have no questions. I just wanted to do a commentary today. Again, I look forward to continue working with you. Heading off to Mexico very soon to talk to the president.

Mr. MCCAUL. Let me say, I appreciate your concerns on that issue. All I want is the truth, because if we are excluding extortions, kidnappings, and cartel-on-cartel violence, or trafficking-on-trafficking violence, I do not think we are getting, you know, an accurate picture here. The stats are not being honest.

I am not doing this for any other reason than to try to get to the truth as to what is really happening.

Who is to say, in Austin or in Houston, the numbers you showed? I do not know how much of that, what the cartel-on-cartel violence is. I would have to say, it is probably pretty big.

Mr. CUELLAR. Mr. Chairman, if I could—

Mr. MCCAUL. Defining the definition.

Mr. CUELLAR. Yes, and I am not—you noted, but I consider you my best friend here in Congress.

Mr. MCCAUL. You are on record saying that.

Mr. CUELLAR. Yes, I am on record, a Democrat saying that to a Republican, my best friend here.

The only thing is, I am just trying to put a little caution, that we put a little measured——

Mr. MCCAUL. Sure.

Mr. CUELLAR [continuing]. On how we do it, because we can go to the extreme left and right. I am just saying——

Mr. MCCAUL. Yes.

Mr. CUELLAR [continuing]. Let us do it measured. I am not questioning your motives, Mr. Chairman. You are my best buddy. But I just want to just put that out for the committee.

Mr. MCCAUL. Thanks for saying that twice.

But in my——

Mr. CUELLAR. Make it three times. Best buddy.

[Laughter.]

Mr. MCCAUL. You know, my intent is to help Mexico. As I said in my opening statement, that is the intent I have behind this.

But I do think we have to have an accurate picture of what is happening on both sides. So, with that, I yield to my good friend, Mr. Green, from Texas.

Mr. GREEN. Thank you, Mr. Chairman. Please note, Mr. Chairman, that he said best friend in Congress.

[Laughter.]

Mr. GREEN. Thank you, Mr. Chairman. I thank the Ranking Member for the privilege to be a part of this august body. I am honored that you would allow me to be an interloper, and to also have the opportunity to pose some questions.

It has been my experience that persons who work with the Department of Justice and Homeland Security, generally speaking, are persons who do not work based upon a political philosophy. You do not get too caught up into some of the things that we, on this side, get caught up in.

Usually, your career people. As such, you tend to pass through various administrations.

But, Mr. Williams, how long have you been in law enforcement?

Mr. WILLIAMS. I did 7 years with the Yale University Police Department, and then I did 23 years with the Drug Enforcement Administration as a special agent.

Mr. GREEN. Do you consider yourself a person who is trying to make a career of this?

Mr. WILLIAMS. Yes.

[Laughter.]

Mr. GREEN. Ms. Pope, how long, please?

Ms. POPE. Oh, I have been with the Department of Justice in some capacity for 9 years.

Mr. GREEN. Are you a person who seeks to make this a career?

Ms. POPE. This has been my career. I have worked only in the public service.

Mr. GREEN. Let me commend both of you, and all of the persons who support you, because too often, I think the appearance is given that you may have a political bias. It has been my experience that the people who work in these departments really do their best to try to enforce the law and make sure that the American people are protected.

I thank you for what you do.

Let us talk very briefly about two things. One, the empirical evidence—the empirical evidence associated with how the guns actually leave the United States and get to Mexico.

What does the empirical evidence reveal in terms of how it occurs? We use esoteric terms like gun shows, and we talk about how they are legally purchased, and somehow they get to Mexico. But we do not actually trace it and give the chain of events.

Can you start with the lawful sale of a weapon, and then give us the empirical evidence that you have gathered that shows how it actually gets into the hands of some cartel member in Mexico?

Ms. POPE. The evidence that we have seen today—and before I answer the question, I want to thank you for your acknowledgment, not just of our service, but of all of the men and women who are working within the Government, State, and local. I know there are many people who work tirelessly on an issue that really is bipartisan. I am grateful for your support.

On the question of how guns get into Mexico, what we have seen so far is that a person who is legally qualified to purchase a gun will do so. That—

Mr. GREEN. But where would that purchase take place, usually?

Ms. POPE. It frankly takes place at a number of different places. It can take place from a licensed firearms dealer. It can take place at gun shows. There are a number of ways that a person can legally purchase the guns.

What happens next, though, is where the criminal conduct starts, is when a person who has legally purchased a gun then gives it or sells it to someone who is prohibited under Federal law from having that gun, whatever, and that person taking the gun across the border into—

Mr. GREEN. What is the crime at that point, when the person who has lawfully purchased sells to a person unlawfully to take it to Mexico? What is the offense at—what is the punishment?

Ms. POPE. The crime is the crime of straw purchasing. The punishment is low.

I will tell you, one of our priorities within the Department has been to advocate for tougher penalties for folks who sell guns with the intent that they travel across the border.

Mr. GREEN. I do not mean to interrupt you, but can you—you said “low.” Do you have any—perhaps I caught you—

Ms. POPE. Often less than a year.

Mr. GREEN. Of incarceration?

Ms. POPE. Right.

Mr. GREEN. Do most persons receive time in terms of incarceration? Or do they get probation? What specifically happens with these first offenders?

Ms. POPE. I would want to get more information so that I could speak more accurately to you. But I can tell you that these folks are not facing tough penalties. That has been one of the struggles we have had in terms of building the cases.

If someone is not facing a stiff penalty, that person is less likely to give up the information that we are seeking. That person is less likely to cooperate with law enforcement. So, that makes our job

even tougher. So, we have to use far more—we need to be very aggressive in our approach to this—

Mr. GREEN. One more question quickly.

Do you have what I call fast-track authority when you have a person that has been identified as promoting this kind of activity? Do we still have the same rules that apply to a typical enforcement action in terms of speedy trial, in terms of discovery? Or is there a means by which these cases can be fast-tracked, and not violate the Constitution, of course?

Ms. POPE. I am not aware of fast-tracking any straw purchasing cases. But I will go back, and I will confirm that. If I am wrong about that, I will let you know.

Mr. GREEN. Thank you.

Thank you, Mr. Chairman.

Mr. MCCAUL. Thank you.

We have yet another Member who wants to ask questions. Let me caution you, though, that we have flights to catch. They have flown a long ways at their own expense to testify before this committee. I want that to happen soon.

With that, I yield to Ms. Sheila Jackson Lee.

Ms. JACKSON LEE. Mr. Chairman, thank you very much for your courtesy. I was looking for my nameplate to be placed here for the appropriate protocol.

Mr. Chairman, let me thank you very much for your kindness. We are in a hearing in Judiciary on the PATRIOT Act, which somewhat overlaps. I will be pointed in my questions.

But I do want to acknowledge Steve McCraw from the State of Texas, and to thank him for the leadership that he has given and the many times that we have worked together on any number of disaster issues and, of course, the work that we have done together, even on finding missing senior citizens.

So, I am grateful for your men and women who serve not only the State, but the Nation. Thank you very much.

To the witnesses on the second panel, as well, Sheriff Gonzalez and Chief Rodriguez, welcome.

Of course, let me indicate that Mr. Horne, the attorney general, is certainly welcome.

But I have to make a statement of my absolute opposition to the line of legislation that has been passed in Arizona. I find it detrimental and undermining the Federal system of immigration and security.

But I do want to just a pose question to Mr. Williams and Ms. Pope. It will be to both of you, so if you would. I am cognizant that, if your answers could be pointed.

I was with the president yesterday, and also went to the border and Paso del Norte, saw the great work that is being done, the new technology and new construction, the biometric cards that are used by Mexican nationals getting them, allowing them a 10-year visitation.

They looked like they were very much in charge. We are talking now about terrorism. I can tell you, I have no comfort or love of drug cartels and violence.

But give us what you are doing, both of you, under your responsibilities, and how well you can do it under the present laws, and what you are missing. Those are succinct, one, two.

The last one is: Does a terrorist indication—or designation, excuse me—enhance your ability to fight drug and gun violence?

You will have to be succinct, I know, because I do want to finish. That is my last question. Thank you.

Mr. WILLIAMS. Well, very quickly, at the Department of Homeland Security, we are putting all our uniformed assets, air, our CBP officers at the ports of entry, our Border Patrol agents between the ports of entry, out there with the assistance of the National Guard, as eyes and ears to vector Border Patrol agents and to look at suspicious activity between the ports of entry.

With our investigative components, Immigration and Customs Enforcement, we are working with our State and local counterparts, as well as the Mexican government—

Ms. JACKSON LEE. But you could take more resources in that area.

Mr. WILLIAMS. True.

Ms. JACKSON LEE. All right. Anything dealing with the designation, would that help you?

Mr. WILLIAMS. The designation I do not think would help us. I think we have laws on the books that we need to apply and have worked with us, you know, for several years during my career.

Ms. JACKSON LEE. Thank you.

Ms. POPE, I am very well aware of the task forces that you have put in certain cities, one in Houston on the gun-running and otherwise. The same thing. Do you need more resources? Or how are you working to protect the American people? Would the designation help you?

Ms. POPE. We are working to protect the American people, as I said, a number of different ways through these coordinated, across-jurisdictional boundaries, investigations, and prosecutions. We are very grateful to Congress' investment in the Southwest border strategy from last summer.

Ms. JACKSON LEE. Do you need more resources?

Ms. POPE. That is critical. I mean, frankly, we have hired up as never before. We want to make sure those people can continue to do their jobs, and so that we can all continue—

Ms. JACKSON LEE. Can we close the gun show loopholes that seem to allow drugs to pass back and forth? That would be helpful to you as well.

Ms. POPE. I think the administration does not have a position on that in particular. But we look forward to working with you on—

Ms. JACKSON LEE. What about the designation?

Ms. POPE. Frankly, as Mr. Williams said, we have very tough laws here already in the United States.

I am not sure it gets us more, unless we can get defendants extradited back to the United States, so that they are facing the very tough penalties that we now have in our U.S. courts.

Ms. JACKSON LEE. Well, I want to work with my Chairman. I think he has good intentions, and there may be some compromising opportunities to go through this.

Mr. Chairman, I would just say publicly to the administration, to the committee, we need to have a position on gun show loopholes.

This is a gun-running country, unfortunately. A lot of it passes through my own city of Houston, and that is fueling the fire of drug cartels and violence with guns.

So, there are a lot of ways that we can work together to protect the American people.

I thank both of you for your public service.

Mr. Chairman, I yield back. Thank you for your courtesy.

Mr. MCCAUL. All right. Thank you, Ms. Jackson Lee.

This panel is dismissed. Thank you so much for being here and testifying. Given the time, let us move very rapidly to our next panel. Again, thanks for being here.

Ms. POPE. Thank you, Mr. Chairman.

Mr. WILLIAMS. Thank you.

Mr. MCCAUL. Let me thank this panel for your patience. I had attempted to have one panel, and the Department of Justice objected to doing that, because they did not feel it was appropriate for them to appear with State and locals.

I just want to state that on the record.

With that, let me thank you all for being here. Let me introduce the panel.

Mr. Tom Horne was elected Arizona attorney general in 2010. Prior to being attorney general, he was a litigation attorney in private practice for more than 30 years, during which time he served on the school board of Arizona's third-largest school district for 24 years, and 10 as its president. He also served in the Arizona legislature, was a member of the judiciary committee and chairman of academic accountability committee.

Next, my good friend, Mr. Steve McCraw, who I worked with when I was at the Justice Department. He worked for the FBI. He is the director of the Texas Department of Public Safety. Previously, Mr. McCraw was the director of Texas Homeland Security in the Governor's Office. Before that, Mr. McCraw had a 21-year career with the FBI.

He worked as the director of the Foreign Terrorism Tracking Task Force after 9/11, assistant director of the Office of Intelligence, and Inspector Division here in Washington.

Next we have Sheriff Sigifredo Gonzalez, or better known as what? We just call you Sigi?

He has been the sheriff of Zapata County since 1994. Sheriff Gonzalez has twice been named as director of the Sheriffs' Association of Texas, and has been a member of the Legislative Committee since 1996. Recently, he was appointed to the Governor's Office of Homeland Security, Texas Intelligence Council. He has been in law enforcement for 34 years.

Chief Victor Rodriguez has held the position of chief of police for the City of McAllen, Texas, since 2001. He has previously been the chief of police for the Cities of Brownsville and Harlingen, both in Texas. He has also served as the director of the Parole Division for the Texas Department of Criminal Justice.

I see we are a little bit out of order with my format, but I am going to go ahead and, going left to right, first recognize Director Steve McCraw for his testimony.

**STATEMENT OF STEVEN C. MCCRAW, DIRECTOR, TEXAS  
DEPARTMENT OF PUBLIC SAFETY**

Mr. MCCRAW. Thank you, Mr. Chairman, and Members. I apologize to the Department of Justice for not being worthy to sit at the same table, but I will get over it.

I will say, though, I do want to commend our Federal partners. In fact, we work seamlessly with the great men and women of the Border Patrol, the Office of Field Operations, ICE, FBI, ATF. We love our Federal partners. They work with us every day.

I will say that border insecurity is not something recent. It is a 30-year under-investment by the Federal Government. There are consequences when you do not secure a border.

In fact, some of the consequences, for example, is you have proliferation of organized crime cartels. I say organized crime, because they are no longer involved in drugs. They are involved in kidnappings, extortions, murders. They have butchered 36,000 Mexican nationals and some American citizens on the other side of the border.

So, I think that there is no question of the depravity, there is no question of the impact. They threaten domestic security of the Government of Mexico.

As noted by this distinguished committee, is that they are our third-leading trading partner, our third-leading exporter of oil to our Nation. Culturally, we have always been very close to Mexico, and they are very important to us. So, their security is our security.

Yet, when we have an unsecure border, we enable the cartels to expand, become powerful and with this—and use the billions of dollars to undermine the government of Mexico.

Not only has an unsecured border impacted Mexico, but, clearly, you can talk about spillover violence and spillover this, spillover that, or pour-over crime or flow of a crime.

The bottom line is that, without question, as a result of an unsecure border, there has been a proliferation of organized crime in Texas. Not just Texas, but I think you will find from talking to the attorney general of the other border States, as well.

That does not just affect the border region of Texas or Texas itself, but it affects the entire Nation. There are consequences, because when I talk about organized crime activity, it does not show up on a UCR report. It does not show up as an index crime.

It does not count kidnappings, extortions. It does not count the recruitment of our children in high school and schools to conduct operations to support cartel members—not just counter-surveillance, but to conduct, you know, murders, assassinations, hits on both sides of the border. It does not count that.

Clearly, the numbers I submitted in my written testimony are accurate—18.9 percent referral rate for drug felonies, and we have 9.4 percent of the population in our border region.

It does not count the corruption of our U.S. law enforcement officials. Today, that is the business model for the Mexican cartels. Corruption is king.

They did not stop at the Rio Grande River. They are utilizing our ports of entry and between the ports of entry.

We had two sheriffs go down. We have had 80 Border Patrol agents knocked off for corruption, as a result of Federal corruption investigations, and hundreds more under investigation, because they have got billions of dollars.

So, there is an insidious aspect of it that is not reflected on index crimes that go back to 2009.

You have got to be careful. I was just talking to the chief over here about index crimes. They are always, you know, 2 years late, a year-and-a-half late. You know, in talking with our latest update from El Paso, there is a 1,200 percent increase in murders in El Paso.

Now, does that mean something dramatically happened? No, it just means that some things have happened, and that it shows up dramatically on that report.

But make no mistake about it. We are not happy with the fact that our border is not secure, because we know it can be secure, if the Federal Government commits sufficient resources to do it. This is not rocket science.

If you put sufficient men, equipment, and apply training, boats, aircraft, aviation—Congressman, you talked about technology—you can do it. This is doable.

There is no question the Federal Government can do this. When it is not done, there are consequences.

I have not talked to a counterterrorism expert—and, Mr. Chairman, you have dealt in this before—who is not mortified every time they look at the numbers of foreign nationals from countries with a known al-Qaeda presence, or Hezbollah or Hamas, that crossed the border, the Texas-Mexico border, that are detected and arrested.

We talk about performance measures, and how do you view success? Hey, it is great to have indictments, convictions, arrests. Seizures goes up. Hey, you know, our seizures are up 124 percent, and marijuana 168 percent, and cash.

All that proves is that the border is not secure. At the end of the day, the only performance measure that matters is that the border is secure, plain and simple.

That is not difficult to define. It means that, you know, from the Texas standpoint, or a lowly State standpoint—and I will try to throw something together here.

But, you know, it means, when an individual or individuals and contraband cross the border—either direction—and illegally, and are not, first, detected and, secondly, interdicted—plain and simple. It is not hard to do.

Because as one of the Congressmen had mentioned earlier, is that they do not do it for ideological reasons. They do it for profit.

Though I will say to your point, you know, Mr. Chairman, I was thinking about it when you were talking about the international terrorists and using a designation, is that it is interesting to observe that, you know, international terrorists engage in organized

crime to support their terrorist activities. Whereas the Mexican cartels are now engaging in terrorist activities to support their criminal enterprises and organized crime activities.

The barbarism? Al-Qaeda has nothing on these Mexican cartels.

We see, you know, four of our gangs that are operating directly with the cartels and supporting their hit squads. And oh, by the way, there are hit squad members of the cartels living in Texas. When we see that, we are obviously concerned.

When they expand in the past year from 4 to 18, when they grow three-fold, it is a dramatic increase, and we are very concerned.

The last thing I will say about, for example, last night. I did say Texas is a law-and-order State. Did I not make that clear? All right. We do not like people trespassing and vandalizing and breaking into homes on our farms, just because they happen to be on the border. We take offense to that.

We take enough offense to it, like last night, 11:50 p.m., Central time, which is the time that matters, we had two Border Patrol agents fired upon when all they tried to do—they are on the river, they are marine Border Patrol agents trying to interdict drug traffickers coming on boats. When they did, we had an individual. Three shots were fired. They looked up. Someone pointing a gun at them, and they returned fire.

On September 10 and 11—and we ought to be concerned—Border Patrol agents were fired upon. Same scenario on the river, Rio Grande River. This would be in Hidalgo County.

So, to say that there is not violence or concern, or that we have not had 58 high-speed chases, and, oh, by the way, the cartels are throwing out spikes, using chase vehicles and blocking vehicles to thwart law enforcement operations, to get these splash-downs. Then we have got retrieval teams of cartels on our side of the river to take the dope and the subject back over, and confront us.

