

WHAT DOES A SECURE MARITIME BORDER LOOK LIKE?

HEARING

BEFORE THE

SUBCOMMITTEE ON BORDER AND MARITIME SECURITY

OF THE

COMMITTEE ON HOMELAND SECURITY HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

NOVEMBER 19, 2013

Serial No. 113-45

Printed for the use of the Committee on Homeland Security



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

U.S. GOVERNMENT PRINTING OFFICE

87-375 PDF

WASHINGTON : 2014

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
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WHAT DOES A SECURE MARITIME BORDER LOOK LIKE?

Tuesday, November 19, 2013

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

The subcommittee met, pursuant to call, at 10:03 a.m., in Room 311, Cannon House Office Building, Hon. Candice S. Miller [Chairwoman of the subcommittee] presiding.

Present: Representatives Miller, Duncan, Marino, Palazzo, Jackson Lee, O'Rourke, and Gabbard.

Mrs. MILLER. The Committee on Homeland Security, Subcommittee on Border and Maritime Security, will come to order.

The subcommittee is meeting today to examine the characteristics of a secure maritime border.

We are pleased, certainly, to be joined by a very distinguished panel, most of whom have been here before, some have been, at any rate, of witnesses today. We have Rear Admiral William "Dean" Lee, who is the deputy commandant for Operations Policy and Capabilities for the U.S. Coast Guard. We have General Randolph D. Alles, who is the assistant commissioner for the Office of Air and Marine at the United States Customs and Border Protection. Mr. Steve Caldwell is the director of Maritime and Security Coast Guard Issues at the Government Accountability Office. Captain Marcus Woodring is the managing director for Security at the Port of Houston Authority.

We welcome you all back.

Mr. Woodring, we were just chatting that you had the Vice President yesterday at your port and then jumped the airplane. So we were very pleased that you were able to join us again today.

Earlier this year, this subcommittee convened a hearing to ask, what does a secure border look like? During that hearing, we exclusively examined security along our Nation's land borders.

An often-neglected aspect of border security, what we do in the maritime environment is equally as important and as critical to our overall border security approach. To minimize its importance is certainly a mistake for our Nation. Any point of weakness in our border security defenses can and will be exploited. So it is incumbent on this committee to ensure that the Coast Guard and the CBP have a plan to secure the very vast maritime border.

The framework of the subcommittee used earlier this year can be applied to the maritime environment: What does a secure maritime

border look like? How do we get there? How do we measure success?

Millions of square miles of ocean make those questions dependent on achieving situational awareness, or, to use the Coast Guard's term of art, maritime domain awareness. Intelligence-driven operations will have to become the cornerstone of maritime operations so that we focus our limited maritime resources in the most productive and efficient way. That is especially true in an era of smaller budgets.

In many instances, due to the vastness of the maritime domain, intelligence may be available but we just do not have the assets or the personnel capable to respond in time. Beyond using intel to focus operations, the Department of Homeland Security components that are in the same geographical area must coordinate and work together to increase effectiveness and to make the best use of the resources Congress provides.

Last Congress, at the urging of this subcommittee, the Department released the Maritime Operations Coordinating Plan, or the MOCP, that established regional coordinated mechanisms for the Department of Homeland Security agencies with a role in maritime security, including the Coast Guard, CBP, and ICE. We will be interested to hear from the witnesses today how that structure is working and if Congress can help provide more robust direction to keep moving toward consolidation operational planning and coordination.

Threats to the border have evolved in the maritime environment. As progress is made along the land borders, illicit activity is driven off the coast. Drug cartels and others who seek to do us harm will seek out the point of least resistance. The recent surge of panga boats carrying drugs off the coast of California is a very clear example of this. On average, there is now a known panga event every 4 days, and, of course, those are just the ones that we know about. Although we haven't seen a resurgence of semi-submersibles, the threat that they are being used and we fail to detect them is a very real and present danger.

Achieving situational awareness in the maritime environment requires persistent surveillance, which is why we were disappointed to learn that we have used the maritime version of the Predator B only a handful of times off the coast of California, when it seems that this would be a very important mission for a maritime-enabled UAV.

Other technologies must also play a role, especially as panga boats move farther offshore and up the coast, trying to evade our cutters and shore-based interceptors. We are interested in hearing about other capabilities we are exploring to expand our situational awareness as sea.

To that point, excess DOD surveillance equipment is headed for the Rio Grande Valley in Texas to help detect illicit activity in the busiest sector in the Nation. This might also serve well in the maritime domain if attached to the right set of sensors and radar. As we continue to retrograde advanced surveillance technology from theater, CBP and the Coast Guard should also consider testing such gear on the maritime borders of the country.

When it comes to drugs, the focus of effort, rightfully so, has been centered on source and transit zones in the Eastern Pacific and Caribbean. We must continue to concentrate our efforts where interdictions make the most impact. We will be interested to hear from the witnesses as to the frequency that we have intelligence on the movement of drug shipments without the assets positioned to interdict them.

Pushing our borders out to secure the outer ring of border security makes sense in the maritime world. We have been and continue to be very strong supporters of leveraging our trusted allies' work where appropriate so we don't duplicate security efforts in inspecting maritime facilities overseas where necessary to minimize risk to our country.

As is the case for our land borders, we have to determine in a verifiable way if we are making progress. The American people have a right to know if the money that we are spending is moving the needle toward greater maritime security. How much security we are getting for the patrol and flight hours is something that we need to develop. I am certainly fully cognizant of the metrics used for the land borders will not be the right way to measure security offshore, but that cannot mean that we do nothing or throw up our hands because it is difficult.

So I want to challenge the Department to develop a series of metrics that will help inform how we spend limited dollars to buy new cutters, patrol boats, and aircraft and point the way to progress in maritime security and situational awareness. Especially in times of austere budgets, we have to be smart about how we spend our money and find every efficiency that we can.

With that, I will yield to my Ranking Member, the gentlelady from Texas.

Ms. JACKSON LEE. Madam Chairwoman, thank you so very much for your yielding. I believe that this is, together, a very important hearing. I thank you and am delighted to join you on this hearing.

I want to acknowledge the presence of my Members, Ms. Gabbard and Mr. O'Rourke, and acknowledge your Members, as well, and to welcome Admiral Lee and Commissioner Alles, along with Director Caldwell and Captain Woodring, who did make a quick leave of Houston, Texas. We were both able to be there yesterday, Madam Speaker, with the Vice President. So I couldn't think of a better and more fitting next day for the captain.