That is unacceptable by Texas standards. I think that is unacceptable by American standards, as well.

Thank you.

[The statement of Mr. McCraw follows:]

PREPARED STATEMENT OF STEVEN C. MCCRAW

MAY 11, 2011

Chairman McCaul and committee Members, on behalf of the men and women of the Texas Department of Public Safety, I would like to thank you for the opportunity to appear before you today to discuss a vitally important public safety and National security issue, our unsecure border with Mexico.

Mexican Drug Trafficking Organizations have exploited weaknesses in our border defenses for many years in an effort to exert their dominance over the highly lucrative U.S. drug and human smuggling market and they have evolved into powerful and vicious organized crime cartels that now threaten the domestic security of Mexico. They battle each other and the Government of Mexico to maintain and/or increase their share of the multi-billions of dollars derived from the smuggling of drugs and humans into the United States, and bulk cash, high-value merchandise, stolen vehicles, and weapons into Mexico.

They use military and terrorist tactics and weaponry killing over 36,000 people since 2006 and there is no limit to their depravity. They employ horrific tactics to intimidate their adversaries and the public such as decapitations, acid baths, skinning people alive, torture, and Improvised Explosive Devices and they have expanded their criminal operations to profit from kidnappings, robberies, human trafficking, extortions, and theft. During the past several months we have seen reports of mass graves and self-censorship of the Mexican press. The Mexican Cartels work

closely with Texas-based and transnational gangs to support their criminal operations on both sides of the border. We continually see multi-ton drug loads seized throughout Texas.

The Mexican Cartels use a mature decision-making process that incorporates reconnaissance networks, techniques, and capabilities normally associated with military organizations such as communication intercepts, interrogations, trend analysis, secure communications, coordinated military-style tactical operations, GPS, thermal imagery, and military armaments including fully automatic weapons, rocket-propelled grenades, and hand grenades. They are very adept at corrupting government officials and entire institutions to support their criminal operations undermining the ability of Mexico to address this threat. Recent reports reveal that Mexico has only a 2% criminal conviction rate.

The 2011 GAO Report confirmed what we already knew in Texas, there are insufficient Federal resources to secure the Texas/Mexico border with as much as 70% to 90% of the 1,250 miles of border in Texas is only being monitored as opposed to managed or operationally controlled. It is important to note that the men and women of the Customs and Border Protection Service are dedicated professionals and do an exceptional job with the limited resources they possess. However, there has been a substantial underinvestment in border security for several decades to the benefit of the Mexican Cartels and the detriment of public safety and homeland security.

Texas is a law-and-order State and there is a high expectation by our citizens that Sheriffs, Chiefs of Police, and the Texas Department of Public Safety will work closely together with our Federal partners to proactively protect Texas from all criminal and terrorist threats regardless of their origin. When Texas landowners are overwhelmed by drug and human smugglers trespassing and vandalizing their property, they expect a timely law enforcement response and do not want to hear from Sheriffs and the State of Texas that it is not their job. The State of Texas has already invested over \$250 million to enhance border security efforts recognizing long ago its importance to the safety of all Texans.

The State adopted a unified command structure to centralize local, State, and Federal border-related intelligence across 53 Texas border counties and over a hundred local, State, and Federal agencies to support unified patrol operations on the ground, in the air, and on the water. Combining efforts is a force multiplier and provides a more accurate understanding of the current and future border-related threats.

It has also been necessary to increase the State's tactical capability on the border. The Cartels have become increasing confrontational using blocking and chase cars, caltrops to disable patrol cars during high speed pursuits and Cartel boat teams that confront U.S. law enforcement on the U.S. side of the Rio Grande River while they retrieve the drugs from vehicles that have been driven into the Rio Grande River to avoid capture. In ONE instance, Cartel members threw a Molotov cocktail at Texas Rangers in an attempt to avoid capture and on at least two occasions, Border Patrol Agents were fired upon from Mexico while patrolling the Rio Grande River. The State of Texas established Texas Ranger Recon Teams augmented with DPS SWAT resources, Texas Military Forces personnel, DPS Aviation and Trooper Strike Teams who work closely with local law enforcement and the Border Patrol to confront the Cartels in high-threat areas.

The committee requested that I provide an assessment of the impact of Cartel-related crime in the Texas border region. To accurately assess the overall criminal impact of an insecure border on Texas requires the syntheses of several different variables within and outside the border region. For example, if we were to use only Index Crimes as reported through the FBI's Uniform Crime Reporting (UCR) system, it would not include essential variables such as extortions, kidnappings, smuggling incidents, corruption, smuggling-related trespassing and vandalism, arrests of aliens from countries with strong terrorist networks, seizures of Cartel drugs, weapons, and bulk cash on the 10 major smuggling corridors throughout Texas, Cartel command and control networks operating in Texas, increases in Cartel-related gang activity, death squad members living in Texas, Cartel-related killings of U.S. citizens in Mexico, Cartel-related violence along the border directed at U.S. law enforcement and the recruitment of Texas children in our border region to support Cartel operations on both sides of the border. These indicators reflect what the Texas Department of Public Safety refers to as "spillover crime" and are discussed below:

- Over the last 18 months, six of the seven Mexican Cartels have established command-and-control networks in Texas cities. This is a three-fold increase.
- Within the last year the number of Texas prison gangs who work directly with the Mexican Cartels have increased from four to twelve. This is significant because 62% of prison gang members are incarcerated for violent crimes in Texas

and as much as 60% of the criminal activity in some Texas communities is carried out by gangs.

- Since January 2010, DPS has identified in Texas 22 murders, 24 assaults, 15 shootings and five kidnappings directly related to the Mexican Cartels.
- The Mexican Cartels are recruiting Texas school age children to support Cartel operations. The border region constitutes 9.4% of the State's population and now has over 18.9% of the juvenile felony drug and gang referrals.
- The Mexican Cartels are actively recruiting U.S. law enforcement officers to support their smuggling operations. Two South Texas Sheriffs were convicted for Cartel-related corruption and over 70 CBP Agents have been arrested for corruption along the southwest border.
- The Mexican Cartels and Texas gangs who support them smuggle and traffic in humans. There have been 480 human trafficking victims over the last 4 years, 77% were children. Approximately 10% of the calls to the National Human Trafficking Hotline come from Texas, more than any other State.
- The FBI in San Antonio reported that there have been 266 kidnappings since 2004, 14 reported in 2004, and 58 in 2009. Kidnappings include Americans kidnapped in Mexico, victims abducted in Texas and taken to Mexico and victims kidnapped in Texas by subjects from Mexico.
- Virtual kidnappings and extortions are increasing in Texas. There were 23 reports of attempted extortion in El Paso between August 2009 and September 2010.
- The amount of drug and human smuggling and trafficking that occurs in Texas is an essential indicator of the crime impact on the State. A senior DHS official has reported that only 6.5% of the drugs and humans smuggled into the United States from Mexico are interdicted. The Department of Public Safety is not in a position to confirm the percentage cited but it does track interdictions within the border region and seizures beyond the check points.
- The 2009 UCR data for the El Paso Police Department shows a reduction in murders; however, the 2011 data from the El Paso Police Department currently shows a 1,200% increase in murders from 2010 to 2011. The Department of Public Safety considers UCR data as only one indicator because of the delay in reporting and the limited incidents it captures.
- CBP Agents and Officers continue to arrest illegal aliens along the U.S./Mexico border from countries with a known terrorism presence and 74% of those arrests have occurred in Texas.
- A recent Federal investigation in Texas underscores the seriousness of this homeland security threat. Between 2006–2008, Dhakane smuggled 300 Somali illegal aliens, moving them through Brazil-Guatemala-Mexico-Texas and California. Dhakane eventually admitted that not only had he worked for many years for the designated terrorist groups AL-ITTIHAD-AL-ISLAMI (AIAI, or Islamic Union Courts/closely affiliated with al-Shabaab) and the AL-BARRAKAT, he moved at least seven committed Jihadists, most of them over the U.S. South-western border.
- Total amount of Operation Border Star seizures from 2006 to present have an estimated street value of \$7,939,824,739.23 (see Exhibit 1).
- The Texas Department of Public Safety has seen an increase in Cartel-related seizures occurring beyond the check points and along the ten major corridors in Texas.
  - Cocaine—28% increase;
  - Marijuana—124% increase;
  - Heroin—2,493% increase;
  - Methamphetamine—135% increase;
  - Bulk Cash—168% increase;
  - Weapons—155% increase.

When the U.S./Mexico border is finally secured the Mexican Cartels will no longer have access to the billions of dollars they use to undermine the domestic security of Mexico and the safety and security of the citizens of Texas and the Nation. Border security can be accomplished with the sufficient will and resources of the Federal Government working as a team with local and State law enforcement agencies.

## EXHIBIT 1

## TOTAL OB FROM 2006–PRESENT

| Seizures                    |             | Street Value          |                    |
|-----------------------------|-------------|-----------------------|--------------------|
| Marijuana (lbs) .....       | 5,957,250   | Marijuana .....       | \$5,242,380,403.39 |
| Methamphetamine (lbs) ..... | 4,813       | Methamphetamine ..... | \$191,673,350.06   |
| Cocaine (lbs) .....         | 66,858      | Cocaine .....         | \$2,238,596,134.72 |
| Heroin (lbs) .....          | 1,485       | Heroin .....          | \$119,703,650.54   |
| Cash (\$) .....             | 147,471,201 | Cash (\$) .....       | \$147,471,200.52   |
|                             |             | Value of Seizures ..  | \$7,939,824,739.23 |
|                             |             | Value of Drugs ..     | \$7,792,353,538.71 |
|                             |             | Only, no cash.        |                    |

Mr. McCAUL. Thank you, Mr. McCraw. Let me say, as a fellow Texan, thank you for your service to our State and the country.

It is refreshing to hear—the reason for calling the second panel is to get people who are on the ground, down on the border, who understand it and have seen it up close and personal. I think you have got a different story than political appointees in Washington perhaps have.

So, thank you for that.

Mr. Horne.

Mr. HORNE. [Off mic.]

Mr. McCAUL. You want to turn the mic on?

Yes.

**STATEMENT OF THOMAS C. HORNE, ATTORNEY GENERAL,  
STATE OF ARIZONA**

Mr. HORNE. It is on. Do I need to get closer?

It is not made for us tall guys, I am afraid.

Can I be heard now?

Yes, thank you, Mr. Chairman and Members. I certainly do agree with the Chairman's bill to designate cartels as terrorist organizations.

Mr. Chairman and Members, I have sued the Obama administration for negligence on the border with Mexico. The Obama administration had previously sued Arizona to prevent Arizona from helping to fight illegal immigration through Arizona's Senate Bill 1070.

I filed a counter-claim, asking for a court declaration that, among other things, the administration has failed to achieve and maintain operational control for the Arizona-Mexican border as required by Congress in the Secure Fence Act of 2006, and the Appropriations Act of 2008.

Some may question whether it is possible to get operational control. I argue that it is for the following reasons.

The Arizona border is divided into the Yuma Sector and the Tucson Sector. In 2006, the Bush administration put substantial resources into the Yuma Sector, which had been one of the most difficult sectors. As a result, apprehensions decreased 96 percent—96 percent—from 134,000 in 2005, to 7,200 last year.

Substantial operational control was obtained in the Yuma Sector. But in the Tucson Sector, last year, well over 400,000 people crossed illegally into the United States in this sector. That is the

equivalent of an invasion from various countries of 20 divisions, 400,000 people.

The criminal element increased from 8 percent in 2005 to 17 percent, more than doubling. Criminal enterprises based in Mexico are bringing a degree of brutality to crime in the United States that we have never experienced before.

They are bringing techniques they have used in Mexico, where attacks on police headquarters, assassinations of high government officials, murders of journalists, mass jail breaks and ultimatums, stating that the criminal enterprise will unleash terrorist acts unless the government gives its members amnesty for their crimes. All signify assertion of power unchecked by the rule of law.

The Drug Enforcement Administration has confirmed Mexican drug organization presence in 230 U.S. cities and towns. They are expanding from drug smuggling to all kinds of criminal activity. This presence in 230 U.S. towns and cities comes mostly through the Tucson sector.

The United States and Mexico's mutual economic future faces catastrophe, because Mexican drug cartels, fueled by the American appetite for drugs, are becoming entrenched as criminal enterprises that affect Mexican commerce, and whose method of intimidation is ruthless violence.

Mexico is the United States' second-largest trading partner, and the two countries must work together to be sure their commerce is not destroyed by criminal enterprises.

In October, the Phoenix area experienced its first beheading, where someone walked into a Chandler apartment and found a head in one part of the room and a body in the other.

Two months ago in Casa Grande, midway between Phoenix and Tucson, 15 cartel members had a firefight with bandits in an attempt to steal their drugs. Just a few weeks ago, one of my special agents in the attorney general's office was shot by a suspected cartel operative in the Phoenix area.

In the United States it is widely understood that marijuana, cocaine, and methamphetamine come largely from or through Mexico. It is also common knowledge that Mexican drug organizations are engaging in atrocities, murders, and widespread corruption.

In Pinal County, as an example, the number of pounds of marijuana seized has more than doubled in the last 2 years, from 20,000 pounds to 45,000 pounds.

The extent to which these criminal enterprises have expanded beyond smuggling to other kinds of crimes is not widely known. In addition to the massive invasion of illegal aliens and the extremely serious problem of criminal enterprises invading through the Tucson Sector, there is the problem of terrorism from the Middle East.

A terrorist seeking to enter the United States to do mass destruction could get through Mexico and blend in among the 400,000 people crossing illegally every year through the Tucson Sector.

The Border Patrol has caught over 600 people from Middle Eastern countries to-date. We can only imagine how many have gotten through in addition to that 600.

The Obama administration could do in the Tucson Sector what the Bush administration did in the Yuma Sector, but it has chosen not to do so.

In the beginning of World War II, the French discovered that a chain is no stronger than its weakest link. When German troops poured through an unguarded section of the Maginot Line, and the whole Maginot Line proved to be useless.

All of the work the United States has done to control illegal immigration in California, Texas, New Mexico and in the Yuma Sector are useless, if it simply increases the number of illegal aliens pouring in through the Tucson Sector.

The best plan that I know of to achieve control over the Tucson Sector is the 18-point plan prepared by the Arizona Cattle Growers Association. It includes additional technology and infrastructure, an additional 3,000 patrol field agents in Arizona, and forward operating bases immediately adjacent to the U.S. border with Mexico, approximately 1 every 12 miles.

Some of the Arizona Cattle Growers Association provisions are included in the McCain-Kyl bill currently before Congress.

Most immediately, the National Guard should be increased. There are 560 in Arizona now. There were 2,400 in Arizona in 2006, when the Bush administration obtained control over the Yuma Sector.

Mr. Chairman and Members, there are people in the United States and Mexico living in fear. They are victims of our Nation's appetite for drugs, victims of the Mexican cartels' thirst for power fueled by innocent blood, and they are victims of negligence by the Federal Government at the border.

This must end. I am doing my best in the courts. But sometimes courts decline to enter into what they view as political issues that need to be dealt with by Congress.

I ask you to please deal with this issue that is so crucial to our country. Thank you.

[The statement of Mr. Horne follows:]

PREPARED STATEMENT OF THOMAS C. HORNE

MAY 11, 2011

INTRODUCTION

I have sued the Obama administration for negligence on the border with Mexico. The Obama administration had previously sued Arizona to prevent Arizona from helping to fight illegal immigration through Arizona Senate Bill 1070. I filed a counterclaim asking for a court declaration that, among other things, the administration has failed to achieve and maintain operational control for the Arizona-Mexican border, as required by the Congress in the Secure Fence Act of 2006 and the Appropriations Act of 2008. Some may question whether it is possible to do so. I argue that it is for the following reasons:

The Arizona border is divided into the Yuma Sector and the Tucson Sector. In 2006, the Bush administration put substantial resources into the Yuma Sector, which had been one of the difficult sectors. As a result, apprehensions decreased 96 percent from 134,000 in 2005 to 7,200 last year. Substantial operational control was obtained in the Yuma Sector. But in the Tucson Sector, since 2009, well over 400,000 people have crossed illegally into the United States in this sector. That is the equivalent of an invasion, from various countries, of 20 divisions.

BACKGROUND OF THE CRIMINAL ENTERPRISES

The criminal element increased from 8 percent in 2005 to 17 percent. Criminal enterprises based in Mexico are bringing a degree of brutality to crime in the United States that we have never experienced before. They are bringing techniques they have used in Mexico, where attacks on police headquarters, assassinations of high governmental anti-organized crime law enforcement officials, murders of journalists,

mass jail breaks, and ultimatums stating that a criminal enterprise will unleash terrorists acts unless the government gives its members amnesty for their crimes, all signify assertion of power unchecked by the rule of law. The Drug Enforcement Administration has confirmed Mexican drug organization presence in 230 U.S. cities and towns. They are expanding from drug smuggling to all kinds of criminal activity. The United States and Mexico's mutual economic future faces catastrophe because Mexican drug cartels, fueled by the American appetite for drugs, are becoming entrenched as criminal enterprises that affect Mexican commerce from petroleum to groceries, and whose method of intimidation is ruthless violence. Mexico is the United States' second-largest trading partner and the two countries must work together to be sure their commerce is not destroyed by the criminal enterprises.

In October, the Phoenix area experienced its first beheading, where someone walked into a Chandler apartment and found a head in one part of the room and the body in another. Two months ago, in Casa Grande, midway between Phoenix and Tucson, 15 cartel members had a fire fight with bandits in an attempt to steal their drugs. Just a few weeks ago, one of my Special Agents in the Attorney General's Office was shot by a suspected cartel operative in the Phoenix area. In the United States, it is widely understood that marijuana, cocaine, and methamphetamine come largely from or through Mexico. It is also common knowledge that Mexican drug organizations are engaging in atrocities, murders, and wide-spread corruption.

In Pinal County, as an example, the number of pounds of marijuana seized has more than doubled in the last 2 years from 20,000 pounds to 45,000 pounds.

The extent to which these criminal enterprises have expanded beyond smuggling to other kinds of crimes is not as widely known.

While familial drug smuggling organizations have thrived near the border for generations, their present successor Mexican criminal enterprises now present a new and different threat to North American well-being. Although they are sometimes called drug cartels, they are not primarily cooperative price-setting entities and they are not just about drugs—they are primarily opportunistic, generally—and sometimes fiercely—competitive multi-crime criminal enterprises. This discussion uses the term “criminal enterprises” (“CEs”) because this term is used in Federal and State racketeering statutes.