As I was driving in from Ellington Field, I could see the potency of your message, and one that I support, and that is the importance of maritime security, as I passed one of the major, No. 1 petrochemical corridors in the Nation and realized the connectedness to our port and the importance of security.

I do want to, if I may have a moment, Madam Chairwoman, just to acknowledge Mr. Robert Harvey of our Greater Houston Partnership, who is willing to sit here and listen to this hearing, partly, along with Bob Borochoff. I can assure you that they are strong supporters of border security and maritime security, as they are of immigration reform.

I partly represent the Port of Houston and am the former chairwoman of the Subcommittee on Transportation Security. Now on this committee I have seen, collectively—because the port has both

rail, obviously, and water and, as I indicated, a long, long legacy with the petrochemical industry. I have long advocated for strengthening our maritime borders while facilitating legitimate maritime trade.

I was pleased to have Vice President Biden and Secretary of Transportation Foxx visit the Port of Houston yesterday. Their visit provided an opportunity to discuss the opening of the Panama Canal and the value of job creation from our Nation's ports and related industries.

I join with the Chairwoman in her acknowledgment of a matrix that should be created. My first-hand assessment, traveling on a speedboat out on the outer sides of the Panama Canal and listening to Coast Guard representatives talk about the dangers that are posed by waters that are not supervised and their impact on ports that necessarily need that security.

The Vice President's visit provided an opportunity to discuss, as I indicated, jobs. Maritime trade is the heart of the economy in many communities across this country, including Houston.

A few facts and figures about the Port of Houston: Its 52-mile channel opened in 1914. It is home to 150 public and private companies. Handles nearly 230 million tons of cargo annually, making it the No. 1 U.S. port in foreign waterborne tonnage; Mexico's top import and export trading partner. Therefore, it is busy, and the security is crucial.

The Port of Houston had over \$200 million in operating revenues last year, handling 42 tons of cargo, nearly 70 percent of the container cargo in the U.S. gulf annually. As a result, the port generates over 650,000 jobs at its terminals.

A terrorist or an unfortunate incident could be catastrophic, not only for the Port of Houston but for the United States of America. This is an important topic, on how do we develop the next steps for maritime security. With the Nation's largest petrochemical complex, supplying over 40 percent of the Nation's base petrochemical manufacturing capacity, what happens at the Port of Houston affects the entire Nation. The Port Commission's and Port Authority's staff are keenly aware of their role in ensuring that the port is secured appropriately.

A few months ago, we joined full committee Chairman McCaul at the port. I am very pleased to say they were the recipients, along with others, of UASI grants dealing with increased security and increased equipment. We are fortunate to have the best emergency response assets and personnel available to Houston to protect this National asset. The Federal Government's use of these moneys in a responsible manner by distributing to ports like Houston have been enormously effective.

We also recognize that we must continue to identify effective and efficient security solutions for our ports and for securing maritime borders. While much of the border security discussion in Congress today is focused on securing our land borders, securing our maritime borders is essential to any conversations focused on comprehensive border security. Although the Mumbai incident was not a port per se, having visited Mumbai and the site of the terrorist incident that occurred, I can assure that you it was similar. The water area penetrated onto the land.

When we discuss border security, whether we are talking about narcotics, undocumented aliens, or those who might wish to do us harm, we know that people will take the route they perceive to offer the best opportunity to enter the country. If we only secure our land borders, bad actors will exploit America's maritime borders and vice versa. We are only as strong as our weakest link, which is why it is imperative that we support the work of the Coast Guard, CBP's Office of Air and Marine, and State and local law enforcement agencies.

I would say that one of the necessities, Madam Chairwoman, is an understanding of the matrix that can be created by the Coast Guard and funding of those extra assets and also their plan. I would like to see a plan from the Department, but I think the Coast Guard is going to be the most effective.

Supporting these entities includes ensuring that they have the funds necessary to carry out their core functions. Given limited Federal resources, agencies across the Government should do everything possible to share information technology as appropriate, avoid duplication of efforts in order to secure our borders as effectively and efficiently as possible.

Today I hope to hear how Coast Guard is collaborating with Customs and Border Protection's Office of Air and Marine to leverage personnel assets and information to enhance the maritime security. Among other things, I hope to hear from Admiral Lee and Assistant Commissioner Alles about their joint efforts to operate the Guardian Maritime Unmanned Aerial System to increase awareness in the maritime domain, as well as Coast Guard's on-going collaboration with the U.S. Navy to operate smaller U.S.S.'s aboard its National security cutter fleet.

I would like to hear from Mr. Caldwell about how we define and evaluate investments to secure our borders through personnel, technology, and resources so that we can ensure that our efforts are focused and streamlined toward a better-managed maritime border. I would like to also hear how you are working with those smaller technology companies and whether or not they can be effective in helping us.

I look forward to the testimony of Captain Woodring, who currently serves as the managing director for health, safety, and security. We have known each other for a long period of time. An outstanding representative of the U.S. Coast Guard for 27 years; and now committed to working with the Port of Houston on one of the largest ports, and, of course, has served us well in that position.

The size of the Port of Houston, having 52 miles of chemical and petroleum facilities, bordering 21 communities, represents a unique challenge. You can be assured they are certainly in the eye of those who would want to do this Nation harm. For these reasons and more, the Port of Houston is an excellent example of the need for best practices and the use of best practices and for this hearing, Madam Chairwoman. Delighted to join you in it, because I think this is the right step to be taking, is to ask real, hard questions on maritime security.

With that, Madam Chairwoman, I yield back.

Mrs. MILLER. I thank the gentlelady for her comments.

Other Members of the committee are reminded that opening statements might be submitted for the record.

[The statement of Ranking Member Thompson follows:]

STATEMENT OF RANKING MEMBER BENNIE G. THOMPSON

NOVEMBER 19, 2013

I know the subcommittee has focused largely on our land borders in its oversight hearings of late. While that is a critically important issue, I am pleased to see the subcommittee examining the security of our maritime borders as well. As challenging as managing our land borders with Canada and Mexico may be, in many ways the maritime domain poses an even greater challenge.

The variety of threats we face, the vast areas involved, and our relatively limited resources make securing our maritime borders no easy task. That task gets more difficult every day with sequester on top of other recent budget cuts to the Coast Guard and Customs and Border Protection's Air and Marine.

I hope we can have a frank discussion about these cuts and what they mean operationally for the Coast Guard and CBP and their ability to secure our maritime borders. I look forward to a discussion about our current maritime border security priorities and what more needs to be done to address those priorities.

Today, the Government Accountability Office is releasing a report I requested on one threat to maritime security—small vessels. As we have seen in incidents such as the bombing of the *U.S.S. Cole*, small vessels can pose a serious threat to U.S. interests both at home and abroad. I look forward to hearing from our GAO witness, Mr. Caldwell, about this report as well as what more remains to be done to address this threat.

I am concerned by GAO's findings in another of its recent reports—this one regarding DHS's efforts to secure maritime cargo. It is my understanding that GAO found CBP has not done an assessment of risks at foreign ports related to its Container Security Initiative (CSI) program since 2005.

GAO did its own calculations and determined that less than half of the CSI locations are at high-risk foreign ports. If DHS has failed to assess the security of foreign ports in the last 8 years, and if its CSI is deployed mostly at medium-and-low-risk ports, can the program be achieving its intended purpose?

These troubling findings certainly undermine DHS's contention that it has a robust and dynamic risk-based container security regime in place, despite its continued refusal to even attempt to implement the 100% cargo security scanning mandate.

Just as our land borders won't be secure until we know what is coming through our ports of entry, our maritime borders won't be secure until we have greater certainty about the cargo arriving at our shores.

Mrs. MILLER. Again, we are pleased to have four very distinguished witnesses with us today. I will give a little bit more formal introduction before we ask them for their testimony.

First, Rear Admiral William "Dean" Lee is the deputy commandant for Operations Policy and Capabilities at the United States Coast Guard. In this role, Rear Admiral Lee oversees integration of all operations capabilities, strategy, and resource policy. He spent 13 years in six different command assignments and spent a career specializing in boat operations and search and rescue.

We welcome to you to the committee.

General Randolph D. "Tex" Alles is the assistant commissioner for the Office of Air and Marine at United States Customs and Border Protection. Air and Marine is the world's largest aviation and maritime law enforcement organization, and its mission is the use of Air and Marine assets to detect, interdict, and prevent acts of terrorism and the unlawful movement of people, illegal drugs, and other contraband across the border.

Mr. Stephen Caldwell is GAO's director of Maritime Security Issues. He has testified at more than 30 Congressional hearings and led the research and publication of more than 150 GAO re-

ports. His recent GAO reports evaluated threats to and programs to protect our maritime transportation system and its supporting infrastructure, both far overseas and in our domestic ports at well.

Again, Mr. Marcus Woodring retired from the U.S. Coast Guard as captain of the Port of Houston, Galveston, in 2011 and assumed his current position with the Port of Houston Authority in July of that year. He is responsible for safety, security, environmental stewardship, and emergency response at the eight terminals along the Houston Ship Channel.

The full written statements will appear in the record.

The Chairwoman now recognizes Admiral Lee for his testimony.

STATEMENT OF REAR ADMIRAL WILLIAM D. LEE, DEPUTY FOR OPERATIONS POLICY AND CAPABILITIES, U.S. COAST GUARD, U.S. DEPARTMENT OF HOMELAND SECURITY

Admiral LEE. Good morning, Chairman Miller, Ranking Member Jackson Lee, and distinguished Members of the subcommittee. I am honored to be here today to discuss the Coast Guard's role in border security, and maritime border security in particular.

Indeed, border security is a significant priority for our Nation, requiring comprehensive efforts across many departments and agencies, including, of course, the U.S. Department of Homeland Security. DHS secures the Nation's air, land, and sea borders to prevent illegal activity while facilitating lawful travel and trade.

As a Department, we have three objectives with border security and management: No. 1, effectively securing the U.S. air, land, and sea points of entry; No. 2, safeguarding and streamlining lawful trade and travel; and, last, disrupting and dismantling transnational criminal and terrorist organizations.

United States Coast Guard helps in this endeavor. We are responsible for maritime safety, security, and stewardship in U.S. waters on the high seas and in other waters subject to U.S. jurisdiction. The Coast Guard plays a critical role in addressing threats to our Nation's borders while facilitating the safe and efficient flow of maritime commerce.

We are closely integrated with our partners in DHS, as well as from the Departments of State and Justice, among others, to meet mission responsibilities. To succeed, we must continue to promote legitimate activity while carefully screening people, cargo, and conveyances that could do harm to our Nation. To be certain, the Coast Guard is part of a border security system in the United States. We are closely integrated with our partners in DHS, as well as from the Departments of State and Justice, among others, to meet mission responsibilities.

The U.S. maritime border is vast and very challenging. The Coast Guard's fleet patrols over 95,000 miles of coastline while exercising jurisdiction over 4.2 million square miles of ocean. In the Western Hemisphere, transnational organized crime networks are increasingly active. They traffic drugs, humans, and weapons and are increasingly involved with activity that accounts for recent spikes in regional violence.

As you know, the Coast Guard's resources are limited. Securing our maritime borders requires a strategic approach to maximize the impact of all of our efforts. Moreover, we must continue to work

closely with our partners to implement an adaptable layered security strategy to counter maritime border threats. Our risk-based approach relies upon effective awareness of threats, proper threat prioritization, efficacy of asset lay-down, and, as always, strong partnerships at many levels.

The first layer of security starts overseas, where we assess foreign port security and antiterrorism measures through our International Port Security Program. These activities help to ensure the security of cargo that is shipped to the United States from our many international trading partners.

Offshore, on the high seas and in the 200-mile exclusive economic zone, we forward-deploy major cutters and law enforcement detachments to establish a presence and to respond to an array of maritime threats. Coast Guard patrol aircraft and cutter-deployed helicopters support this effort by providing long-range detection and response capabilities.

Last year, our cutter and aircraft crews removed over 77 metric tons of cocaine and 35 tons of marijuana in the 6-million-square-mile Transit Zone. This is a decrease of approximately 30 metric tons from fiscal year 2012, which is attributed, in part, to the reduction in aircraft and cutter patrol hours under sequestration.

Interdicting illicit narcotics in wholesale, bulk, and pure quantities continues to be the most effective approach to counter the flow and impact of narcotics to the United States and our Western Hemisphere neighbors. Perhaps equally as important, it denies transnational criminal organizations billions of dollars in profit and supports the international effort to dismantle these organizations.