There are many sources of the CEs' increased power. A few of them include:

- (1) Immigration into the United States brought Mexican criminals to U.S. cities in large numbers in the 1990s. DEA has confirmed Mexican drug organization presence in 230 U.S. cities and towns. Larger Mexican criminal populations allow Mexican drug organizations to rely on extended affinity to vertically integrate their distribution networks. Simultaneous law enforcement pressure on rival groups, such as the Colombians and their air smuggling methods, further permitted Mexican CEs to vertically integrate the drug distribution chain.
- (2) The Mexican CEs have incorporated influences from the “Zetas,” former members of an elite military unit originally recruited by a drug organization as mercenaries in inter-enterprise warfare. The Zetas brought with them greater eagerness to diversify into criminal opportunities other than drug smuggling. The Zetas also brought a culture of ruthlessness and intimidation, with huge economic power implications.
- (3) Expendable mercenaries are more available to the CEs. Maquiladoras, and other opportunities such as preparing to illegally cross the border into the United States, brought many unemployed young men to northern Mexico. The sharp decline of the economies of the United States and Mexico in 2008 swelled this available pool of mercenaries. With many young strangers available as gunmen, CE leaders are not as constrained about violent confrontations with rival gangs or with government authorities as they had been. When the casualties will be replaceable strangers, aggression and brutality become more acceptable.
- (4) The availability of high-powered weapons has armed the gunmen as never before. While the exact amounts and percentages of U.S.-sourced weapons that are being used by the CEs are the subject of some debate, it is beyond dispute that the CE gunmen have no shortage of weaponry and that U.S. sources account for some portion of these arms. Any weapons in this context are too many.
- (5) In the United States, it is widely understood that marijuana, cocaine, and methamphetamine come largely from or through Mexico. It is also common knowledge that Mexican drug organizations are engaging in atrocities, murders, and wide-spread corruption. Nevertheless, it does not appear to be widely understood that continued consumption of Mexico-sourced drugs is the direct root cause of the erosion of the free democracy in Mexico and ultimately of the economy of North America. Our young people are acutely aware of the indirect consequences of their consumer decisions. Yet they continue to buy Mexico-sourced

drugs as if there were no consequences for these decisions. This can only be explained by a lack of knowledge of the linkage between these particular consumer choices and the long term effects of those choices.

In Mexico, popular support for the representative government's desperate efforts to control the growing power of the CEs appears to be flagging as the death toll and violence mounts. The misunderstanding that these are simply drug or human smuggling organizations persists despite the general knowledge that the CEs are also engaged in many non-drug, non-human smuggling criminal activities. As in the United States, it appears that the populace in Mexico is not aware that the uncontrolled rise in the power of the CEs foreshadows the potential failure of the Mexican economy.

#### THE DANGER TO COMMERCE PRESENTED BY CRIMINAL ENTERPRISE DIVERSIFICATION

The CEs are increasingly engaging in diversified organized criminal activity, such as diverting petroleum products, agricultural crop theft, hijacking truck and train cargo, extorting major businesses, import/export fraud, intellectual property theft, and targeted intelligence-driven kidnappings of business and societal leaders. They are uniquely situated for attacks on trade because most of them grew out of smuggling organizations, so they can exploit their deep roots on the key trade routes between the United States and Mexico. Apart from the direct injury to the immediate victims, these diversified criminal activities are strategically significant in two ways. Most obviously, they are sources of income and therefore sources of power to the CEs. Most important, these crimes allow the CEs to infiltrate, burden, and ultimately destroy trade-related activity and investment.

The diversified CEs are fundamentally different from their predecessor smuggling-based organizations. The former passive bribery-for-amnesty stance of the smuggling organizations is now largely a thing of the past. The CEs are shifting to an aggressive stance, actively asserting primacy over the elected representative government in their respective geographic areas. Attacks on police headquarters, assassinations of high governmental anti-organized crime law enforcement officials, murders of journalists, mass jail breaks, and ultimatums stating that a CE will unleash terrorist acts unless the government gives its members amnesty for their crimes, all signify assertion of power unchecked by the rule of law.

Taking advantage of non-smuggling criminal opportunities requires immunity of a fundamentally different kind than that accorded to smuggling organizations in the past. Past impunity was for smuggling, which is regarded as mostly victimless from the Mexican point of view. Present crimes are far from victimless. So immunity cannot be bought, and therefore must be coerced. Diversification necessarily requires and encourages intimidation. Because the crimes are not victimless, law enforcement and the populace at large must be discouraged from taking action by means other than mere bribery. In this context, open and notorious cruelty and inhuman atrocities serve an economic purpose. They terrorize the general public with two complementary messages: (1) The CE will show horrible cruelty to any who stand against them (such as by having the wife who thought she was bringing ransom money to rescue her husband forced to watch as his head is cut off); and (2) the representative government is powerless to do anything effective about it. This is one explanation for the apparent escalation in the level of atrocity. Murders escalated to beheadings and mutilation. Beheadings became commonplace, so killers are now skinning the victim and ripping the heart from the chest, leaving the corpse so grotesque that responders can barely stand to look at the remains. The diversification of the criminal activity and the decline of representative government authority are complementary—one escalates as the other declines. As organized criminal activity succeeds—success defined as being accomplished at a profit without countervailing consequences for the perpetrators—it is repeated and expanded. The diversification means that all economic activity in the particular area is increasingly at risk of victimization.

The societal impact of the CEs' campaign of terror is well encapsulated in the presence of .50 caliber machine guns mounted in CE SUVs patrolling the streets of Mexican border cities. This weapon, in the hands of a CE, is a brazen assassination about to happen.

The mere existence of such CE war wagons speaks volumes. Most significant for strategic purposes, such weapons signify the vulnerability of legitimate business because no business can stand against extortion and victimization when the perpetrators are this cruel, have this kind of firepower, and have the impunity to display it. The war wagon is a rolling advertisement that business must capitulate—or else—and that investment in Mexico includes the associated risks.

*Internal Limiters Within CEs*

If the Mexican CEs could be relied upon to recognize the economic consequences of their depredations and desist before it is too late, then the potential strangulation of commerce would not be an inevitable consequence of the growth and evolution of diversified CEs.

Organized crime leaders operate in a treacherous high-risk environment in their daily lives. They stay in charge by inspiring, fostering, and demanding the loyalty of an immediate inner circle. Keeping a loyal inner circle involves several strategies, the most important of which is making financial opportunities available to the most loyal. If the dominant figure turns away apparent economic opportunities for his CE, and therefore for his inner circle, he invites that inner circle to look to another contender for leadership. There is always another contender waiting in the wings for a shot at the top spots. When traditional U.S. Mafia dons balked at trafficking in narcotics, they were replaced by leaders who would condone it because the profits were high. Whenever criminal opportunities are identified and prove successful, leaders must exploit them or risk being replaced (which often involves their death).

This analysis applies to the potential for strangulation of U.S./Mexico commerce. The CEs continue to exploit and expand their ability to engage in criminal opportunities because there is no internal limiter. The CEs may not intend to strangle commerce. Indeed, they may have no thought that this could happen and no desire for this result. But a pack of wolves may decimate a deer population without a thought about what that may mean to future wolves years hence. They act like wolves because that is their nature. CEs act like CEs because that is their nature. They will continue to escalate their parasitic criminal conduct without regard to whether their crimes will ultimately kill the host. They will continue unless and until they are stopped. So the diversification of the Mexican CEs' criminal conduct will continue as long as the economic opportunities are there and will take whatever advantage of those opportunities that they can get away with.

*Governmental Retreat*

If the capitulation of the Mexican government would end the bloodshed, perhaps the threat to commerce would abate. Some observers of the present violence have written that President Calderón's decision to call in the military was the initial cause of the present violence. This is worth mentioning only because if that was the cause, then reversal of the decision could be seen as a possible way to end the violence. However, the rise of the newly aggressive and power-acquiring CEs was not caused by Calderón's administration, and in any event, to the extent that increased law enforcement has some violent repercussions, the Mexican government cannot reverse that course of action.

The Zetas arrived on the scene in the late 1990s, bringing their military tactics and new ruthlessness and opportunism. For example, drug violence in Nuevo Laredo increased dramatically in 2004 and over 100 people died in Nuevo Laredo alone in January–August 2005. This was long before Calderón's inauguration.

The frequent references to the number of murders in Mexico since the start of the Calderón administration in late 2006 create the unfounded and unfair impression that the violence began with his administration. This is not true. They also create the incorrect impression that his policies are a cause of the violence. Since the violence began before his administration, this is patently false.

The CEs' tactics are rooted in the CEs' diversification and their need to avoid prosecution for crimes beyond drug and human smuggling. The violent tactics have the effect of undermining representative government by instilling lack of confidence and fear in the Mexican people. These outrages to civil life include murders of reporters, murders of mayors and a gubernatorial candidate, postings of murder threats and actual videos of murders (including beheadings) on the internet, ads for criminal gang recruitment in the newspapers, murders of and death threats to clergy, "taxation" (extortion) of city residents, car bombings, and horrific mutilations. While torture has always been a part of criminals' intelligence gathering, torture for the purpose of getting information is different than wanton mutilation of the already-dead bodies and the public desecration of their remains, such as by hanging mutilated bodies in public, skinning corpses, or delivering severed heads with messages. These are not responses to law enforcement. If they were responses to law enforcement, they would be done in the United States by the representatives of these same CEs in U.S. cities in response to even more effective law enforcement. They are not done in the United States for the simple reasons that the CEs are not presently contending for control of cities or areas of the United States, as they are in Mexico, and they do not believe they could avoid prosecution for such crimes in

the United States, as they do in Mexico. Erroneous attribution of the violence to the law enforcement efforts to control the CEs and the resulting erroneous understanding of the reasons for the CEs' tactics leads to the erroneous idea that law enforcement accommodation would end the escalation of CEs' criminal power.

In any event, in the present circumstances, it is not really possible for the Mexican government to back down. Mexican smugglers have operated with relative amnesty, but that was in the context of the crimes of drug and human smuggling. The crimes have changed. They now include diversion of petroleum (owned by the government and therefore by the people), hijacking cargo, kidnapping business people, extorting insurance companies, extorting whole cities, and atrocious murders, including of clergy, journalists, and political leaders. No government can look the other way in connection with such conduct, no matter what bribe is offered, so there is no "back down" solution.

Nor would the CEs accept a return to the former order, even if could be offered. The scenario suggested by some is that with a new president and new administration, the CEs could return to the prior order, agree to limit criminal activities to drug and human smuggling, perhaps consolidate to a more manageable smaller set of CEs with agreed territories, and pay bribes for peace with the government. This scenario rests on three unsupported foundations.

First, as explained above, once the CE has enjoyed the criminal benefits of operating with impunity in a governmentally-challenged area by exploiting new criminal opportunities, and parceled out those additional income streams to the inner circle, its nature does not permit unforced retreat. A leader who proposed to his inner circle that the group henceforth limit itself to drug and human smuggling and abandon the other criminal opportunities would not remain the leader for long. The evolution of the drug smuggling organizations into diversified organized criminal enterprises was an evolution, not a simple temporary switch of one set of tactics for another.

Second, there is no reason that the present CEs would accept the limited role suggested by this scenario. Mexican law enforcement and military efforts have so far proven inadequate to slow the diversified criminal conduct. They have had some success at lopping off top participants and at making some activities more difficult, particularly drug activities, and a great many gunmen have been eliminated by the authorities or by each other, but there is no evidence that the CEs' combined net income has declined. Because there is no existing credible threat of appropriate consequences, the hypothetical government suggestion of peace terms would offer nothing to the CEs that the CEs don't already have.

Third, this scenario supposes tight control throughout the ranks of the CEs, such that an order from top CE leadership to forego income from non-drug, non-human smuggling activities would be effective. The CEs have recruited many young guns, and many of those recruits are now forever changed by having adopted the macho high-risk, high-spending values of their peers. They are unlikely to accept any such order. Faced with their own gunmen's desire to continue to engage in profitable crimes, a cartel leader who had given such an order would have no incentive to spend the lives and resources necessary to enforce the order, even if the leader had the power to do so.

#### *Legalization of Drugs*

Some argue that the legalization of drugs may be a panacea by which the violence could be stopped and the strength of Mexico's representative government restored, deflecting the threat to the economy. This is simply not possible. The fulcrum is economics, not politics. Please consider the economics of, say, a hypothetical "National Cocaine Corp." ("NCC"), a new business formed to sell hypothetically recently legalized cocaine in the United States. As the first order of business, NCC must undertake the expense of getting an FDA permit after showing the purity of the product and the conditions of its manufacture in a clean plant under closely monitored conditions, under the watchful eyes of various doctors, chemists, and quality control experts. Next, NCC must pay for insurance against the inevitable lawsuits a la the massive suits against Big Tobacco. Next, NCC must set its prices based on its payment of enormous taxes, like alcohol and tobacco, but undoubtedly much higher. But the Mexican CEs won't have any of these expenses. In addition, legalization will no doubt deem some young people; say those under 21, too young to use the drugs legally, again like alcohol and tobacco. This market would not be available to NCC, but the CEs would keep selling to this market. Bottom line: There is no legal product that can match the price of smuggled drugs. So the Mexican CEs would stay in business and would continue smuggling the same products, but for a larger market because the products are approved by the government as "legal [sic.]"

*Sealing the Border*

Taking this suggestion at even its most perfect vision, sealing the border cannot resolve the threat to commerce. Assuming for the sake of this discussion that the United States could somehow erect a perfect, miraculous wall through which no illegal drugs, aliens, guns, or money could flow, this would not stop the CEs in Mexico from operating. They would continue to develop diversified criminal activities, in addition to selling more drugs in Mexico. They would complete the escalation of their dominance over the representative government, strangling U.S./Mexico trade from the south side of the perfect wall. They would still cause economic collapse. The collapsed Mexican representative government would then have little control of the growth of the CEs. The CEs would turn their attention to penetrating the United States with diversified criminal activities, using the collapsed northern Mexican areas as staging grounds. After economic ruin, Mexico would become a staging area for CE diversified criminal attacks on the United States.

*Abandonment of Mexico*

It is also tempting to some to suggest that the United States hide behind Mexico's sovereignty to continue our role. But this is not an option. Certainly sovereignty is an issue that the United States must deal with in true partnership against our common enemy, but abandonment of our neighbor and trading partner is not a proper way to recognize and honor its sovereignty. Nor would it be effective to avert economic catastrophe.

*The Hard Reality*

In addition to the massive invasion of illegal aliens, and the extremely serious problem of criminal enterprises invading through the Tucson Sector and the rest of the border and spreading throughout the United States, there is the problem of terrorism from the Middle East. A terrorist seeking to enter the United States to do mass destruction could get to Mexico and blend in among the 400,000 people crossing illegally every year through the Tucson Sector.

The Obama administration could do in the Tucson Sector what the Bush administration did in the Yuma Sector, but it has chosen not to do so.

In the beginning of World War II, the French discovered that a chain is no stronger than its weakest link, when German troops poured through an unguarded section of the Maginot Line, and the whole Maginot Line proved to be useless. All of the work the United States has done to control illegal immigration in California, Texas, and New Mexico, and in the Yuma Sector, are useless, if it simply increases the number of illegal aliens pouring through the Tucson Sector.

The best plan that I know of to achieve control over the Tucson Sector is the 18-point plan prepared by the Arizona Cattle Growers Association. It includes additional technology and infrastructure, an additional 3,000 Border Patrol Field Agents in Arizona, and forward operating bases immediately adjacent to the U.S. border with Mexico, approximately one every 12 miles. Some of the Arizona Cattle Growers Association provisions are included in the McCain Kyl Bill currently before Congress.

Most immediately, the National Guard should be increased, not removed, as currently planned by the administration. There are 500 there now, and there were 6,000 there in 2006 when the Bush administration obtained control over the Yuma Sector. Removing the Guard from its role on the border is the exact wrong thing to do. It will leave a gaping hole in law enforcement efforts, put more innocent lives at risk, and it sends a message—whether intentionally or not—that the administration is not serious about border security.

The sober truth is that the United States faces a substantial and immediate risk that the Mexican criminal enterprises will drive the United States' neighbor and second-largest trading partner into economic ruin in the next few years. There is no easy "back down" solution, no "legalize drugs" solution, and no "seal the border" solution. Mexican CEs pose a serious threat to U.S./Mexico commerce, which in turn poses a serious threat to the economic health of Mexico and therefore of North America.

It is going to be a very difficult and costly road. It will require careful assessment of the options, none of which are easy or attractive, in an atmosphere unclouded by simplistic rhetoric relating to such things as hoping that organized criminals will give up lucrative criminal lines of business to get impunity from prosecution that they already have, hoping that they will show selfless patriotism, legalizing drugs, or sealing the border. It is time to put these impossible, ineffective, or irrelevant agendas aside and consider what must be done for the survival of North America's economic health. There is no easy way around it.

## CONCLUSION

Mr. Chairman and Members, there are people in the United States and Mexico living in fear. They are victims of our Nation's appetite for drugs; victims of the Mexican cartels' thirst for power fueled by innocent blood; and they are victims of negligence by the Federal Government at the border. This must end. I am doing my best in the courts, but sometimes courts decline to enter into what they view as political issues that need to be dealt with by Congress. I ask you to please deal with this issue that is so crucial to our country.

## APPENDIX

COUNTERMEASURES EXHIBIT: THE FUNDAMENTAL CHANGE IN THE ESSENTIAL GOAL  
REQUIRES FUNDAMENTAL STRATEGY SHIFTS

The escalating power of the CEs in Mexico and the resulting threat to North America's economic stability are the core concern. This is because without adequate defense of commerce all sub-agendas fail—judicial and government corruption reforms, social and labor programs, suppressing violence, drug and weapon interdiction, illegal immigration—all require viable representative government.