As an example, in late October, a maritime patrol aircraft detected a high-speed vessel suspected of drug trafficking in the central Caribbean, approximately 200 miles south of the Dominican Republic. A Netherlands Navy warship, operating under the tactical control of the Joint Interagency Task Force South, launched a helicopter that stopped the vessel. Simultaneously, a Coast Guard law enforcement detachment deployed from the Dutch ship to board the vessel. The boarding team seized 2,700 pounds of cocaine and apprehended 4 suspects, who were turned over to the Department of Justice for prosecution.

Closer to home, we work with interagency, intergovernmental, and commercial entities to patrol maritime approaches, escort vessels, monitor critical infrastructure, and inspect port facilities. Last February, I testified before you on the role interagency and international partners play in protecting our maritime borders. These partnerships continue to enhance our capability and effectiveness along our coast and waterways.

Close coordination of activities through the regional coordinating mechanism, or ReCoM, has been effective in capitalizing on multi-agency DHS capabilities. Since October 2011, ReCoMs in California have been integral in the interdiction of more than 1,000 illegal migrants and nearly 211,000 pounds of illegal narcotics.

To maximize the effectiveness of our efforts, we are a member of the National intelligence community. We screen ships, crews, and passengers bound for the United States by requiring vessels to submit an advance notice of arrival some 96 hours prior to entering any U.S. port. Using our maritime intelligence fusion centers and

Intelligence Coordination Center, we work hand-in-hand with CBP to analyze arriving vessels and highlight potential risks. Last year, we collectively screened more than 118,000 vessels and 29.5 million people and identified more than 237 individuals with terrorism or criminal associations.

Beyond our domestic interagency partnerships, we have also developed strong partnerships with the governments of Canada and Mexico through several joint initiatives. Using joint standard operating procedures developed with Mexico, we successfully conducted 30 joint interdictions and removed more than 97,000 pounds of illegal drugs since 2008.

Through integrated cross-trained enforcement teams, commonly referred to as Shipriders, Coast Guard, and Royal Canadian Mounted Police Officers conduct joint interdictions operations in each other's waters. Supported by jointly-developed intelligence, these teams leverage each other's law enforcement authorities to prevent suspect vessels from escaping prosecution by fleeing into the other Nation's territorial seas.

As I have outlined in my testimony, our strategy to secure our borders relies on a layered defense that is supported by effective awareness and threat prioritization to ensure the most effective use of our limited resources. As always, we must also rely on building and maintaining partnerships with a variety of international, Federal, State, local, and Tribal partners to detect, deter, and interdict any threats well before they reach the waters of the United States.

In conclusion, the United States Coast Guard is an important partner in securing the U.S. maritime border. We must constantly improve our ability to detect, monitor, and intercept in-bound vessels to our Nation from overseas, in the Transit Zone, and in our ports. In doing so, we must ensure we help to facilitate legitimate activity and support safe and efficient maritime commerce.

Thank you for your opportunity to testify, and I look forward to any of your questions.

[The prepared statement of Admiral Lee follows:]

PREPARED STATEMENT OF REAR ADMIRAL WILLIAM D. LEE

NOVEMBER 19, 2013

INTRODUCTION

Good morning Madame Chair Miller, Ranking Member Jackson Lee, and distinguished Members of the subcommittee. I am honored to be here today to discuss the Coast Guard's role in maritime border security.

The U.S. maritime border is vast and challenging in its scope and diversity. It encompasses the expanse of our ports and internal waters, our Territorial Seas, Contiguous Zone, and our Exclusive Economic Zone (EEZ) out to 200 nautical miles from shore and beyond in some cases for Extended Continental Shelf Claims. Threats to our maritime border have the potential to adversely impact our National security and economic prosperity. These threats include illicit smuggling and trafficking activities conducted by Transnational Criminal Organizations (TCOs), undocumented migration, illegal exploitation of our natural resources, potential terrorist activities, and the disruption of maritime commerce. Securing our maritime borders requires a layered, multi-faceted approach of authorities, capabilities, competencies, and partnerships. To accomplish its mission, the Coast Guard optimizes the use of operational resources, leverages intelligence and maritime domain awareness programs, and fosters domestic and international partnerships. These activities deter, and disrupt threats as far from the United States as possible. The Coast Guard is at the forefront of securing the broad and varied expanse of ocean that

makes up our maritime border while facilitating the smooth and efficient flow of legitimate maritime commerce and transportation.

MARITIME DOMAIN AWARENESS

One of the most important aspects of the Coast Guard's layered security approach is to understand the movement of vessels, people, and goods across our maritime borders. By combining security operations with effective governance such as vessel and cargo screening protocols, enforcing notice of arrival requirements and leveraging intelligence and information resources from across Government, the Coast Guard facilitates the secure and efficient flow of commerce through our Nation's waterways.

Vessel screening applies analytical criteria to inbound vessels to develop a manageable set of targets for a potential Coast Guard boarding and/or inspection. The Coast Guard screens ships, crews, and passengers for all vessels required to submit a 96-hour Advance Notice of Arrival (ANOVA) prior to entering a U.S. port. Complementary screening efforts occur at the National and tactical levels. At the National level, the Intelligence Coordination Center's Coastwatch Branch, which is collocated with CBP at the National Targeting Center, screens crew and passenger information. Through our partnership with CBP, we have expanded access to counterterrorism, law enforcement, and immigration databases and this integration has led to greater information sharing and more effective security operations. In 2012, Coastwatch screened approximately 118,000 ANOVAs and 29.5 million crew/passenger records.

At the tactical level, each of the Coast Guard's Area Commanders receives support from a Maritime Intelligence Fusion Center (MIFC), which screens the commercial vessels operating within their areas of responsibility (over 350,000 in 2012) for unique indicators, as well as providing additional screening for vessels that submit an ANOVA. The MIFCs focus on screening characteristics associated with the vessels itself, such as ownership, ownership associations, cargo, and previous activity. Coast Guard vessel screening results are disseminated to the appropriate DHS Maritime Interagency Operations Center, Sector Command Center, local intelligence staffs, and CBP and other interagency partners to evaluate and take action on any potential risks.

The Coast Guard also supports the CBP Container Security Initiative, to ensure that all United States-bound maritime shipping containers posing a potential risk are identified and inspected prior to being placed on vessels. This initiative encourages interagency cooperation through collecting and sharing information and trade data gathered from ports, strengthening cooperation and facilitating risk-informed decision making.