*Containment No Longer Central*

Recognizing that the keystone of all other agendas is defense of legitimate commerce requires fundamental reconsideration of how we evaluate potential strategies. U.S. strategy relating to smuggling organizations has long been evaluated by measuring its effectiveness in terms of interdiction of drugs arriving in the United States. Policy considerations have been fundamentally a balance of the amount of resources required to get an acceptable interdiction result. Adjustments relating to domestic activities have been made in the relative share of resources devoted to interdiction, preventive education, and treatment, but the worst-case scenario has been marginally more drug use. That has changed. That containment model no longer applies because containment cannot avoid the emerging threat. The present core threat—the potential for economic collapse—can occur if drug interdiction remains constant or even if drug interdiction improves. The diversification of the CEs' criminal activities means that there could be a collapse that is not solely caused by drug smuggling. The most essential goal is no longer preventing prohibited imports—it is finding ways to preserve legitimate commerce. We simply cannot prevail by playing goalie—keeping the other side from getting smuggled drugs or humans past our border defense—so no matter how good we may get at playing goalie, it will not be good enough.

*U.S. No Longer the Key Theater*

In the past, the U.S. efforts to control drug and human smuggling have been staged almost entirely in the United States with some relatively minor activities in Mexico. The present threat to commerce will be won or lost in Mexico. As discussed above, even sealing the border, if it were possible, would not save the North American economy from the CEs and it would not prevent the CEs from becoming entrenched in a collapsed Mexican state immediately south of our border.

*U.S. Success No Longer Possible Without Mexican Success*

As a corollary of the above, the United States is no longer solely in control of the outcome. It must depend on Mexican action because if the Mexican government loses the battle for control of the trade routes, the United States and Mexican economies will be devastated without regard to U.S. efforts that take place exclusively in the United States. Quite simply, the United States cannot prevail in this struggle unless the Mexicans prevail. Geography is not optional—so we must succeed with the neighbor we have.

*Much Strategic Thinking No Longer Appropriate*

Strategists in this field generally have drug-fighting backgrounds. They have observed and understand the devastating effect drug use has on the quality of life. They tend to focus on the flow of illegal drugs. Of course the flow of illegal drugs is a major concern, and the anti-drug efforts must continue. However, relegating the deeper and more significant threat to the general North American economy to the margins of strategic analysis leads to an allocation of resources that marginalizes the commercial threat. The threat to commerce is the key because economic collapse forecloses all other government efforts, including drug interdiction.

Other strategists have international intelligence backgrounds. They tend to focus on the intramural ebb and flow of the fortunes of the various CEs. This focus has some positive effects, such as illuminating the fact that the CEs are not a mono-

lith—an important circumstance that is generally absent in media accounts. CEs are quite different and behave differently in important ways. As examples, the Zetas are not derived from smuggling family roots, La Familia Michoacana fronts a social and pseudo-political agenda, asserting in effect a divine mission to murder and torture its drug-dealing rivals, the Gulf Cartel has substantially older leadership than others, and fragmentation of CEs presents significant law enforcement opportunities in addition to increasing CE casualties through inter-CE violence. While all of these differences are important because they indicate different tactical approaches against the respective enterprises, all of the CEs are arrayed against the rule of law and all of them together present the threat of economic strangulation, so focusing on the ebb and flow of their internal power struggles and shifting alliances as though they were competing soccer franchises distracts from addressing their collective threat to the economy. It also has the effect of placing too much emphasis on the importance of individual leaders, the removal of which is indeed important but is not the key to ultimate success.

Consideration of just the raw total numbers in connection with the murder rate may also misdirect resources. The level of organized crime-related murders in Mexico is staggering—now set by State Department sources at some 36,000 since the end of 2006, and rising sharply year after year, with over 15,000 in 2010 alone. However, identification of the reduction of this entire figure as a primary goal would not serve the preservation of U.S./Mexico commerce. Much less than half of these casualties involve police, military, and other non-drug-related members of society, such as kidnapping victims, journalists, clergy, and bystanders. It is this minority of murders that is directly related to economic concerns because it is these murders that undermine popular trust in government institutions and investment in Mexico. Investigation and prosecution of these crimes directly supports stability, investment in resources, and commerce. In contrast, the remainder of the death toll represents the fall-out from turf battles and internal strife among CEs. This part of the death rate rises when inter- and intra-CE competition rises, which often happens after the arrest or removal of a dominant CE figure, whether by government action or by internal action. So this portion of the death figure actually serves as a rough barometer of the government's success in stirring the CEs up by taking successful action against them and breaking them into warring fragments. Therefore, the fact that this part of the total figure was very high in 2010 and is climbing in 2011 is bad news primarily for the deceased, but not bad news for the survival of the economy.

#### *Drug Consumption Decisions No Longer Just Personal*

Americans generally see drug involvement as an individual choice between avoiding illegal drug use and suffering jail, treatment, or marginal/stunted lives. Americans often view the actors as choosing their own course but not so much choosing consequences to others outside their immediate family and social circle—like choosing a career or a level of commitment to a healthy lifestyle. The stakes are now vastly different for those not directly involved in these decisions. Americans who choose involvement with Mexico-sourced drugs are choosing economic devastation for the rest of North America and political disenfranchisement for Mexican citizens. Mexicans who choose allegiance to the CEs in Mexico are making a similar choice. So success depends on elevating social consciousness to a degree that has not been necessary at any previous time on the drug issue. The level of collective social commitment to avoid Mexico-sourced drugs must be very high to overcome the reluctance of drug users to give up some of their sources or choices. No national cause has required this level of joint commitment of Americans on any issue since World War II.

#### COUNTERMEASURES

We—the United States and Mexico acting together—must act decisively now. It will require a close partnership with, and often following the leadership of, the Mexican government. The alternative is the catastrophic consequences of a destabilized Mexico.

#### *Strategic Considerations Today*

Strategically, we first acknowledge that the most pressing threat is strangulation of U.S.-Mexico trade. This differs from the conventional wisdom of some strategists described above. Importation of illegal drugs and illegal aliens are of course enormous and multi-faceted concerns. In addition to the harm these activities do to the United States, they also fuel the CEs. But the significance of these harms is overshadowed by the fact that if the Mexican economy fails, all efforts to control these CE activities will also fail because Mexican government resistance will disintegrate. The CEs will then have ready access to multiple alternative sources of income from

the diversified criminal activities within Mexico and will have protected bases in northern Mexico from which to extend criminal operations into the United States. Our two countries have labored under high levels of drug and alien smuggling for many years. Therefore, we can continue to do so at least until the CEs are broken. But we cannot afford a failed Mexico. Defending U.S.-Mexico commerce and investment is therefore our most pressing focus.

Strategic allocation of resources and priorities generally involves identifying the essential components of a criminal group or industry, focusing on those components that are most essential to the criminal activity and most vulnerable to governmental action, and attempting to bring specific remedies to bear on those pressure points on the criminal organism. As an example, movement of money from undocumented immigrants' sponsors to coyote organizations through an immediate payment mechanism such as Western Union is an essential element of the coyote business model in the Southwest. The coyote money arriving in Phoenix was a root cause of substantial violence—home invasions, kidnappings (i.e., theft of human cargo by rival coyotes), and inter-coyote assaults and murders. The wire transfers are subject to law enforcement interference. So focusing on those transactions was a very effective strategy to combat coyote violence in Arizona in the 2001–2009 time frame.

Applying this strategic process to Mexican CEs points to focusing on their interaction with legitimate businesses, such as interaction to accomplish money laundering and interaction with business suppliers of necessary services and materiel, such as money movement, communication equipment, weapons, or vehicles. This presents challenges when applied to the Mexican CEs' diversified criminal activities. The expanded list of Mexican criminal enterprises' criminal activities includes petroleum theft, agricultural crop theft, product counterfeiting, cargo hijacking, business kidnapping, business extortion, and import/export fraud. These all require substantial business-directed infiltration, subversion, and corruption in the target industries. But U.S. law enforcement is generally ill-prepared and woefully understaffed to counter such attacks. Moreover, these activities are much more centered in Mexico than drug and human smuggling. U.S. law enforcement is particularly ill-prepared to conduct business-directed financial investigations in connection with businesses operating in Mexico.

Ultimately, success or failure will pivot on two key fulcrums: The U.S. public's recognition that use of Mexico-sourced drugs is killing North America economically and the Mexican people's continuing support of their government's efforts to maintain the rule of law. If either of these fails, Mexico will likely descend into economic ruin and political instability, and large parts of the U.S. economy, particularly in the Southwest, will sink with it.

#### IMMEDIATE TERM COUNTERMEASURES

In the immediate term, focusing on preserving U.S.-Mexico commerce points to several parallel goals:

- (1) Focusing U.S. and Mexican investigation and prosecution on the CEs' incursions into commercial activities, with the investigations centered in Mexico and the prosecutions in the United States;
- (2) Cutting off CEs from sources of income, services, and materiel that the United States has direct influence over, specifically money laundering, including the payments for illegal drugs and aliens, and the weapons flowing south from the United States; and
- (3) Recasting and vastly expanding efforts to prevent and treat U.S. use of Mexico-sourced drugs.

#### *Investigations and Prosecutions*

The first of these focal points will require significant new approaches and resources:

##### *Business Outreach*

a. U.S. Government outreach to all U.S.-Mexico international businesses. Enlist as allies those that are in some way facilitating the CEs, wittingly or unwittingly. As examples, money transmitters and stored value program operators are used by CEs to transfer value from the United States to Mexico without the risk and expense of smuggling bulk cash. Hundreds of millions of illicit dollars pass through these systems annually. Review anti-money laundering programs and industry contribution of data relating to these transactions and gather industry insights into how the illicit money flows and how industry members could prevent or report it. ICE began similar efforts with its Trade Transparency Unit in 2009.

*Industry Teams and Strategies*

b. Recruit and train Federal and State investigators and prosecutors in the United States and Mexico to address specific criminal industries, to include petroleum theft, cargo hijacking, import-export fraud, kidnapping/extortion, and intellectual property theft (i.e., product counterfeiting) aimed at international businesses. Enlist victim businesses to educate law enforcement and to partner with law enforcement in focused attacks on these diversified criminal activities. Expand existing Federal and State racketeering efforts to support bringing trade-based civil and criminal racketeering cases in U.S. courts.

The strategic analysis applied by these teams, as elsewhere, would start by identifying the components that permit the CEs to continue and prosper and thereby threaten U.S.-Mexico trade. It would proceed to identify those components that are most essential to the CEs' endangerment of the U.S.-Mexico economy, and then those components among them that are most vulnerable to Government attack.

An effective strategy calls for objectively quantifiable, meaningful goals and objectives. The amounts of drugs seized and the number of arrests of CE participants have served this purpose badly. They measure the wrong metrics, and do so ambiguously. We need to focus on Mexican business measures, particularly businesses involving the border area, and on the effective net profit of the CEs. Certainly this second figure is particularly difficult to estimate and will require some incisive research, but this is a war of attrition, and we need to aim at the center of the target, so we need to do the work necessary to estimate this figure and keep it ever in front of us as our ultimate measure of success. A goalie measures success by the number of saves. A warrior measures success by the eradication of the enemy.

*Coordinated and Data-Sharing Organization*

c. Collect these investigators and prosecutors in multi-agency collocated task forces modeled on the High Intensity Drug Trafficking Area (HIDTA) or Border Enforcement Security Taskforce (BEST) task forces. HIDTAs and BESTs presently dot the Southwest Border in strategic locations on the U.S. side. One BEST team already exists in Mexico City. These investigative operations would involve Mexican and U.S. investigators and focus on some specific areas of organized criminal conduct that directly attack commerce. The leaders on this list include petroleum thefts, truck and train cargo hijackings, extortion, kidnapping, and import-export fraud, but the list also includes financial industry segment. These particularly include the money transmitter and prepaid industries, which have both indicated willingness to work constructively with law enforcement.

This kind of operation is not new to law enforcement. As an organizational model, the HIDTA example of multi-agency cooperation effectively crosses jurisdictional boundaries and cuts across different levels of government, and it can also be applied to multi-national cooperation and industry partners operating in an appropriate capacity.

These groups would solicit industry participants' knowledge of their industry's vulnerabilities to penetration and victimization and acquire detailed understanding of the particular circumstances of CE attacks on that industry. Law enforcement would in turn pass on knowledge about the criminal organizations' activities and trends to industry to enable industry to assess threats and harden defenses. These groups would jointly encourage industries' coordination within and among themselves to alter practices to make victimization more difficult. They could also serve as bridges between industry and law enforcement and non-governmental organizations engaged in social programs, such as programs addressing the roots of gang recruitment, for example *Todos Somos Juarez*, created a year ago in the wake of the massacre of 15 non-gang-affiliated young people in Juarez by drug gunmen.

These task forces would be located in both the United States and Mexico, particularly in commercial centers such as Monterrey, Hermosillo, Tijuana, Juarez, and Saltillo. They would be administered to accommodate Mexican leadership of these operations in Mexico and still allow them to bring the resulting criminal prosecutions and civil RICO cases in U.S. courts using U.S. statutes. Like the U.S. HIDTAs, they would depend heavily on non-Federal officers and prosecutors. Because the conviction rate in Mexico is under 5%, the United States and Mexico must rely on continued extradition support from Mexico, which is now extraditing record numbers of defendants, until the Mexican statutes and judicial system are prepared to assume full partnership in the prosecutions.

One major impediment to the development of such coordinated trade preservation expertise is the lack of data connectivity among the law enforcement agencies most available to develop such cases. In particular, while each HIDTA is now independent, has its own way of doing business, and its own unique mix of law enforcement initiatives, they lack effective data connectivity in the Southwest, and of

course in Mexico. Although the information stored at one HIDTA could be necessary to further an investigation in another region, existing intelligence-sharing mechanisms are not set up to provide smooth access to the data in near real time. Enhanced data connectivity would move the HDTAs into position to serve as the foundation for the proposed new groups.

d. Expand U.S. judicial and related support resources in the economic centers with most direct trade and business headquarter connections with Mexico, such as San Diego, Los Angeles, Phoenix, San Antonio, Dallas, Houston, New Orleans, Miami, and New York. Substantial new prosecutions require substantial new resources.

The second of the focal points is money laundering, including bulk cash flow into Mexico. The strategic analysis described above identifies money laundering as an essential CE activity, one that directly leverages the CEs' infiltration of commerce and threat to trade, and one that is vulnerable to government action. Anti-money laundering enforcement has the triple advantages of attacking the economic incentive to engage in crime, making conducting a CE harder by interfering with the flow of money that CEs need to maintain their operations, and pointing investigations and prosecutions to dominant or corrupt participants and to specific CE operations by following the money trail back to them. Investments of CE proceeds in the United States are vulnerable to forfeiture and prosecution. The existing substantial efforts to locate and seize illicit money in transit should be expanded and better unified through intelligence sharing and resource coordination. Technologies such as tracking devices and license plate readers should be fully integrated into this intelligence coordination. Additional research into alternative means of value movement should cover black market peso exchange money laundering, other trade-based money laundering, and stored value devices.

Regarding the flow of weapons, cross-border multi-jurisdictional task forces similar to those described above must focus on the reduction of the flow of weapons into Mexico. These prosecutions would include racketeering actions against U.S. gun sellers who are aware that their sales are facilitating Mexican CEs. Racketeering prosecutions could also be used to vindicate civil liability for providing substantial assistance to CEs in connection with the shooting deaths of Mexican police officers with weapons traced to those selected complicit U.S. sellers.

These efforts should be supported by National legislation controlling movement of weapons into Mexico, such as requiring reporting of multiple sales of high-risk long guns (e.g., AK-47-style assault rifles) and large ammunition sales, and banning certain assault rifles and high-caliber weapons (e.g. .50 cal. weapons).

The money and gun interdiction efforts will take place largely in the United States. Law enforcement resources for these efforts are now made possible in part by the presence of the National Guard, which contributes directly to these efforts and also makes resources available that would otherwise be required to do things that the Guard does. Keeping the National Guard on the border is therefore an important objective.

The third of the focal points, preventing and treating use of Mexico-sourced drugs, will require, above all else, broad recognition of the consequences of funding the Mexican CEs by using Mexican-sourced drugs. A massive public education effort would get the truth to potential consumers, who, once aware of the consequences, will do the right thing. U.S. consumers have dramatically changed attitudes toward drunken driving and smoking once made aware of the consequences. They will also do so with regard to the threat to the economic survival of Mexico, the extreme violence, and the erosion of the quality of life in Mexico that are the consequences of Mexico-sourced drug use in the United States. U.S. consumers have not done so because they do not know the facts. The Mérida Initiative contained an explicit commitment to invest more resources in demand reduction. The administration has not adequately funded such efforts, although it has acknowledged the role of U.S. consumers in the CEs' rise. We can't continue to make empty promises. Nor can we fail to inform the public of the threat when informing the public is the best way to reduce that threat.

#### THE TIME FACTOR

The above immediate term goals would have been timely if begun 4 years ago when President Calderón began his initiative. Experience with new or rapidly expanding government operations counsels that these operations will take significant time to get into effective motion, but time is now very short. This time factor calls for some action that could buy breathing space to allow these initiatives to gain momentum.

This is a war of attrition in which the enemy is receiving vast amounts of income. At the same time, the enemy is not frugal, and is not saving its income. On the contrary, the gunmen who are responsible for the violence are living life day-to-day, spending freely in the shadow of a consciously or subconsciously held (and well-founded) belief that they will probably die an early death. A sudden and substantial loss of criminal income would create a cash flow crisis and massive disruption of operations, disloyalty, and internal strife, particularly among the young guns for whom the allure of sudden wealth makes their high-risk, high-adrenalin life glorious in their eyes.

The United States and Mexico, working together, probably have the capacity to create a short-term (6 to 18 months) cash flow crisis by moving decisively to cut off southbound cash and guns and, incidentally, northbound smuggled goods—drugs and humans. This would be a fully bi-national program, as with all of these proposals, involving Mexican support in the form of extraditions and access to defectors, in addition to mirroring U.S. efforts on the south side of the border. The particulars of such an operation are beyond the scope of this discussion. The obstacles are daunting. Moving investigators or officers to the border or to off-border theaters with direct effect on the border is complex and can be prohibitively costly in short terms. Identifying precise efforts that could be ramped up in a short time and that will have surgical effects on CE income is obviously difficult. Nevertheless, a concerted and coordinated effort to create a cash-flow crisis has not been done before. If successful, it would buy time to effectuate other longer-term countermeasures. It is worth the effort for the appropriate U.S. and Mexican representatives to attempt to work out the particulars of such an effort and assess its potential.

#### LONG-TERM GOALS

Focusing on preserving U.S.-Mexico commerce points to other long-term goals, including:

1. Expand support of Mexico's on-going reforms of its judicial system to make it more transparent, more resistant to corruption, and therefore more credible in its results;
2. Support of freedom of the Mexican press by assisting with investigations of intimidation and assassination of journalists and other media representatives;
3. Form joint anti-corruption initiatives partnering with U.S./Mexico international businesses to address corruption that affects U.S./Mexico trade;
4. Support of on-going Mexican reforms of the Federal and State police by offering training and technical support of Mexican law enforcement agencies and the Mexican military;
5. Promote more effective Mexican statutes adapting concepts from U.S. forfeiture, racketeering, and terrorism statutes to the Mexican legal framework;
6. Reduce the availability of young gunmen in northern Mexico by restructuring manufacturing opportunities, perhaps by encouraging plants to move from population centers, improving working conditions, and matching job supply and local demand for jobs more effectively to minimize excess labor supply.
7. The joint investigation and prosecution efforts described as immediate-term objectives and the training, statutory, and labor-related objectives described above imply a final set of objectives aimed at cross-border communication and cooperation. In addition to training, the United States and Mexico must fund and revitalize joint legislative and executive groups such as trade groups, border governors, border attorneys general, judicial conferences, and other similar non-governmental groups that serve to break down barriers to joint law enforcement and judicial cooperation.

#### CONCLUSION

Although the situation is dire, it is not hopeless. Mexico has indicated its will to survive by enacting sweeping judicial and anti-money laundering reforms. It is in the process of effecting fundamental anti-corruption measures. It is using military and newly created law enforcement capabilities and it is working with U.S. law enforcement more closely than at any time in memory. By acting now and working together we can still defeat this common enemy.

Mr. MCCAUL. Thank you, Mr. Horne. I would go on to say that it is a Constitutional obligation, not a political obligation, to protect the border. We have failed the States, the Federal Government has.

Mr. HORNE. That is correct.

Mr. MCCAUL. Sheriff Gonzalez.

**STATEMENT OF SIGIFREDO GONZALEZ, JR., ZAPATA COUNTY,  
TEXAS**

Sheriff GONZALEZ. Thank you very much. Mr. Chairman, good morning and thank you for the invitation to appear before you. Ranking Member Keating, also thank you, sir, and, of course, my Congressman, Dr. Cuellar.

Mr. Chairman, we formed in 2005 a coalition of sheriffs, because we were frustrated with our Government's inability to preserve and protect the border. We were seeing many, many things that were happening, especially the criminal element coming into the country, that we were very, very concerned about the murderers, people that have tried to kill police officers, child rapists who were coming back into our country. We were, of course, very, very much concerned with that.

We formed a coalition in 2005 and 2006. The sheriffs in Arizona, New Mexico, and California joined us in our efforts to speak with one voice to see if maybe then our Government, our Federal Government, would listen to us and provide some type of assistance to us.

Mr. Chairman, I define domestic terrorism based on the Federal Government's definition under 28 CFR, Section 0.85. That being, sir, and for the last seven words of this definition, citizens living along the Southwest border, would very much apply under the terrorism statutes.

That is, sir, "the unlawful use of force and violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof"—for the exception of this last seven words—"in furtherance of political or social objectives," we would have definitely domestic terrorism along the border, if not for the political and social objectives.

Again, many people in our jurisdictions are very much afraid of what is happening in Mexico, yes. However, there is a very, very, as far as I am concerned, spillover violence towards our country.

People perhaps claim that, if you are not involved in narcotics trafficking, you have nothing to worry about. Well, I differ with that, because there are many people that have gotten caught at the wrong place at the wrong time.

We have seen, Mr. Chairman—and I have attached to my written testimony some photographs as attachments—we have seen armed individuals coming into our country. We no longer see individuals, or we still see some, but we now see also individuals coming into our country that are being escorted by armed individuals—individuals with machine guns on them, individuals that have been given instructions by the drug trafficking cartels in Mexico to shoot it out with law enforcement officers. Otherwise, they are going to have to pay, or they lose their load.

In my situation, I have had deputy sheriffs in two different locations being shot at by smugglers of narcotics. I have also seen "wannabes"—but fortunately, my deputy sheriff who got injured seriously—where these individuals are transporting narcotics from Mexico that are being smuggled through our very porous border, are ramming our vehicles, causing our deputy sheriffs to roll over in their vehicles.

April last year we saw a kidnapping attempt, one of several that we have had in Zapata County. Fortunately, we were able to obtain some information and were able to stop the kidnapping from taking place. This did not stop the cartels in Mexico from trying again. Fortunately, again, we were able to spoil—or rather, foil—the second one also.

Questioned, they were looking for a 34-year-old in Zapata County who has been missing now for almost a year. He was abducted in Zapata County in the United States by Mexican drug trafficking organizations, or “wannabes.”

Again, we have seen the very ruthless, brazen, and open behavior of these cartels. When it comes to things like that, we are very much outgunned, and we are very much, you know, out—or overpowered, rather.

On different occasions, again, we have tried to stop these individuals. We have been shot at. We have also seized, in our jurisdiction, weapons and ammunition going to Mexico.

Yes, I admit that they were going to Mexico. However, information we received from them also was that part of this ammunition would remain in the United States, so whenever the cartels would come into the United States to continue their operations, they would be ready on the U.S. side of the border with ammunition and weapons to defend themselves.

Now, I am talking here about ammunition such as .50-caliber machine guns, which we, of course, do not have. I really do not care to have them, but these are what the cartels are using.

In my attachments, I also have attached a photograph of some hand grenades that were also caught in Zapata County, Texas—also, perhaps, destined for Mexico. Information again is that they were going to be—part of them were going to be left in Zapata County, or in the United States, for whenever this individual would come into the country.

Again, we have seen on an almost daily basis what I define as spillover violence. We have defined it this way. We have defined spillover violence as, if there is a reaction by U.S. law enforcement for an action that occurs in Mexico or in the United States. That is the definition of our coalitions.

We see it on an almost-daily basis along the border. The carjackings, the kidnappings, home invasions, the extortions, the shooting at officers from Mexico into the United States, or the individuals escorting loads. We see members of drug trafficking organizations going to police officers' homes in the United States to threaten the families.

We have, of course, seen the prison gangs and street gangs working with Mexican drug trafficking organizations, for all of this, again.

Some of them are politicians. When I say politicians, I consider myself a public servant. But politicians will disagree with me about spillover violence. We do have spillover violence.

Yes, like Mr. Cuellar mentioned, Congressman Cuellar, it is relatively safe on the U.S. side of the border. It is. However, we still have those worries about things that do happen.

We see, of course, individuals such as a single mother in Starr County, Texas, that every time there is gunfire in Mexico, right

across the border, she has to jump under her bed along with her three daughters, because bullets hit her home in Starr County, Texas.

We see that in El Paso. We have seen it in Brownsville, Texas, where colleges have had to be, you know, they have had to be awoken and evacuated, because of shootings. Ranchers in our jurisdictions are getting tired of people going through their property.

We are seeing also, of course, what we saw last year, a rancher, Robert Krentz in Cochise County, Arizona, get murdered. Right before that we saw two Border Patrol agents in California get murdered, repeatedly run over by cartels—on the U.S. side of the border—shot 10 times, once between the eyes as a message to law enforcement.

We all saw the shooting of another Border Patrol agent in Arizona not even a year ago.

We have seen also what happens, for example, in Falcon Lake, the best bass-fishing lake in the Nation. That is in Zapata County, Texas.

Mr. Chairman, you mentioned Ms. Hartley is present, and she has had an opportunity, of course, and I have had opportunity to talk to her on many occasions.

Yes, her husband was killed in Mexico. However, the cartels in Mexico were warned that they were going over there, by spies that they have on the United States side of the border.

We saw just what happened this last weekend, 13 individuals killed by drug trafficking organizations.

Now, our problem there, Mr. Chairman, is that we were never warned by the Mexican government or our own Government about what is happening in Mexico, and for us to be cautioned—have cautioned us what happened.

Some of these cartels stole boats in Mexico and came over to the United States side of the border. We were not aware of it.

There has been many other things that have happened, Mr. Chairman, and I know that I am running out of time. However, Mr. Chairman, the National Drug Intelligence Center has given those figures of 286 cities in the country in 2008 that have had a presence of Mexican drug trafficking organizations.

The same agency, the National Drug Intelligence Center, from the Department of Justice, also mentioned that in just 1 year's difference, there was a difference of 286 cities being invaded by drug trafficking organizations.

Mr. Chairman, the video I guess is showing right there, that is the video of cameras that we have with a grant from the Governor's Office. I do not know if it can be replayed from the beginning again.

But very briefly, Mr. Chairman, before I conclude my statement to you, this is videotape taken from the United States side of the border with cameras that the Governor's Office has given us, a grant that is given us.

We have been able to do in Texas in 3 years what SBI has not been able to do in billions of dollars in several years. This is proven technology.

These are individuals crossing the border. Ninety-five percent of these cases—this is just six different clips—have been stopped by

us, by Border Patrol, by local law enforcement—95 percent success rate.

What you see there, Mr. Chairman, those are neighborhoods right by the riverbank, individuals running through neighborhoods with bales of marijuana.

What you see in a little bit, you will see in thermal imaging a bridge. That is an international bridge. You will notice that the cartels were right under the bridge, right under our noses, are transporting their narcotics and humans into the United States.

You will also notice, sir, that is a bridge right there that you see. You will also notice a home next to it and just a little bit on thermal imaging. That is an official United States port of entry that these individuals are going across—feet away from the port of entry.

So, Mr. Chairman, again, border sheriffs, we are very much concerned with what is happening and the very unique problems along the border. In almost 10 years, we have seen nothing but broken promises in protecting our Nation.

September 11, 2001 was a very dark day in American history and the protection of a great Nation. What has changed in my backyard since then is very, very little.

In Texas, Mr. Chairman, we have no choice. We have had to pick up the fight to save our counties.

We did not ask for the battle of the border. However, we refuse to lose to criminals, Mr. Chairman. Border security is not a red issue. It is not a blue issue. It is a red, white, and blue issue. It concerns us.

We have been fortunate to receive some funding for Operation Border Star, an operation from the State of Texas; Operation Stonegarden from our Federal Government. We wish that maybe our Federal Government would consider a BASI, a border area security initiative, such as what you have now in urban area security initiative, but this time include just the border area.

We do have problems with information sharing. It is so unfortunate that our Federal partners did not want to appear in public with us, because that is one of the problems we have sometimes about sharing information.

Again in conclusion, Mr. Chairman, thank you for the opportunity. As I have always stated, sir, there cannot be homeland security without border security.

Thank you, Mr. Chairman, for what you do for our country. I appreciate everything you do, sir, and I would be more than glad to answer any questions that you may have.

[The statement of Mr. Gonzalez follows:]

PREPARED STATEMENT OF SIGIFREDO GONZALEZ, JR.

MAY 11, 2011

Chairman McCaul, Ranking Member Keating, Members of the committee, it is an honor and a privilege to be invited to appear before your committee to discuss Border Security and Homeland Security issues from the view of local law enforcement.

#### INTRODUCTION

Because of frustration in knowing that our Government was doing little to nothing in protecting our international border, Texas sheriffs along the Texas-Mexico border formed the Texas Border Sheriff's Coalition in May 2005. Subsequently, in

March 2006, and for the same reason, border sheriffs from New Mexico, Arizona, and California joined our efforts and we formed the Southwestern Border Sheriff's Coalition. We felt then, and still do, that the 2,000-mile border with the Republic of Mexico is very much unprotected, wide-open, and extremely porous.

The first and foremost priority of our coalitions is protecting all residents of this country against a terrorist act without regard to race, sex, color, or ethnic origin. We continue to believe that many persons have entered our country with intentions of harming us. We continue to believe that terrorists have expressed an interest and a desire to exploit the existing vulnerabilities in our border security to enter or attack the United States of America.

#### BORDER VULNERABILITIES

Domestic Terrorism—Defined—Code of Federal Regulations: “. . . the unlawful use of force and violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives.”<sup>1</sup> For the exception of the last seven words of this definition, people living along the Southwest border, as well as other areas of our Nation, have experienced and/or are presently experiencing some form of “domestic terrorism”.

There have been many instances where individuals coming into the United States, some armed with firearms, have been reported by landowners. Some of these landowners set up game cameras on their land. Some of these cameras have photographed armed individuals crossing their land. These individuals were probably drug or human smugglers that were armed while escorting, or “protecting”, whatever it was that they were tasked to protect. Figure 1 on the attachments shows these individuals. These smugglers will not hesitate to engage law enforcement in the United States.

In many counties along the border, police receive reports from informants of kidnappings in their respective counties. Individuals are kidnapped and taken to Mexico for ransom. Family members seldom file official reports due to fear of retaliation. In Zapata County, as well as in other counties along the border, we receive reports from informants of kidnappings in our counties.

On April 2, 2010, a kidnapping was thwarted in Zapata County, Texas. Enforcers of the Zeta Cartel were sent to Zapata County to kidnap and take to Mexico an individual who they thought had provided information to the Zapata County Sheriff's Office regarding a marijuana transaction. They were to kidnap the Zapata resident and take him to Mexico where they were to kill him, videotaping the killing. Four of the six involved are from the Mexican state of Durango, another from Zapata, and yet another from Roma, Texas. Information was obtained about the kidnapping, surveillance was conducted, and arrests were subsequently made. The cartel kept trying. Another attempt was recently foiled by law enforcement.

The FBI's Assistant Agent-in-Charge of the McAllen, Texas, office, John Johnson, now retired, testified before a joint hearing of the Border and Intergovernmental Affairs Committee and the Public Safety Committee of the Texas House of Representatives that kidnappings had almost doubled between October 2008 and September 2009. He stated that most were connected to the drug trade. He was quoted as saying that “Fiscal Year 2009 was off the charts.”<sup>2</sup>

Abductions are also very common along the United States side of the border of South Texas. I am still searching for a missing 34-year-old Zapata resident. This resident was tricked and subsequently abducted in Zapata County by Mexican cartel wannabes. It is believed that he was killed somewhere either in Zapata County or Mexico. This case is still under investigation.

#### BORDER THREATS

Through intelligence information we have learned that several murders along the Texas-Mexico border, have been orchestrated by members of drug cartels operating on both sides of the Rio Grande River. These drug cartel enforcers cross the Rio Grande River, some illegally in areas other than a designated port of entry, commit their murders, or other crimes in the United States, then go back to Mexico, again, via the Rio Grande River. They are very well-armed and are determined to accomplish their goal.

Prison and street gangs in the United States have formed partnerships with Mexican Drug Trafficking Organizations (DTOs) and are their enforcers in the United States.

<sup>1</sup>28 C.F.R. Section 0.85.

<sup>2</sup>Texas House of Representatives joint meeting of the Border & Intergovernmental Affairs Committee and the Public Safety Committee, April 29, 2010.

More and more, law enforcement is seeing, and citizens are reporting, armed individuals entering the country via the Southwest border through areas other than a port of entry. It is a matter of time before a shootout will occur between law enforcement and armed drug/human smugglers. In the unfortunate event of a shootout, Federal, State, and local officers along the Southwest border, seeing the weapons used by the cartels (Attachments Figures 2 and 3), are not adequately armed. Compared to the ruthless, brazen, and open behavior of these cartels, law enforcement is certainly outmanned and outgunned.

On two different occasions within the last year, deputy sheriffs were shot at while they were trying to apprehend individuals who had absconded when they were stopped for a traffic violation. Drug smugglers are also ramming law enforcement vehicles during pursuits. I recently lost one brand new vehicle when a drug smuggler rammed our vehicle while trying to elude us. As a result of the ramming, the vehicle rolled over and was a total loss. Luckily, the deputy sheriff driving it was not seriously injured.

In Zapata County, Texas, during one operation, deputy sheriffs seized several rounds of .50 caliber cartridges during a traffic stop. The ammunition was seized from individuals that were working for the Zeta Cartel. The ammunition, along with camouflage netting and night vision equipment, was believed to be headed towards Mexico (Figure 4 in the Attachment Section). Speculation was that if the ammunition was not to be taken to Mexico, it was going to be stockpiled along the border in the event the war in Mexico would end up in Texas. More of these types of seizures have occurred in many areas of the Texas-Mexico border. On December 16, 2010, a reported gang member was arrested in Zapata County after 30 hand grenades were discovered hidden under the spare tire of the vehicle he was driving (Attachment Section Figure 5).

In confirming the above, the National Drug Intelligence Center has stated that "drug traffickers in the South Texas High Intensity Drug Trafficking Area (HIDTA) region use sophisticated surveillance, counter-surveillance, and communication techniques to aid their trafficking operations. Mexican DTOs maintain cells that monitor law enforcement activities and the smuggling operations of rival traffickers."<sup>3</sup>

According to a 2008 report of the National Drug Intelligence Center (NDIC), U.S. Department of Justice, drug traffickers and gang members involved in drug smuggling frequently commit assault, automobile theft, burglary, extortion, and murder throughout the United States, specifically the South Texas border area to facilitate smuggling activities and to protect their operations from rival trafficking organizations and gangs.

This same agency, in a Situation Report published on April 11, 2008, illustrate that Mexican Drug Trafficking Organizations are the most pervasive organizational threat to the United States. The DTOs are active in every region of the country and dominate the illicit drug trade in every area of our Nation. Federal, State, and local law enforcement reporting reveals that Mexican DTOs operate in at least 195 cities throughout the United States.<sup>4</sup>

A similar report published by the NDIC in April 2010, revealed that in 2009, Mexican DTOs operated in 1,286 cities. The report indicates that the NDIC assessed this information with high confidence. It should also be noted that in the same report there is a caveat that the increase does not necessarily represent an increase in Mexican DTO activity but the difference could simply reflect a significant change in the information collection methodology.<sup>5</sup> I tend to disagree with the explanation of the NDIC. From speaking to law enforcement officers from other parts of the Nation, Mexican DTOs are in fact very active in cities all across the United States.

Information has been received by law enforcement that there have been times that rogue members or "wannabes" of Mexican DTOs have contemplated killing a police officer on the U.S. side of the border. It is believed that Mexican DTO higher-ups have never approved of such killing as this would draw many law enforcement officers and military personnel to the border area, thus, halting their smuggling operations. Two Federal agents (Border Patrol) have been killed at the California/Mexico border, and one at the Arizona/Mexico border. Our U.S. Government basically continues to fail to acknowledge these senseless killings by young punks.

<sup>3</sup>National Drug Intelligence Center, U.S. Department Of Justice, Drug Market Analysis, South Texas High Intensity Drug Trafficking Area, 2008.