OPERATIONS TO COUNTER MARITIME RISK

Coast Guard cutters, maritime patrol aircraft, and Law Enforcement Detachments (LEDETs) embarked on U.S. Navy and Allied nation vessels are critical enforcement and deterrence assets in the offshore environment. They are capable of responding to threats far from our coasts and maintain a vigilant presence over U.S. interests on the High Seas and in our EEZ. Closer to home, Coast Guard helicopters, patrol boats, and boat stations monitor, track, and interdict vessels of interest. In our ports, the Coast Guard partners with Federal, State, local, Tribal, and industry stakeholders, to monitor critical infrastructure, conduct vessel escorts and patrols, and inspect vessels and facilities. The Coast Guard's mix of multi-mission cutters, aircraft, boats, as well as deployable specialized forces, allows us to exercise layered and effective security throughout the maritime domain.

To leverage existing programs, the Coast Guard established formal partnerships to collaborate with CBP on their maritime Predator Unmanned Aerial System (UAS) program (land-based), and with the Navy UAS programs. Incorporating the UAS capability with manned patrolling will improve detection and surveillance activities at a significantly reduced cost when compared to manned aviation.

During a recent proof-of-concept deployment aboard USCGC BERTHOLF, the ScanEagle UAS proved to be a superb force multiplier in two separate law enforcement cases, resulting in the removal of 570 kilograms of cocaine and the detention of six suspected smugglers.

When the Coast Guard is alerted to a specific maritime threat to the United States that requires a coordinated U.S. Government response, the Maritime Operational Threat Response (MOTR) Plan is activated. The MOTR Plan uses established protocols and an integrated network of National-level maritime command and operations centers to facilitate real-time Federal interagency communication, coordi-

nation, and decision making to ensure a timely, unified, and decisive response to maritime threats.

INTERNATIONAL PARTNERSHIPS

To detect, deter, and counter threats as early as possible, the Coast Guard fosters strategic relationships with partner nations. The International Ship and Port Facility Security (ISPS) Code provides an international regime to ensure ship and port facilities take appropriate preventative measures consistent with our domestic regime under the Maritime Transportation Security Act. Through the International Port Security Program, the Coast Guard conducts foreign port assessments to determine the port security effectiveness and antiterrorism measures of foreign trading partners. Since the inception of the International Port Security Program in 2004, Coast Guard personnel have visited more than 150 countries and approximately 1,200 port facilities. These countries generally receive biennial assessments to verify compliance with the ISPS Code and U.S. maritime security regulations, as appropriate. Vessels arriving in non-ISPS Code-compliant countries are required to take additional security precautions while in those ports and may be boarded by the Coast Guard before being granted permission to enter U.S. ports. In specific cases, these vessels may be refused entry.

To more effectively counter maritime threats in the offshore region and throughout the Western Hemisphere, the Coast Guard maintains more than 30 maritime bilateral law enforcement agreements with partner nations. These agreements facilitate coordination of operations and the forward deployment of boats, cutters, aircraft, and personnel to deter and counter threats as close to their origin as possible.

To further address maritime threats and to improve security along with Southwest Border of the United States, the Coast Guard, U.S. Northern Command (NORTHCOM), the Mexican Navy (SEMAR), and the Mexican Secretariat for Communications and Transportation (SCT) have strengthened relations through the Security and Prosperity Partnership (SPP). Through the SPP, SEMAR and SCT are increasing their engagement with the Coast Guard through training, exercises, coordinated operations, and intelligence and information sharing. Furthermore, the North American Maritime Security Initiative (NAMSI) provides an operational relationship between SEMAR, NORTHCOM, Canadian Forces, and the Coast Guard built upon standard procedures for communications, training, and operations. Since the inception of NAMSI in December 2008, there have been 30 joint narcotics interdiction cases resulting in the seizure of 97,200 pounds of illegal narcotics.

Cooperation and collaboration with Canada remains one of the Coast Guard's most enduring and effective international partnerships. As outlined in the U.S.-Canada Beyond the Border declaration, border security includes the safety, security, and resiliency of our Nation; the protection of our environmental resources; and the facilitation of the safe and secure movement of commerce in the global supply chain. The Coast Guard is a key part of Integrated Border Enforcement Team (IBET) activities, where U.S. and Canadian agencies share information and expertise to support interdiction operations along our common border. From this partnership, an operational relationship known as Integrated Cross-border Maritime Law Enforcement Operations (ICMLEO), commonly referred to as Shiprider, has emerged. The ICMLEO arrangement spans the shared waterways of U.S./Canadian maritime border, and greatly facilitates cooperative, integrated maritime operations by providing U.S. and Canadian law enforcement officers the authority to conduct joint law enforcement operations on both sides of the border.

DOMESTIC PARTNERSHIPS

The Coast Guard coordinates and conducts joint operations with other DHS components and interagency partners as part of a whole-of-Government response to maritime border threats. Along the Southwest Border, DHS partners continue to apply a broad-based approach to keep communities safe from threats of border-related violence and crime, and to weaken the TCOs that threaten the safety of communities throughout the Western Hemisphere.

In our ports, the Coast Guard Captain of the Port (COTP) is designated as the Federal Maritime Security Coordinator (FMSC). In this role, COTPs lead the Nation's 43 Area Maritime Security Committees (AMSC) and oversee the development, regular review, and annual exercise of their respective Area Maritime Security Plans (AMSPs). AMSC's assist and advise the FMSC in the development, review, and implementation of a coordination/communication framework to identify risks and vulnerabilities in and around ports. Additionally, AMSC's coordinate resources to prevent, protect against, respond to, and recover from Transportation Security In-

cidents (TSIs). AMSCs have developed strong working partnerships between all levels of Government and private industry stakeholders.

On a National scale, the establishment of Interagency Operations Centers (IOCs) for port security is well underway. In ports such as Charleston, Puget Sound, San Diego, Boston, and Jacksonville, the Coast Guard, CBP, and other agencies are sharing workspace and coordinating operational efforts for improved efficiency and effectiveness of maritime security operations.

The Regional Coordinating Mechanism (ReCoM) is another example of the evolution of coordinated joint operations among interagency partners. Located at San Diego, Los Angeles, and San Francisco, the ReCoMs are manned with Coast Guard, CBP, and State and local law enforcement agencies. The San Diego and Los Angeles/Long Beach ReCoMs coordinated operations contributing directly to the interdiction of 1,002 illegal migrants and 210,900 pounds of illegal drugs in fiscal year 2012 and fiscal year 2013.