<sup>4</sup>U.S. Department of Justice, National Drug Intelligence Center, Situation Report, April 11, 2008.

<sup>5</sup>U.S. Department of Justice, National Drug Intelligence Center, Situation Report, April 2010.

## SPILLOVER VIOLENCE

Although many persons would disagree with me on the definition of spillover violence, there is a constant threat to counties along the Southwest border of our country of spillover violence from Mexico. Some of the threats law enforcement and residents along the border deal with on an almost-daily basis include, but are not limited to, the following:

- kidnappings,
- carjackings,
- home invasions,
- extortions,
- shooting from Mexico at U.S. law enforcement officers, local, State, and Federal,
- armed individuals escorting drug and human loads into the United States,
- members of Mexican DTO's visiting the homes of U.S. officers to threaten them and their families,
- drug/prison/gang members working for Mexican DTO's,
- undocumented/deported criminals re-entering the United States, including murderers and child sex molesters, and,
- auto theft (vehicles are used for smuggling of humans and drugs).

Even though some of our politicians will negate the existence of spillover violence from Mexico, the above criminal violations are spillover violence as far as I am concerned. When people in the United States fear the cartels in Mexico, even if they are not involved in drug trafficking, but are afraid to be at the wrong place at the wrong time in their own country, this is terrorism which to me is the fear of spillover violence.

Shootings in Mexico along the U.S.-Mexico border are very common across the border in the South Texas and the El Paso areas. On many occasions bullets from gun battles in Mexico have landed or hit structures on the U.S. side of the border. A police chief in South Texas who lives alongside the Rio Grande River hears the gunshots and sees the plumes of smoke and the flashes of grenades going off just yards from his residence. He wonders if his home will have any bullet holes when he awakens the next day. This happens often. Federal agents have documented these same incidents.

A single mother living in Starr County, Texas, has to hide under her bed, along with her young daughters, every time she hears gunshots in Mexico. Bullets from gun battles in Mexico have struck her home. Figure 7 on the attachment shows the bullet indentations to her home.

It is also known that bullets from gun fights in Mexico have also struck colleges/universities in El Paso and Brownsville, Texas. The City Hall in El Paso was also struck. The college dorms in Brownsville, Texas, have been evacuated in the middle of the night due to gun battles in Matamoros, Tamaulipas, Mexico.

An elementary school in San Ygnacio, Texas, in Zapata County, was placed on "lockdown" last year due to someone hearing a gunshot across the river in that small community. San Ygnacio sits on the banks of the Rio Grande River. Children, ages 4 to 12, had to lie on the floor at their school for several hours until the threat was over. Parents frantically went looking for their children at the school only to be told they could not release any of the children because of the lockdown.

Often, residents in our communities call upon local law enforcement every time there is a gunfight in Mexico. Residents of the United States are afraid that bullets from .50 caliber guns, or cartel members, will end up in their bedrooms. Most of America does not realize that these gunfights are just yards away from homes along the riverbank in the United States. The last incident regarding threats of bullets hitting a home in Zapata County was on April 13, 2011. Across the river in Starr County, Texas, gunfights happen on an almost daily basis.

Federal officials at one of the international bridges in Laredo had to call the local police department for assistance after the threat of gunfire on the streets of Nuevo Laredo, Mexico, by the international bridge. Emergency calls are often made by bridge Federal officers to the Laredo Police Department requesting assistance.<sup>6</sup>

Hired escorts of illegal aliens and narcotics, known as coyotes of years ago, are very different today. Due to the openness and brazen behavior of these new coyotes, or cartels, these individuals are now armed and make demands of residents living along the riverbank. Many landowners constantly complain about their fences being cut by human and drug smugglers. The repairing of landowners' fences becomes very expensive. Some of these landowners decide not to repair their fences since it

<sup>6</sup> Recording of 9-1-1 call to Laredo Police Department requesting assistance after a gun battle in Nuevo Laredo, Mexico [www.pro8news.com/news/local/87295207.html](http://www.pro8news.com/news/local/87295207.html) (last visited May 7, 2011).

is very costly for them. They complain to local officers about the trash left on their properties. Some of the trash is eaten by their livestock, causing their livestock to die.

In other counties along the border, residents are now scared with the big influx of immigrants coming across their property. These immigrants are not the same as what we saw 2–3 years ago. Many of the immigrants have tattoos across their chest or back advertising what gang they belong to and demand from the residents living along the border to use their phone or other necessities. They no longer ask for things but rather they demand. These landowners, who have lived on their farms for decades, choose to move away from their properties. Farmers along the border have reported to sheriffs that they have fear when working their fields. They report having their homes surrounded by drug or human smugglers until they are forced to leave. They report, with a lot of fear, when their homes get invaded by persons coming across the border and hide in their garages. Many residents living along the river live in fear.

In a newspaper article appearing in the San Antonio (Texas) Express-News newspaper, the former county judge of Kleberg County, Texas, Judge Pete de la Garza, was quoted as saying, “I do not go to the back of my ranch after dark,” after discussing the different types of individuals coming across his ranch. The article mentions that Judge de la Garza runs cattle on about 500 acres and that undocumented immigrants in the area used to be harmless and poor Mexicans looking for work, whom his family would help with food and water as they passed through, but that now he and his family are personally taunted on his own property in recent years.<sup>7</sup>

Like Judge de la Garza, many landowners from San Diego, CA, to Brownsville, TX, have complained to county sheriffs that they fear living on their farms or ranches, or of going to their property after dusk. Some have chosen to sell their land or to move to towns and cities instead of living the comfortable and quiet lives on their own property. Farmers along the border have reported to sheriffs that they have fear when working their fields.

On March 27, 2010, Cochise County, Arizona, rancher Robert Krentz was killed while on his ranch. It was very well known that Mr. Krentz, just like Judge de la Garza and his family would always help illegal immigrants coming through his property. He would do this in order to prevent these illegal aliens from destroying things on his property. It is believed that Mr. Krentz was killed by a drug smuggler who was discovered in the act of smuggling narcotics.

In the small community of Kinney County, in April 2010, four suspects forced entry into a residence, beat the homeowner, and stole cell phones, a vehicle and cash. The homeowner stated that the invaders carried backpacks and appeared to be illegal immigrants.

There are many areas within the 2,000-mile Southwest border that are used for recreational purposes, some private and some public. Falcon Lake, located in Zapata County, Texas, is an international lake and is considered by many to be the best wide-mouth bass fishing lake in the Nation. Falcon Lake and the Rio Grande River are used by Mexican fishermen for commercial fishing.

Mexican DTOs issued a warning to commercial fishermen that anyone caught on Falcon Lake after dusk would be treated as a threat. They did this to ensure that if anyone was doing any smuggling without paying the tax they would be shot out of the water. Unfortunately, this also applied to law enforcement conducting operations on the lake or river. It was also reported that the drug traffickers would defend their loads at all costs against law enforcement.<sup>8</sup> The Zeta Cartel currently controls the corridor along Falcon Lake, the “plaza” or turf, in Mexico that borders Falcon Lake. This cartel is well known for their use of extreme violence.

On May 17, 2010, the Texas Department of Public Safety, in coordination with the Texas Parks and Wildlife Department and my office, put out a joint news release warning boaters on Falcon Lake to stay on the U.S. side of the lake and not to venture into Mexico. There had been at least three reported incidents of individuals getting robbed on the lake when in Mexican waters.<sup>9</sup>

It had been discovered several months before that, that tons of marijuana were being stored by the Zeta Cartel in an area across from Zapata, Texas, on the Mexican side of Falcon Lake, known as Arroyo Salado. When U.S. fishermen ventured into Arroyo Salado as they would always do to fish for their prized bass, they were accosted by cartel enforcers demanding to know who they were in order to rule out the possibility that these fishermen were not spies for their rival Gulf Drug Cartel.

<sup>7</sup> San Antonio Express-News, posted on the web on 10/13/2006. Article written by Jesse Bogan, Rio Grande Valley Bureau.

<sup>8</sup> Texas DPS, BIA, Awareness Bulletin, 11/05/08.

<sup>9</sup> Texas DPS, Media Relations Office, News Release, May 17, 2010.

On September 30, 2010, Colorado residents David and Tiffany Hartley ventured into Arroyo Salado on their jet skis. They wanted to go into Old Guerrero (Mexico) in Arroyo Salado to take pictures of a now submerged church in the old town. This submerged church is a popular tourist attraction. David and Tiffany took their pictures and were on their way back to the United States when they were chased by commercial fishing boats while they tried to outrun them. The fishing boats were occupied by enforcers of the Zeta Cartel. These enforcers were shooting at them and a bullet hit David in the back of the head. He fell into the water. Tiffany headed back to the U.S. side of the lake to summon help after not being able to load her husband's 250-pound body on her jet ski. Other than contacting Mexican authorities, there was very little U.S. law enforcement could do to help.

As of today's date, the body of David Hartley has not been found and it is believed that the body will never be recovered.

During the Hartley investigation, it was learned that DTO's in Mexico were forewarned that two jet skis were headed to the Arroyo Salado area, the stronghold of the Zeta Cartel. The DTO's were warned by some of their own spies doing surveillance at the public boat ramp in Zapata, Texas. These DTO's have spies on the U.S. side of the border at every border crossing in Texas.

I have caused to be placed two 4'x8' signs, one each in English and Spanish, at each of the boat ramps in Zapata County warning U.S. fishermen to stay away from Mexican waters. A photograph of one of the signs can be found in Figure 8 of the Attachments Section of my testimony.

The National Drug Intelligence Center reported that increased operations in the United States and Mexico may be causing slight disruptions to some drug smuggling operations along the U.S.-Mexico border in South Texas.<sup>10</sup> This, I believe, is attributed to increased patrol by local sheriff's offices.

In Laredo, Texas, a U.S. Border Patrol agent had to shoot and kill a suspect when he was attacked by the suspect while a marijuana load was being smuggled. More assaults against Federal and local agents have been documented.

On February 2 of this year, two individuals believed to be Zeta cartel members were chased into the United States in Zapata County, Texas, by Mexican military forces. These individuals were taken into custody by U.S. Federal officials. The chasing of cartel members into the United States is somewhat common. Recently, a body was recovered from the Rio Grande River in Starr County, Texas. The body was clad in a military uniform. Under the uniform the body revealed street clothing. This individual was either killed by cartel members or the Mexican military thinking he was a Mexican soldier and then dumped in the river or in the process of escaping death in Mexico he tried to flee into the United States and drowned. A picture of the body has been included in the Attachment Section as has been marked as Figure 9. U.S. law enforcement has to respond to incidents such as this—known to me to be “spillover violence”.

The National Drug Intelligence Center (NDIC) issued a report in response to heightened interagency concern over the mounting threat posed to U.S. National security from increased violent activity associated with drug trafficking along the U.S.-Mexico border. The key findings of the report found that:

- Mexican drug traffickers engage in violent offenses—including kidnappings—within U.S. communities along the Southwest border.
- Mexican drug cartels train enforcement groups and cell members to perpetrate kidnappings in the United States and Mexico. Cartel-run training camps are typically located in Mexico; however, in 2008, law enforcement authorities discovered a training camp in South Texas that was operated by members of the Gulf Cartel's enforcement arm, *Los Zetas*.
- Mexican DTOs also use U.S.-based prison and street gangs to carry out enforcement-related activities, including kidnappings in the Southwest Region.
- Drug-related kidnappings are increasing in some U.S. cities near the Mexico border. The actual number of kidnapping incidents is most likely higher, since many drug-related kidnappings are not reported because the victims are involved in drug trafficking or are fearful of deportation.<sup>11</sup>

Another matter that I feel threatens the security of Texas and the Nation is the constant incursion of Mexican military helicopters into Texas land. These incursions are more common now and more frequent. I have personally reported these incursions and have been told by my own Federal Government that these incursions did not exist and that there was no record of any such flyovers. I have attached a copy

<sup>10</sup>National Drug Intelligence Center, U.S. Department of Justice, Drug Market Analysis, South Texas High Intensity Drug Trafficking Area, 2008.

<sup>11</sup>U.S. Department of Justice, National Drug Intelligence Center, Situation Report, June 2009 and U.S. Department of Justice, NDIC, Situation Report, June 2009.

of a letter received from a new media outlet indicating no such incident after a request for information was sent to the FAA. It is included in the Attachment Section as Figure 11. The photographs of the Mexican military helicopters are marked as Figure 10. This goes to show that the radar system utilized by our Federal Government is not working. These aircrafts fly into our country at what witnesses describe "treetop" level.

Lately, we have received information that Mexican DTOs are planning on fighting for what they call the Medina Addition plaza (plaza means turf in Spanish) in Zapata County, Texas. Medina Addition is a subdivision of the town of Zapata, Texas, and is known for harboring cartel members from Mexico. This has caused many problems for my office. The majority of our calls for service come from this subdivision because people are afraid. The fighting for this plaza is between the Gulf Cartel and the Zeta DTO.

I mention this plaza, or turf, fight because Mexican DTOs apparently do not care about law enforcement in the United States and it further proves that these Mexican DTOs are attempting to take over more cities and towns in the United States. The same applies to juvenile gangs in our country forming to start working for Mexican DTOs. Prison/jail gangs are also doing the same thing.

What has been reported to my office now more and more is individuals that invade homes, or are seen getting out of vehicles and going into areas covered with brush, wearing hoods on their heads to hide their identity and carrying firearms. They are supposedly gang members in the United States that are hired by the Mexican DTOs to act as their enforcement arm in the United States. They have at times approached individuals that have been mistaken for the ones they are supposed to target.

#### SUMMARY

Border sheriffs are very concerned with the very unique problems along our border. In 9 years we have seen broken promises of protecting our great Nation. September 11, 2001, was a dark day in American history and the protection of a great Nation. What has changed since that day along the border and in my backyard? Very little.

In Texas, our legislature, with State monies, has funded a border security initiative that has literally shut down criminal enterprises in several Texas counties.

We did this with State funds and working with other partners on an initiative that puts law enforcement in the driver's seat instead of the cartels, smugglers, and border crossing criminal entrepreneurs. This should have been done on September 12, 2001, by our Federal Government. The lack of Federal funding for local law enforcement to provide border security hasn't just failed me and my law enforcement comrades . . . it has failed Americans. Almost 10 years from that day and the border remains open to smuggling operatives, criminal organizations, and people aimed at destroying this Nation.

In Texas we have no choice; we have had to pick up the fight to save our counties and our country. We didn't ask for this battle on the border . . . but we refuse to lose to criminals! Border Security is not a red issue or a blue issue . . . it is a red, white, and blue issue.

#### SOLUTION

Fortunately for our constituents in Texas, the Texas Legislature during the 80th (2007) and 81st (2009) Legislative Sessions granted the request of Governor Rick Perry and appropriated several million dollars for border security. I honestly believe that sheriffs along the Texas-Mexico border have used the share awarded them very prudently.

On the Federal side, funding appropriated thru Operation Stonegarden has helped. It is the desire of local law enforcement agencies located along the Southwest border that more of this funding be available for purposes of hiring personnel, such as is done with the COPS grants.

An initiative similar to an Urban Area Security Initiative (UASI) managed by DHS should be initiated and focused on making money available for border agencies. Said initiative could be designated as a Border Area Security Initiative, a BASI, where local law enforcement agencies within 25 miles from the Southwest border would be funded to perform "border security" operations. Sheriff's offices along the border with Mexico are in need of additional funding for overtime for employees but at the same time they are in need of augmenting their manpower to enhance patrolling along the border. Criminal entrepreneurs must stop the illegal activities and their threats against a free society.

Sheriffs are the ones that respond to emergencies called in by their constituents. Sheriffs work in places other than paved roads. Local law enforcement works not only paved roads and highways, but also unpaved county roads, the riverbank, and other areas known to harbor and facilitate contraband entering illegally into the United States. Local officers know the area and the terrain they work at. They know the residents. They know the ranchers and farmers that traverse the various county roads. Local officers have a vested interest in their communities.

Information sharing amongst Federal, State, and local law enforcement agencies is extremely important. Sharing of information among the agencies needs to be improved, especially when it is expected from Federal agencies.

The Texas Border Sheriff's Coalition was awarded a grant by Texas Governor Rick Perry's Office to install cameras along the border. This project, known as Blue Servo, has been very successful. We have been able to do in Texas in 4 years and with \$4 million what Secure Border Initiative (SBI) could not do in years with billions of dollars. The cameras can be viewed on the internet by any persons that logs in to *www.blueservo.net*. They can then become virtual deputies and assist Texas sheriffs in monitoring drug smuggling activity. This program has proven to be very successful with virtual deputies from through the world. It is my understanding that DHS-Border Patrol has now copied our system and is installing cameras next to the ones that have been put up by TBSC.

#### CONCLUSION

Committee Members, unfortunately the border with Mexico is still not secure and as far as local law enforcement is concerned, it has not changed much for the positive. There cannot be homeland security without border security. Our Southwest border needs immediate attention. Local officers answer emergency calls for assistance made by our constituents. We are in fact the first responders.

I want to express my most sincere appreciation for allowing me the opportunity to appear before you today and thank you for the work you do for our Nation.

Chairman McCaul, this concludes my statement. I will be pleased to answer any questions that you or Members of the committee may have.

## ATTACHMENTS



Figure 1-Armed individuals escorting either narcotics or illegal aliens into the U. S. Traffickers are now made responsible for their "loads" and are being instructed to "shoot it out" with law enforcement if there is a possibility they will be apprehended. In the photograph on the right, the one person leading is the one carrying the longarm.



Figure 2-Rocket Propelled Grenade and .50 Cal. Machine gun found in Nuevo Laredo, Mexico, in mid-February 2010. The firefights in Mexico are just yards away from the United States.



Figure 3-Hundreds of weapons seized at a Zeta Cartel training camp in Higuera, NL, Mexico, about 80 miles southwest of the Texas border.



Figure 4 - Ammunition, including .50 cal. bullets, camouflage netting, and night vision equipment seized by Zapata County Sheriff's Deputies.



Figure 5-Thirty grenades wrapped in plastic found in the trunk of a car that was stopped for a traffic violation in Zapata County, Texas, on December 16<sup>th</sup>, 2010. The weapons were also found in the same vehicle. The vehicle was being driven by a male that identified himself as a gang member.