To counter the drug and migrant smuggling threat in waters off Southern California, the Coast Guard, in partnership with other Federal, State, and local agencies increased our levels of effort for the standing Coast Guard Operation Baja Tempestad.

This combined operation brings additional resources to the fight against TCOs, including flight deck-equipped cutters with airborne and surface use-of-force capability; increased Coast Guard and Customs and Border Protection maritime patrol aircraft flights; additional non-compliant vessel use-of-force endgame capabilities from our shore-based boats; and enhanced intelligence collection, analysis, and dissemination. In fiscal year 2013, this interagency effort has led to the removal of more than 90,900 pounds of marijuana and the apprehension of 400 illegal migrants.

On the high seas and throughout the 6 million-square-mile drug Transit Zone, joint interdiction operations with Federal partners are coordinated through Joint Interagency Task Force South (JIATF-S) and Joint Interagency Task Force West (JIATF-W). To support detection, monitoring, interdiction, and apprehension operations in the Transit Zone, the Coast Guard leverages maritime assets by forward deploying cutters, patrol aircraft, and Law Enforcement Detachments embarked on U.S. Navy and Allied (British, Dutch, and Canadian) assets. The Coast Guard also works closely with the State and Justice Departments to bring suspected illicit traffickers to the United States for prosecution.

In Puerto Rico, the Coast Guard is part of a broad Federal effort to strengthen current joint operations. As the lead Federal maritime agency within DHS, the Coast Guard is conducting targeted surge operations in the maritime domain and is collaborating with international stakeholders to stem the flow of illicit drugs into Puerto Rico and the U.S. Virgin Islands. As a result of these joint efforts, 7,165 kilograms of cocaine and 200 pounds of marijuana were removed in fiscal year 2012 and 24,000 kilograms of cocaine and 9,500 pounds of marijuana were removed in fiscal year 2013.

CONCLUSION

The Coast Guard's layered maritime border security strategy addresses the broad range of offshore and coastal threats that have the potential to impact our National security and economic prosperity. From our efforts to expand maritime domain awareness to our international and domestic partnerships, and investments in cutter, boat, and aircraft recapitalization, the Coast Guard continues to improve maritime border security while facilitating the safe flow of legitimate commerce.

Thank you for the opportunity to testify today, and thank you for your continued support of the U.S. Coast Guard. I would be pleased to answer your questions.

Mrs. MILLER. Thank you very much, Admiral.

As I recognize Commissioner Alles, let me just take a point of personal privilege, since you were talking about interagency partnerships between yourself and CBP. I see that every day in my own district at Selfridge Air National Guard Base, where we have Air Station Detroit. Colonel Ogden is your sector commander there. Colonel Rembold does such a great job with the Air and Marine Northern Border Wing there, as well. It really is a wonderful thing to see them all.

So, with that, Commissioner Alles.

**STATEMENT OF GENERAL RANDOLPH D. ALLES, ASSISTANT
COMMISSIONER, OFFICE OF AIR AND MARINE, U.S. CUSTOMS
AND BORDER PROTECTION, U.S. DEPARTMENT OF HOME-
LAND SECURITY**

General ALLES. Good morning, Chairwoman Miller and Ranking Member Jackson Lee and distinguished Members of the committee. It is an honor to appear before you today to discuss the critical role of U.S. Customs and Border Protection in securing our Nation's maritime borders.

I appreciate the committee's leadership and commitment to ensuring the security of the American people. I look forward to discussing Air and Marine contributions to CBP's antiterrorism and border security mission at and beyond our borders in support of CBP's layered approach to security efforts.

So we are here to discuss what a secure maritime border looks like. A security maritime border necessitates significant domain awareness and involves partnerships, intelligence, and a coordinated approach to the use of detection resources for effective understanding of the threats associated with the maritime domain that could impact the security, safety, economy, or environment of the United States.

Maritime security cannot be measured by a single metric; rather, a secure maritime border is one where ample opportunities and capabilities are present to mitigate threats and keep our communities safe.

Over the past 11 years, CBP has dedicated historic levels of personnel and technology and resources in support of our maritime security efforts. The number of Air and Marine agents dedicated to supporting CBP's mission currently stands at 1,728 enforcement and support personnel throughout the United States and its territories, which is about a three-fold increase since we were first created.

In fiscal year 2013, Air and Marine interdicted over 820,000 pounds of illicit drugs, with a street value of almost \$12 billion; conducted 3,000 arrests; participated in the apprehension of 48,000 illegal immigrants; seized \$24 million in currency and 3,100 weapons.

Our maritime border security mission is complex and challenging. The maritime domain, generally less restricted than the air and land domain, is an expansive pathway to the world without fences. The pathway connects to more than 95,000 miles of U.S. maritime border.

Our aerial assets play a critical role in maritime security efforts. Air and Marine P-3s are high-endurance, all-weather aircraft used to intercept and track airborne smuggling threats. In partnership with the Coast Guard, Air and Marine developed a maritime variant of the Predator B called the Guardian. Air and Marine pilots, augmented by Coast Guard personnel, use the Guardian to conduct long-range surveillance in support of joint counter-narcotics operations in the southeast coastal, Gulf of Mexico, drug source, and transit zones. Working in conjunction with aviation assets, Air and Marine interceptor vessels operate in offshore coastal waters to combat smuggling and protect the U.S. maritime border from acts of terrorism.

To address the small-boat challenge and increase security and maritime domain awareness, CBP's Office of Field Operations implemented the Small Vessel Reporting System. It is a voluntary on-line system for the reporting of foreign travel of small vessels' operators and passengers. It segregates low-risk vessels and boater traffic and increases our ability to identify suspicious or unknown vessels approaching or traveling U.S. waterways.

Additionally, a considerable threat along the maritime border involves the use of pangas, as mentioned by Admiral Lee. Smugglers use these wood or fiberglass homemade fishing vessels, with relatively high-speed capabilities, their small radar signature, and the cover of darkness, in an attempt to evade detection by service patrol vessels and patrol aircraft. They are used to quickly move contraband short distances. Larger and high-powered pangas, ranging in size up to 50 feet in length, are capable of carrying multi-ton loads of contraband great distance. Of the 123 maritime seizures to the San Diego region in fiscal year 2013, 81 were pangas, and they accounted for 93,000 pounds of marijuana.