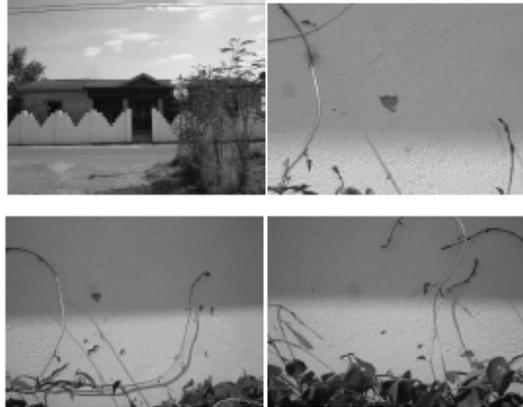


Figure 6 – Bullet indentations in a home in Starr County, Texas. The residents of this home have to seek cover under beds every time there is a gun battle in Mexico. They live just feet away from the international boundary. They have reported these incidents to local law enforcement and federal officials. They have been told that there is nothing that can be done.



Figure 7 – A sign warning U. S. fishermen to stay away from Mexican waters in Falcon Lake, in Zapata County, Texas. It also reads to report suspicious activity to the Zapata County Sheriff's Office.



Figure 8 - Photographs of two incidents involving incursions of Mexican military helicopters into Zapata and Starr Counties.

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P. 1



U.S. Department  
of Transportation  
Federal Aviation  
Administration

Southwest Region  
Arkansas, Louisiana,  
New Mexico, Oklahoma,  
Texas

2801 Meacham Blvd  
Fort Worth, Texas 76137

MAR 26 2010

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

Mr. Sergio Chapa  
KGBT-TV  
9201 W. Expressway #3  
Harlingen, TX 78552

Dear Mr. Chapa:

Subject: Freedom of Information Act (FOIA)  
Request Number 2010-003543

This is in response to your FOIA request dated March 12, 2010, requesting all available radar images pertaining to an incident involving a Mexican military helicopter which reportedly crossed into Zapata County, Texas airspace on March 9, 2010.

A records search conducted at the appropriate air traffic facilities within the Central Service Area disclosed no records responsive to your request. There are no fees due associated with this request.

Mr. Konstantine Nezer, Jr., Director, ATO Central Service Center, and the undersigned are the officials responsible for the above described no records determination. You may request an administrative review of the no records determination by writing to the Assistant Administrator for Regions and Center Operations, Federal Aviation Administration National Headquarters, 800 Independence Avenue, SW, Washington, DC 20591.

Your request must be in writing within 30 calendar days from the date of receipt of the no records determination, and must include all information and arguments relied upon. Your letter must state that it is an appeal from a no records determination of a request made under the FOIA. The envelope containing the appeal should be marked "FOIA."

Your request has been assigned FOIA Number 2010-003543. Please refer to that number in any further correspondence concerning this matter. If you have any questions regarding this request, you may call Jean Clark, Administrative Services Group, ATO Central Service Center, at 817-222-4945.

Sincerely,

  
Teresa A. Bruner  
Regional Administrator,  
Southwest Region

Figure 9 - Copy of a letter received from a new media outlet indicating no such incident after a request for information was sent to the FAA.

6

Mr. McCAUL. Thank you, Sheriff. Let me say thank you for your service to the State and the country, and for the State of Texas standing up. The Federal Government needs to stand up with you.

With that, I am going to go out of order. I apologize, Chief. We have a Member who has to leave in just a few minutes. Mr. Duncan wanted to ask the panel a question.

I yield to the gentleman.

Mr. DUNCAN. Thank you, Mr. Chairman.

I thought it was interesting, Mr. Horne, that you mentioned 400,000 folks. You used the word "invasion." We have been invaded numerous times.

I study the Constitution. Article IV, Section 4, guarantees every State that joins the union or a republican form of government would also guarantee protection against invasion. That is a role of the Federal Government. Invasion is a word that does not just mean a military invasion. So, I think that was spot-on.

I am a Member of a number of committees here in Congress, and I am a Member of the Natural Resources Committee and interested in on-going environmental battles that go on, especially on the Southern border, environmental regulations that prevent Border Patrol from accessing the border.

So, really, I want to address this to Mr. McCraw, I guess. In addition to serving on this committee, I mentioned I serve on Natural Resources. I notice in your written testimony you state that the State of Texas has had to devote a lot of its own funds and resources to border security.

So, have you found instances where the Federal environmental regulations have impeded the State's ability to secure the border and apprehend illegal aliens?

Mr. McCRAW. Well, yes, sir. If you will talk to Border Patrol, they will tell you one of their—a serious threat to their agents, and also it diminishes their ability to locate individuals, drug traffickers as well as illegal aliens, is the Carrizo cane and the salt cedar. It is not a natural—in fact, it is a drought weed.

It is growing up along the river banks, and the cartels use it to their advantage. You cannot see on both sides. You know, if someone is shooting from them, you do not know where they are at. Clearly, there is no reason to have it.

So, I know Border Patrol has been working with the Federal Government, the EPA. I know we from the Department of Public Safety, you know, we have worked at the bequest of our sheriffs and chiefs of police to work with—and farmers and ranchers—work with Todd Staples, who is our commissioner of agriculture. There is a biological that will take care of that.

It was just that—but yet, and here we are, 3 years after we have identified the biological. If you go down there and take a look, salt cedar and the Carrizo cane is still there.

Mr. DUNCAN. Sheriff Gonzalez, I noticed on the video you showed either with infrared vision, some of that natural cover is truly cover, even for heat sensors and what not. So, I think that is interesting.

I found out recently that there is a lizard that is preventing a lot of the fencing being put up. That lizard can be identified by being flipped over and dissected, basically to find out if it is the endangered one, versus—just, you know, to identify.

I put a lizard in here to crawl up that wall right there. I know it will crawl over a fence. I see it every day in South Carolina with different lizards.

Have you seen anything, Sheriff, along those lines?

Sheriff GONZALEZ. We do have a problem with the growth, especially in a community called San Ignacio, where this growth is all the way up, you know, all the way down to the riverbank. We are not able to see anything or anybody coming across.

You get into this growth, Mr. Duncan, you will notice that there is what we call, like, tunnels under all this growth where smugglers went through there all the time. We cannot see them, though.

But, yes, we definitely, like Mr. McCraw stated, we need to get rid of some things like that. In that area, as far as I know, there is nothing that would prevent a lizard, like what you are talking about, that would prevent them from being—

Mr. DUNCAN. Thank you very much.

Mr. Chairman, I yield back, and thank you for your ability.

Mr. MCCAUL. Now the Chairman recognizes Chief Rodriguez for his testimony.

**STATEMENT OF VICTOR RODRIGUEZ, MC ALLEN POLICE  
DEPARTMENT, MC ALLEN, TEXAS**

Cheif RODRIGUEZ. Chairman McCaul, Ranking Member Keating and all the Members, it is an honor to be before you today. On behalf of the city of McAllen and the McAllen Police Department, I extend our thanks for the opportunity to provide this testimony.

The subject of the violence in Mexico brings us together today. There is some, maybe a great degree, of impression that the violence in Mexico is limited to the U.S.-Mexico border, and that U.S. cities in that border area are experiencing the same lawlessness.

It is true. Violence in Mexico continues unabated. Horrific acts of violence, gruesome killings, mass murder, and countless atrocities typify the violence in Mexico today.

Whereas we tend to believe that this lawlessness occurs only in the border region of Mexico, there appears to be no part of Mexico that has been spared by such violence. Whereas we tend to believe that the reach of drug trafficking activities, whether such be drug trafficking or drug-related violence, is limited to our border communities, there is no corner of our country that has been immune from the effects of that reach.

We know that people in Mexico live in constant fear, not just for their safety, but for their lives, the lives of their children, and for their personal property. Their stories are pure horror.

We often listen to them. We listen to them, because they escape to the United States and to our communities. They come to our communities, because they feel safe here.

All of them get here as fast as they can. They envy our ability to simply call 9-1-1 and get a police response, and trust the system.

Citizens in Mexico do not have a 9-1-1 that they trust.

Their safety, and often their lives, are at the mercy of what they encounter on any given day.

All of this, however, is in Mexico. My city is a border city. It is, as any other U.S. city, and in many cases a better, safer, less crime-ridden city. I would say that such is the case for all of Texas' border cities.

We are thriving communities. We are growing communities. All of our border cities are part of the economic engine of Texas.

We get up every day. We send our kids to school, and we go to work every day, just like other Americans throughout our country.

Nonetheless, there are important questions to explore. It is important to see clearly through the fog of all of this.

There is no question that drug trafficking at the hands of Mexican drug trafficking organizations poses a concern for all of us in the United States. There is no question that the violence in Mexico at the hands of Mexican drug trafficking organizations poses a concern for all of us in the United States. There is no question that the apparent unreliability of the criminal justice system in Mexico poses a concern to all of us as well.

So, the questions are: Is the violence in Mexico unprecedented?

Does the violence in Mexico threaten the American criminal justice system?

Does the violence in Mexico represent a public safety concern to us?

I respectfully suggest that the answers are yes, no, and yes.

For some time now, Mexico has suffered from an image that portrays corruption, drug trafficking, and drug-related crime and violence. The violence in Mexico today, however, is unprecedented.

It is a war between drug trafficking organizations, and it has taken the form of direct challenges and firefights with the authorities in Mexico. If they, drug trafficking organizations, were forces from another country, Mexico could be seen as at war and not winning.

Whereas these drug trafficking organizations exercise their will in Mexico, they cannot threaten our communities, our criminal justice system and our form of government in the same manner. This is because we have local, State, and Federal police officers that rise to the challenge every day.

They are in the hunt every day. They identify, arrest, and prosecute bad guys every day. They seize contraband every day.

More importantly, we have a criminal justice system behind these officers that is reliable, trustworthy, and it is not subject to be trampled on, ignored, or made irrelevant.

These officers and this system are untiring. They never rest.

I recognize, though, that we have victims of crime every day. However, the system they entrust for help is not threatened by criminals.

Should we simply disregard all of this as something not occurring in our country? No. We seize thousands and thousands of tons of drugs that we know were trafficked by these drug trafficking organizations.

Drug trafficking through Mexico spans decades. Every ounce of those drugs was unlawfully introduced into our country. In every case, drug trafficking organizations trampled on our borders.

Today, multi-ton seizures are not uncommon.

There are landowners today that fear working their lands, because of these constant incursions.

To this end, we have built walls, fences, and added thousands of boots on the ground. It is obvious that doing less on this front is not acceptable.

The violence in Mexico does not affect us—I am sorry, the violence in Mexico does affect us. There are acts of crime that reach beyond Mexico.

Although we do not fear this violence as if it were an invading force at our doorstep, our watch is constant, and our concern is

ever-present. The threat is not a visible army of criminals. That threat is invisible.

That threat is drug trafficking money that creeps, infiltrates, and corrupts our communities. That threat is the crime that drug trafficking money causes. That threat is the criminals that drug trafficking organizations and their money buys.

I would submit that it is prudent to be cognizant of the instabilities of our southern neighbor. It is prudent to contemplate worst-case scenarios. It is prudent to plan contingencies, and it is prudent to take measured steps.

As we approach those steps, it is also prudent to consider that we are not a lawless frontier, and spillover does not mean an invasion.

I suggest that the violence in Mexico is a concern that has brought us together. That very violence, the violence we decry today, occurs at the hands of U.S. weapons and ammunition unlawfully sold and exported to Mexico.

Sadly, today we believe that we have lost one of our very own ICE agents to U.S. weapons and ammunition.

I respectfully suggest that we study, propose, and pass legislation that more tightly controls the sale, resale, purchase, multiple purchases, possession, and transportation of weapons and ammunition. There is nothing right now that talks about ammunition in terms of laws against it.

I respectfully suggest that we propose and pass legislation that more tightly controls, more severely criminalizes the unlawful sale, resale, purchase, multiple purchase, possession, transportation, and exportation of weapons and ammunition.

I realize that these suggestions put our right to bear arms front and center. I do not wish to trample on that. However, I believe that our right to bear arms is not a right to arm a war in a foreign country.

Approximately 70 percent of murders in Texas are committed by firearms. Few will contest that over 90 percent of the weapons and ammunitions in Mexico are U.S.-made.

I believe that in addressing weapons and ammunition in this manner, we will make our communities safer.

I suggest that we control our borders outbound through steady-state port of exit inspections similar to port of entry inspections.

Please study, propose, and pass legislation that creates a steady-state law enforcement presence at our ports of exit. We need effective, efficient, southbound inspections designed to encourage compliance with U.S. laws and to deter exportation of guns, ammunition, stolen property, and fugitives.

We have built human fences, real fences. We have built virtual fences. Those fences have great big holes in them—the ports of exit. They serve as express lanes to Mexico.

Those ports of exit are our last defense. Whereas criminal activity in Mexico sometimes extends beyond Mexico and into our streets, it does so, because they can simply escape to their safe havens in Mexico.

We must deter that mentality. If we do not, and escape to Mexico is merely an exercise, then the violence in Mexico will be ours to confront.

Let us deter and stop the unlawful exportation of guns and ammunition. Let us stop the daily southbound, unimpeded flow of our citizens' stolen vehicles and stolen property. Let us stop the daily southbound, unimpeded flow of murderers, rapists, sex offenders, violent offenders. Steady-state southbound inspections will do that.

Finally, I suggest that the underlying bases of these threats is illicit money. Money corrupts people and systems. Illicit money is the real threat. It is that invisible threat.

Immediately following the attacks on us on September 11, we moved to identify and freeze financial assets. We moved in the direction of human intelligence and investigations. I suggest that the violence in Mexico and the threat it poses to Mexico and to our communities require a September 11-type of response for our country.

Please study, propose, and pass legislation that creates a border financial crimes task force. Not only is this proposition an effective tool, but it will serve as a direct counter to the problem. It will serve as that line in the sand.

We must answer this concern. We need coordinated, regionalized, investigative law enforcement to help identify and act against violent offenders and criminal organizations.

In this context, Mr. Chairman, if you gave me a choice between 500 boots on the ground or 25 investigators, I would say 25 investigators. Let us investigate the money.

We should move against illicit funds associated with criminal organizations. We owe our communities a comprehensive and responsible action.

I thank you for this opportunity and hope that we have contributed to a better America.

[The statement of Mr. Rodriguez follows:]

PREPARED STATEMENT OF VICTOR RODRIGUEZ

MAY 11, 2011

Mr. Chairman, Honorable Members of the committee, it is an honor to be before you today.

On behalf of the city of McAllen and the McAllen Police Department, I extend our thanks for the opportunity to provide this testimony.

The subject of the violence in Mexico bring us together today.

There is some, maybe a great degree, of impression that the violence in Mexico is limited to the U.S.-Mexico border and that U.S. cities in that border area are experiencing the same lawlessness.

It is true, violence in Mexico continues unabated.

Horrible acts of violence, gruesome killings, mass murder, and countless atrocities typify the violence in Mexico today.

Whereas we tend to believe that this lawlessness occurs only in the border region of Mexico, there appears to be no part of Mexico that has been spared by such violence.

And,

Whereas we tend to believe that the reach of the drug trafficking cartel's activities, whether such be drug trafficking or drug-related violence, is limited to our border communities, there is no corner of our country that has been immune from the effects of that reach.

We know that people in Mexico live in constant fear, not just for their safety, but for their lives, the lives of their children and for their personal property.

Their stories are pure HORROR.

We often listen to them. We listen to them, because they escape to the United States and to our communities. They come to our communities because they feel safe here. All of them get here as fast they can.

They envy our ability to simply call 9-1-1, get a police response and TRUST the system. Citizens in Mexico, do not have a 9-1-1 system that they trust.

Their safety and often their lives are at the MERCY of what they encounter on any given day.

ALL of this however IS Mexico.

My city is a border city. It is as any other U.S. City and in many cases, a better, safer, and less crime-ridden city. I would say that such is the case for all of Texas' border cities.

We are thriving communities. We are growing communities. All of our border cities are part of the economic engine of Texas.

We get up everyday.

We send our kids to school and we go to work everyday just like other Americans throughout our country.

Nonetheless, there are important questions to explore. It is important to see clearly through the FOG of all of this.

There is no question that drug trafficking at the hands of Mexican Drug Trafficking Organizations poses a concern for all of us in the United States.

There is no question that the violence in Mexico at the hands of Mexican Drug Trafficking Organizations poses a concern for all of us in the United States; and

There is no question that the apparent unreliability of the criminal justice system in Mexico poses a concern to all of us as well.

So the questions are:

Is the violence in Mexico unprecedented?

Does the violence in Mexico threaten the American criminal justice system?

Does the violence in Mexico represent a public safety concern to us?

I respectfully suggest that the answers are YES, NO, and YES.

#### VIOLENCE IN MEXICO IS UNPRECEDENTED

For some time now, Mexico has suffered from an image that portrays corruption, drug trafficking, and drug-related crime and violence.

The violence in Mexico today, however, is unprecedented. It is a war between drug-trafficking organizations. It has taken the form of direct challenges and fire-fights with authorities in Mexico.

If they, the drug trafficking organizations, were forces from another country, Mexico could be seen as being at war and NOT winning.

#### THE VIOLENCE IN MEXICO DOES NOT THREATEN THE AMERICAN CRIMINAL JUSTICE SYSTEM

Whereas these drug trafficking organizations exercise their will in Mexico, they cannot threaten our communities, our criminal justice system, and our form of government in the same manner.

This is because we have local, State, and Federal police officers that rise to the challenge every day. They are in the hunt everyday. They identify, arrest, and prosecute bad guys everyday. They seize contraband every day.

Most importantly, we have a criminal justice system behind these officers, that is reliable, trustworthy, and it is not subject to be trampled on, ignored, or made irrelevant.

These officers and this system are untiring. They never rest.

I recognize that we have victims of crime every day. However the system they entrust for help, is not threatened by criminals.

#### THE VIOLENCE IN MEXICO IS A PUBLIC SAFETY CONCERN TO US

Should we simply disregard all this as something not occurring in our country?

No.

We seize thousands and thousands of tons of drugs that we know were trafficked by these Drug Trafficking Organizations. Drug trafficking through Mexico spans decades. Every ounce of those drugs was unlawfully introduced into our country. In every case, Drug Trafficking Organizations trampled on our borders.

Today, multi-ton seizures are not uncommon.

There are landowners today that fear working their lands because of these constant incursions.

To this end, we have built walls, virtual fences, and added thousands of boots on the ground. It is obvious that doing less on this front is not acceptable.

The violence in Mexico does affect us. There are acts of crime that reach beyond Mexico.

Although we do not fear this violence as if it were an INVADING FORCE at our doorstep, our watch is constant and our concern ever-present.

The threat is not a visible army of criminals, the threat is invisible.

The threat is drug trafficking money that creeps, infiltrates, and corrupts our communities. The threat is the crime that drug trafficking money causes. The threat is the criminals that drug trafficking money buys.

I would submit that it is prudent to be cognizant of the instabilities in our southern neighbor, it is prudent to contemplate worst-case scenarios, it is prudent to plan contingencies, and it is prudent to take measured steps.

As we approach those steps, it is also prudent to consider that we are not a lawless frontier and spillover does not mean an invasion.

#### WEAPONS AND AMMUNITION

The violence in Mexico is the concern that has brought us together today. That very violence, the violence we decry today occurs at the hands of U.S. weapons and ammunition unlawfully sold and exported to Mexico.

Sadly, today we believe that we may have lost one of our very own ICE agents to U.S. weapons and ammunition.

I respectfully suggest that we study, propose, and pass legislation that more tightly controls the sale, resale, purchase, multiple purchases, possession, and transportation of weapons and ammunitions.

I respectfully suggest that we study, propose, and pass legislation that more tightly controls and more severely criminalizes the unlawful sale, resale, purchase, multiple purchases, possession, transportation, and exportation of weapons and ammunition.

I realize that these suggestions place our right to bear arms front and center. I do not wish to trample on that. However, I believe that our right to bear arms is not a right to arm a WAR in a foreign country.

Approximately 70% of Murders in Texas are committed by firearms. Few contest that over 90% of the weapons and ammunition in Mexico are U.S.-made.

I believe that in addressing weapons and ammunition in this manner, we will make our communities safer.

#### SOUTHBOUND STEADY-STATE INSPECTIONS

I respectfully suggest that we control our borders OUTBOUND through steady-state port of exit inspections, similar to port of entry inspections.

Please study, propose, and pass legislation that creates a steady-state law enforcement presence at our ports of exit.

We need effective and efficient southbound inspections designed to encourage compliance with U.S. laws and to deter exportation of guns and ammunition, stolen property, and fugitives.

We have built human fences, real fences, and we have built virtual fences. Those fences have great big holes in them: The ports of exit. They serve as express lanes to Mexico.

Those ports of exit are our last line of defense. Whereas criminal activity in Mexico sometimes extends beyond Mexico and into our streets, it does so because they can simply escape to their safe havens in Mexico.

We must deter that mentality. If we don't, and escape to Mexico is merely an exercise, then the violence in Mexico will be ours to confront.

Let's deter and stop the unlawful exportation of guns and ammunition.

Let's stop the daily southbound unimpeded flow of OUR citizen's stolen vehicles and stolen property.

Let's stop the daily southbound unimpeded flow of murderers, rapists, sex offenders, and violent offenders.

Steady-state south bound inspections will do that.

#### BORDER FINANCIAL CRIMES TASK FORCE

Finally, I suggest that the underlying basis for of these threats is illicit money. Money corrupts people and systems.

Illicit money is the real threat. It is that invisible threat.

Immediately following the attacks on us on September 11, we moved to identify and freeze financial assets. We moved in the direction of human intelligence and investigations.

I suggest that the violence in Mexico and the threat it poses to Mexico and to our communities, requires a September 11 type of response from our country.

Please study, propose, and pass legislation that creates a BORDER FINANCIAL CRIMES TASK FORCE.

Not only is this proposition an effective tool, it will serve as a direct counter to the problem. It will serve as that "line in the sand". We must ANSWER the concern.

We need coordinated, regionalized investigative law enforcement to help identify and to act against violent offenders and criminal organizations.

In this context, if you gave me a choice between 500 boots on the ground or 25 investigators, I would say 25 investigators. Let's investigate the MONEY.

We should move against illicit funds and assets associated with criminal organizations.

We owe our communities comprehensive and responsible action.

I respectfully thank you for this opportunity and hope that we have contributed to a better America.

Mr. McCAUL. Thank you, Chief. Let me say that I agree with you. I know Congressman Cuellar does, as well. The interdiction of that southbound cash, how important that is.

I think you are right. We need a bold effort here.

I recognize myself.

Let me just say how—I just want to say thank you for showing up. I know you had to travel a long ways on an airplane at your own expense. Again, I apologize for the duration of the prior panel.

We got the Washington response to this in the prior panel, and now I believe we are getting the State and local response, the people on the ground, where this is happening, you know, where the threat really is.

It is interesting how different those points of view are. Many times it is different between Washington and the rest of the United States.

When Secretary Napolitano, though, stated that border security is better now than it has ever been, and the President agreed with her, just recently in El Paso, I want to go one by one and ask whether you agree with that statement or not.

Mr. McCraw.

Mr. McCRAW. I did not hear the statement, but I will say this, that we are concerned, the fear is the increasing threat, that the border is not secure more than it ever was.

There has been some successes. We would love to see all the Federal resources. But the bottom line is, it is not secured. Until it is, we are not going to be happy.

Mr. McCAUL. Mr. Horne.

Mr. HORNE. I disagree with the statement. I think if she would meet with some ranchers on the border, as I have, she would get an earful as to the extent to which things are much worse than they were.

She has some statistics that show some improvement. But if I could give an analogy, if we were to reduce her salary to \$5,000 a year, and then the next—this is just an analogy, it is not a proposal—but then the next year, double it to \$10,000, that would be a 100 percent increase. But it would still be inadequate in absolute terms.

I think the same thing applies here. Even if there has been some improvement in numbers, the absolute situation is totally unacceptable. I mentioned 400,000 people a year crossing in the Tucson region alone. Even if that were a decrease from the prior year in absolute terms, it is utterly unacceptable.

Things are going to be getting, possibly getting much worse, because the support for President Calderón politically for his heroic actions is waning. So, things could get much worse.

So, to promote complacency at this time, I think is very dangerous and scary.

Mr. MCCAUL. I agree with the President Calderón comment. I think the window is shutting. His time is coming to a close, and he is really an effective partner that we need to be helping more in a post-Mérida operation.

Sheriff, the same question.

Sheriff GONZALEZ. Mr. Chairman, with all due respect to Secretary Napolitano, I know that she has been somewhat responsive to our needs. We communicate often through somebody in her office.

But there has not been too much change in the border, sir. It is not more secure than it has ever been. We still have problems.

I really have not seen any change since, like my statement read, since September 11, 2001. It is getting more violent. The smugglers are getting more brazen. They are given orders to confront us.

So, it is not as if it is more secure.

Think, for example, of not taking sometimes our cases regarding illegal immigrants. That brings your totals down. But we cannot just release them back into our communities, a lot of times, because they are criminals. Some of them are criminals.

Mr. MCCAUL. I wanted to follow up on a point you made, the Border Area Security Initiative Grants. We have UASI grants, which are urban area. But we do not have the border area grant funding. Would that be helpful to the border sheriffs?

Sheriff GONZALEZ. It most certainly would, Mr. Chairman. As I have discussed before, we are doing sometimes, unfortunately, the jobs of the Federal Government.

We have to be the ones who—we are the first responders. We are the ones who have to respond to what happens on Falcon Lake and everywhere else. The Federal Government does not respond.

So, yes, we do need the funding.

With all due respect also, sir, there have been a lot of Federal agencies, specifically like, for example, Border Patrol. I am not speaking bad, but they now have 22,500 agents.

How many of those agents are really going to the border, and how many are going to task force? How many are going to programs and schools? How many are going to programs at shopping malls?

In other words, if you give me 10 deputy sheriffs, I am going to have 10 deputy sheriffs on the border, and that is what they are going to do, and not doing other stuff.

Mr. MCCAUL. Chief Rodriguez, the question about is the border—more secure now than it has ever been?

Chief RODRIGUEZ. Mr. Chairman, we should not rely on one, two, or three variables to make that call.

I am afraid that the basis for those statements are less Border Patrol apprehensions and less detections of drugs through the Border Patrol. They have interpreted that to mean we are bringing this under control. That is just not reliable enough to make that statement, in my opinion.

We have incursions every day. We have people that are afraid to go out on their property. They are afraid to go out on their property. That is un-American.

So, if we rely on a set of numbers to simply make one point of view or the other, that will create a false picture of all of this. That is one of the problems that we are facing on a constant basis.

Mr. MCCAUL. I could not agree with you more.

I wanted to focus on the basis for this assumption. It is—and Mr. McCraw, you worked in the FBI for many years—it is based on the Uniform Crime Report.

When I heard the description of what the violence that they are perpetrating, it is extortions, kidnappings, cartel-on-cartel violence. Yet, those very crimes are not part of the measurement under the FBI's Uniform Crime Report.

What is your opinion in terms of that not being an accurate assessment when we talk about spillover violence?

Mr. MCCRAW. Well, you saw our data was established with the process back in 1930. Over the years, it is no longer applicable. We are talking about index crimes. It does not reflect what is going on on the ground in near-real time.

For example, smuggling, trespassing, vandalism is, one, the increase of organized criminal activity, corruption. As you noted, the non-index crimes—kidnappings, extortions, and recruitment of our kids, child prostitution—where is that a good thing?

You know, if you cannot reflect all those factors, if you cannot reflect the manifestation of violence that is not just at the border, but ends up in our cities, reflected by the Texas syndicate, Mexican mafia, Hermanos Pistoleros Latinos, and other gangs that are working directly for these cartels, then you have a false understanding of what that threat is.

You are kidding yourself, because you are not going to secure the border through definitions.

Mr. MCCAUL. I think that is an excellent answer. I do not think we are getting an inaccurate picture by this report that the administration is relying upon. In fact, you did quote a statistic about El Paso, which is always touted as the safest city in the United States, but an increase of 1,200 percent in the murder rate this year.

Mr. MCCRAW. Yes, sir, as reported by the El Paso Police Department. That is the problem when you start using the Uniform Crime Report statistics that are dated to try to reflect what is actually going on.

Another thing is that, the activities that we talked about, what you heard the chief talk about, are not happening in the cities, because we take a very proactive law enforcement presence. We are not going to allow cartels and gangs to move up and down into our cities.

But where the smuggling activity is occurring is between the ports of entry.

Mr. MCCAUL. Right.

Mr. MCCRAW. The latest look at the Uniform Crime Reports, and I think that the Secretary will find, is that, if you segregate what the sheriffs are having to deal with, there is an increase in everything except stolen vehicles.

Mr. MCCAUL. Well, I would like to work with your office, and all offices along the border and DOJ, to get a more accurate assess-

ment for what is the level of violence, because I do not think we are getting the right, accurate picture.

Special interest, they do not even know that number went up 37 percent. That is a pretty frightening number when you are talking about people coming from countries of interest that could have terrorist ties, as well.

I think, you know, even though the numbers of apprehensions have gone down, that number seems to be going up. That is a disturbing trend.

Mr. MCCRAW. Well, and Texas has 74 percent of those special interest aliens across Texas that are apprehended.

You hear us talk about, well, name one case, name one case. Obviously, the San Antonio Federal case of the Somalian is a significant concern, and underscores that this is not make-believe, that you cannot secure your borders from foreign nationals penetrating them undetected and uninterdicted. It constitutes a threat. We will always have to be mindful of that.

Mr. MCCAUL. I know that is a concern you and I have had, starting with 9/11.

One last question, and I will yield to the Ranking Member.

Mr. Horne, you started out unsolicited by saying you support the designation of a foreign terrorist organization for the drug cartels. You are obviously a lawyer by training, attorney general for a border State.

Can you explain why you support that?

Mr. HORNE. Well, among other things, it makes it an enhanced crime to supply aid to those organizations. That obviously would be a very powerful tool in fighting them.

Mr. MCCAUL. Yes. My view is, we ought to call them what they are. Their tactics are certainly like terrorists.

With that I yield to the Ranking Member.

Mr. KEATING. Thank you, Mr. Chairman.

I would just like to ask all of you, do you feel that a \$350 million cut in Federal appropriations will hinder border security right now?

Mr. MCCRAW. You need to increase funding in border security, not cut it.

Mr. KEATING. Mr. Horne.

Mr. HORNE. I agree.

Sheriff GONZALEZ. If you are talking \$250 million reduction in border security, sir, I most certainly agree. You need to increase that way, way up.

Mr. KEATING. Thank you.

Chief Rodriguez.

Chief RODRIGUEZ. I agree with my panel members.

Mr. KEATING. My point is that that is what the House majority budget is doing. So, you should be well aware of that.

Mr. HORNE. I am a Republican elected official, and I am happy to be bipartisan, and agree with you that it should be increased.

Mr. MCCAUL. I agree with the Ranking Member, as well.

Mr. KEATING. Hey, we are all agreeing.

Just, you know, we could be here a long time, but I am just curious. I am just going to poke a few specifics, just to try and get a little more information, you know, so I can learn more specifically.

But, you know, we are talking about coordination between countries. In my experience, it is pretty tough to have coordination among different law enforcement entities, even in your own country.

Can you share any specifics as to how we can be better coordinated with Federal, State, county, local? Because there is just, I know, just from over a decade, that that is not what it always should be. Maybe we can look at some areas here in our own country that we have some control over, how we can better coordinate.

Any suggestions, specifically?

Mr. MCCRAW. Well, I have to actually commend our Federal partners and their leadership, certainly. I started with Operation Linebacker in the Texas border sheriffs.

Right now we are conducting continuous operations between 59—the local law enforcement, police departments, and 53 sheriffs across from Brownsville all the way to El Paso, and using, you know, Texas Rangers, our State troopers and State trooper strike teams, aviation assets, and adopting a unified command structure to conduct information-driven patrol operations.

No one has failed to share information or be a part of that. As a result, it is a force multiplier.

Mr. KEATING. Is that the experience of everyone, in general?

Mr. HORNE. I recently did a border tour with the border guard in their helicopters. I was very, very impressed. You know, I have disagreements at the top, but among the people who are actually doing the work, you cannot help but be impressed with how hard they are working and how brave they are.

Mr. KEATING. Sheriff.

Sheriff GONZALEZ. Mr. Keating, I was at one time the team leader for the DEA task force. Federal agencies sometimes, or most of them do not speak to each other.

In a case with us right now, we would like to share as much information as we can. Unfortunately, sir, it does not always come back.

I see there is some jealousy among some agencies sometimes. Federal agencies like to do long-term investigations. We are a reactionary agency. But we need to have more sharing of information, sir.

Mr. KEATING. Chief.

Chief RODRIGUEZ. Mr. Keating, this problem needs an answer. That is what I have suggested along the ideas of creating a border financial crimes task force. That would be the means and manner by which a lot of us will work together while answering the threat that we perceive these organizations cause us.

Mr. KEATING. Yes, I made a note of that. I thought that was an excellent suggestion.

Also, it is encouraging to hear that the level of information sharing is better than maybe the norm in this instance. So, that is encouraging.

The issue of asset forfeiture, how do those funds get split up in terms of some of the border issues? Do some of those funds get back to helping the enforcement itself?

Anyone.

Mr. McCRAW. From the Department of Public Safety, yes. We have seized \$60 million in 2010, our troopers did and CID agents. Working with our Federal partners and using asset forfeiture procedures under the Federal guidelines, we are able to get as much as 80 percent of that back.

Mr. KEATING. Yes, Chief.

Cheif RODRIGUEZ. The answer for us, as well, from a local level, the answer is yes. It is of great help to us.

The way that happens is depending on your participation, depending on your case. If you are active or involved in a case and the size of the seizure, then the result is what you end up basically getting.

Mr. KEATING. Then, a lot of those assets are going right back into enhancing our border security.

Sheriff GONZALEZ. Well, we have—

Cheif RODRIGUEZ. The uniformed operations, yes, sir.

Sheriff GONZALEZ. But we have not, since I cannot afford, Mr. Keating, to have anybody assigned to Federal task forces, you are talking asset sharing at the Federal level, sir. I have gotten zero in the last maybe 8 years.

So, I cannot afford to assign anybody to a task force. I do not have the personnel to do it with.

Maybe I have assigned one person through a grant, and we have done some, the applications. But to-date, sir, I have zero funding from asset sharing.

Mr. KEATING. Well, I want to thank all of you for your service. I want to thank you also for your suggestions. You were specific in instances and certainly issues worth pursuing, strengthening our statutes, trying to make sure definitions, like ammunition, are clear.

So, I really thank you for—you traveled a long distance, but, you know, I would certainly—I think I could speak for the whole committee, too, that these kind of specific recommendations are very helpful to us.

So, I want to thank you. It was a trip well worth making, at least from my vantage point. Thank you.

Mr. McCRAW. Let me in closing just say that I am sorry that the witnesses who were here for the first panel were not here for this panel.

I thought this was excellent testimony that tells the story like it really is. I plan to submit that testimony to them, so they can read it. You certainly deserve that after traveling all the way up here.

I want to just touch on one last thing.

Mr. McCRAW, the joint operations center effort that you have in the State of Texas is probably, I think, one of the most advanced of any border State, doing tremendous work down there. If you could just briefly describe those operations.

What more do you need from the Federal Government to help fund these operations that have been successful?

Mr. McCRAW. Well, first, you know, working with our local and State and Federal law enforcement partners. The State legislature did fund joint operations intelligence center. We do have it in Austin.

It is with the support of the unified command, which is out in the field, not in Austin. We have six joint operations intelligence centers in each of the border security sectors, one in Victoria.

Again, unified command is what it is about, centralizing the information, report it. Based upon what the cartels are doing, as they move we adjust patrol operations.

One of the Congressmen asked about contingency plans for violence. We have developed with our partners, you know, con plans for contingency for spillover violence in each of the border security sectors.

So, if you are going to address it from a border security standpoint, it is a team sport. There is no question that, when you work together, then we are able to do more and with less.

That said, you know, the border is not secure. Additional resources are needed, not just for the Department, but for local law enforcement.

One thing I would like to point out. There is one thing that DHS can do right now, is Operation Stonegarden funds, which came up. Sheriffs are not allowed to use that money for personnel. They are allowed it for overtime and equipment.

If you would allow them to use that money—same amount of money—and use it for augmentees, they could increase their capacity, because you can only use so much of that time in overtime. Someone cannot work 24 and 7.

To do that would provide them, I think, an immediate capability. When you arm local law enforcement along the border, you are enhancing and amplifying border security.

Mr. MCCAUL. Again, thank you for coming up here, and thank you for your service. Thanks for your testimony.

Unless the Ranking Member has anything in addition, this committee stands adjourned.

[Whereupon, at 12:48 p.m., the subcommittee was adjourned.]