Air and Marine has been an integral part of successful inter-agency counter-narcotics missions. For example, operating in coordination with the Joint Interagency Task Force South, Air and Marine assets, including P-3 aircraft, patrol a 6-million-mile area of the Western Caribbean and Eastern Pacific known as the Transit Zone. We heavily cooperate with the Coast Guard in this region, I would say, on a daily basis.

Air and Marine continues to engage with the Coast Guard and DOD to identify and deploy enabling technology to permit the expansion of overall maritime domain awareness and the integration of information and maritime sensor data throughout DOD and DHS. Currently, we are collaborating with DOD to obtain additional radar data from patrolling DOD air and service assets along the California coastline to increase our maritime domain awareness.

Coordination and cooperation among all entities that have a stake in our mission have been and continue to be paramount to an effective maritime security strategy. Air and Marine continues to unify our enforcement efforts and expand collaboration with other agencies.

Because of the continual support of Congress, Air and Marine has been a significant contributor to CBP's progress in securing our Nation's maritime borders. We will continue to transform our aviation and maritime fleet to enhance detection and interdiction capabilities and work with our international and Federal partners to combat the risks that exist today and be prepared for those of tomorrow.

Chairman Miller, Ranking Member Jackson Lee, and distinguished Members of the committee, thank you for this opportunity to discuss our role of Air and Marine and also Customs and Border Protection. I look forward to answering your questions. Thank you.

[The prepared statement of General Alles follows:]

PREPARED STATEMENT OF GENERAL RANDOLPH D. ALLES

NOVEMBER 19, 2013

INTRODUCTION

Chairwoman Miller, Ranking Member Jackson Lee, and distinguished Members of the subcommittee, it is a pleasure to appear before you today to discuss U.S. Customs and Border Protection (CBP) efforts to secure our Nation's maritime borders.

We are here today to discuss what a secure maritime border looks like. A secure maritime border necessitates significant domain awareness and involves partnerships, intelligence, and a coordinated approach to the use of detection resources for effective understanding of the threats associated with the maritime domain that could impact the security, safety, economy, or environment of the United States. Maritime security cannot be measured by a single metric. Rather, a secure maritime border is one where ample opportunities and capabilities are present to mitigate threats and keep our communities safe.

As America's front-line border agency, CBP is responsible for securing America's borders against threats while facilitating the lawful flow of people and goods entering the United States. To accomplish our mission, CBP has deployed a multi-layered, risk-based approach to enhance the security of our borders. This layered approach to security reduces our reliance on any single point or program that could be compromised. The "defense-in-depth" strategy extends our zone of security outward, ensuring that our physical border is not the first or last line of defense, but one of many.

OVERVIEW OF CBP MARITIME SECURITY OPERATIONS

CBP's Office of Air and Marine (OAM) is the world's largest aviation and maritime law enforcement organization, and is a critical component of CBP's layered enforcement strategy for border security. OAM protects the American people and the Nation's critical infrastructure through the coordinated use of integrated air and marine assets to detect, interdict, and prevent acts of terrorism and the unlawful movement of people, illegal drugs, and other contraband toward or across the borders of the United States.

Over the past 11 years, CBP has dedicated historic levels of personnel, technology, and resources in support of our maritime security efforts. The number of OAM agents dedicated to performing CBP's mission has grown from 943 in fiscal year 2002 to a present force of 1,728 enforcement and support personnel throughout the United States and territories.¹

OAM operations in the field are divided into three regions: The Southwest Border Region, the Northern Border Region, and the Southeast Border Region. Each region is split into Air and Marine Branches, and then further divided into Air and/or Marine Units.

OAM also operates two unique operational entities: National Air Security Operations (NASO) and the Air and Marine Operations Center (AMOC). NASO, operating out of six centers Nation-wide, coordinates operational activities, long-range planning, and project oversight for the P-3 aircraft and unmanned aircraft system (UAS) programs. AMOC is a state-of-the-art law enforcement operations and domain awareness center that conducts air and marine surveillance operations. These air and marine surveillance operations provide direct coordination and support to OAM; CBP law enforcement agents performing interdiction missions; and other Federal, State, and local law enforcement agencies conducting criminal investigations. The AMOC is located in Riverside, California, with satellite operations centers in Puerto Rico and the National Capital Region.

The OAM fleet consists of 289 coastal and riverine vessels and 242 aircraft including 105 fixed-wing, and 137 rotary-wing. These assets provide critical aerial and maritime surveillance, interdiction, and operational assistance to ground personnel to support CBP's maritime security mission. CBP continues to modernize its fleet to enhance our operational performance in diverse marine environments and increase our ability to adapt to the challenges of securing the maritime approaches to the United States.

Additionally, in support of OAM operations, CBP has assumed responsibility for the Tethered Aerostat Radar System (TARS) Program from the Department of Defense (DOD) in fiscal year 2014. TARS has assisted CBP and its legacy agencies with providing air domain awareness for more than 20 years—it is a multi-mission capability that supports CBP's border security mission.

¹As of pay period 20, fiscal year 2013.

OAM provides surveillance of known air, land, and maritime smuggling routes in an area that is twice the size of the United States. With our partners, OAM agents detect, monitor, and disrupt illicit activities before they reach the shore.

MARITIME THREATS AND EFFORTS

CBP's maritime border security mission is complex and challenging. The maritime domain, generally less restricted than the air and land domains, is an expansive pathway to the world without fences. That pathway connects to more than 95,000 miles of U.S. shoreline.²

While the Maritime Transportation Security Act of 2002 (MTSA) and the International Convention for the Safety of Life at Sea (SOLAS) require many commercial, passenger, and fishing vessels to operate with an Automatic Identification System (AIS), a tracking system to, among other things, increase maritime awareness, the requirement does not cover many small vessels.³ The United States Coast Guard (USCG) estimates that, combined with unregistered watercraft, there are approximately 17 million small vessels⁴ operating in U.S. waterways; a majority of these vessels are not required to utilize AIS. Therefore, detecting and assessing the risk of small vessels is particularly challenging.

Additionally, the maritime environment contains both legitimate and illegitimate traffic sharing the same transit routes. Smugglers use a wide range of evolving methods, including the use of small vessels, to move contraband and people across our borders. OAM adapts its strategy and response to address emerging threats, tactics, and intelligence.

As part of CBP's comprehensive effort to improve the security of our Nation's borders while enhancing legitimate travel specifically for small boaters, CBP's Office of Field Operations (OFO) utilizes several alternate inspection programs such as the Canadian Border Boater permit (I-68), Nexus Marine program, and the Small Vessel Reporting System (SVRS). SVRS, a voluntary, on-line program to report the foreign travel of small vessel operators and passengers, was developed to better track small vessels and make it easier to identify suspicious or unknown vessels. Enrollment in SVRS includes completing an on-line application, attending a face-to-face interview with a CBP officer, and, if needed, providing biometrics for verification. Once enrolled, participants are able to submit a "float plan" consisting of biographical information of all persons intending on traveling, vessel registration information, and itinerary information. By enrolling and submitting a float plan, participants may not have to appear in person for inspection by a CBP officer each time they enter the United States. Participants are still required to report via telephone their arrival in the United States. Initiatives such as SVRS provide CBP with advanced vessel information and increased awareness of small vessels approaching or traveling U.S. waterways. Segregating low-risk vessels facilitates legitimate recreational boater traffic and increases CBP's ability to identify higher-risk vessels and dedicate resources to address illicit maritime activities.

A considerable threat along our entire maritime border involves the use of "pangas." Smugglers use these wood or fiberglass homemade fishing vessels' relatively high-speed capabilities, small radar signature, and the cover of darkness to attempt to evade detection by surface patrol vessels and patrol aircraft. Small panga vessels are used to quickly move contraband short distances; however, larger and higher-powered pangas can range in size up to 50 feet in length and are capable of carrying multi-ton loads of contraband greater distances.

A recent trend identified off the California coast is a shift from using smaller panga vessels that make quick cross-border trips to beach areas near San Diego to using larger pangas. Larger pangas are typically used in the Western Caribbean transit zones from South America, but are now transiting from Mexico farther offshore and farther northward along the California coast.

²DHS, *Small Vessel Security Strategy*, April 2008, page 4. <http://www.dhs.gov/xlibrary/assets/small-vessel-security-strategy.pdf>.

³"Small vessels" are characterized as any watercraft, regardless of method of propulsion, less than 300 gross tons. Small vessels can include commercial fishing vessels, recreational boats and yachts, towing vessels, uninspected passenger vessels, or any other commercial vessels involved in foreign or U.S. voyages. DHS, *Small Vessel Security Implementation Plan Report to the Public*, January, 2001, page 1. <http://www.dhs.gov/xlibrary/assets/dhs-uscg-small-vessel-security-strategy-report-to-public-012011.pdf>.

⁴USCG 2006 boater statistics compiled from State boater registration reports indicate there are 13 million registered boats in the United States. When combined with unregistered boats, the figure is estimated at 17 million total U.S. watercraft. DHS, *Small Vessel Security Strategy*, April 2008, footnote 2, page i. <http://www.dhs.gov/xlibrary/assets/small-vessel-security-strategy.pdf>.

In fiscal year 2013, the San Diego Maritime Domain along the California Coast, had 243 maritime smuggling events and 123 seizures, of which 81 were pangas, accounting for 93,240 pounds of marijuana.

OAM is taking the Southern California panga threat seriously and is evaluating a number of options to aggressively address the significant increase in smuggling events and the trends moving these panga trips northward. Our response includes increasing the number of Multi-Role Enforcement Aircraft (MEAs) and maritime UAS patrols; the realignment of vessels and personnel in Southern California through surge operations; and the expansion of our partnerships.

COLLABORATIVE EFFORTS

Through collaboration and coordination with our many partners, we have made great strides with regard to the integrity and security of our maritime borders.

In 2011, the CBP Commissioner, USCG Commandant, and U.S. Immigration and Customs Enforcement (ICE) Director signed the cross-component Maritime Operations Coordination (MOC) plan. The plan addresses the unique nature of the maritime environment and sets forth a layered, DHS-wide approach to homeland security issues within the maritime domain, ensuring integrated planning, information sharing, and increased response capability in each area of responsibility.

OAM has been an integral part of successful interagency counter-narcotics missions. For example, operating in coordination with the Joint Interagency Task Force—South (JIATF—S), OAM assets, including P-3 aircraft, patrol a 6 million-square-mile area of the Western Caribbean and Eastern Pacific, known as the transit zone, in search of drugs and illicit migrants that are in transit toward United States' shores. OAM's distinctive detection capabilities allow highly-trained crews to identify emerging threats well beyond the land borders of the United States.

In partnership with USCG, OAM developed a maritime variant of its Predator B unmanned aircraft system (UAS), called the Guardian, to increase reconnaissance, surveillance, targeting, and acquisition capabilities in maritime operating environments. OAM pilots, augmented by USCG personnel, use the Guardian to conduct long-range surveillance in support of joint counter-narcotics operations in the southeast coastal and Gulf of Mexico border regions and drug source and transit zones, where maritime radar is necessary to detect a variety of threats. The Guardian is a strategic asset for homeland security operated at and beyond the Nation's borders to overcome threats moving towards the United States.

CBP, with assistance from several NASO Centers, USCG, DOD, along with State, local, and Tribal partners participate in Operation Blue Tempest. OAM supports this operation using P-3, DHC-8, MQ-9 (Guardian UAS) aircraft and marine interceptors. Operation Blue Tempest is intended to disrupt and seize drugs moving from the source zone through the transit zones on their way towards the United States. On-going missions provide aerial and maritime surveillance in transit/arrival zones allowing OAM to gather intelligence, develop a maritime database and exploit targets of opportunity that are conducting drug and alien smuggling in the California Coastal Region. The intelligence gained from these missions is shared among all operational participants. This intelligence may also be shared with the Government of Mexico (GoM) using vetted GoM Liaisons on staff at the AMOC. This sharing of information, which is done in coordination with the Drug Enforcement Administration (DEA) as the single point of contact on behalf of the United States with regards to drug-related matters in the foreign environment, is critical in identifying potential departure locations to better posture limited GoM and U.S. resources in response.

OAM continues to engage with the USCG and DOD to identify and deploy enabling technologies that permit the expansion of overall maritime domain awareness and the integration of information and maritime sensor data throughout DOD and DHS. Through this partnership, OAM is negotiating with DOD to receive radar data from patrolling DOD air and surface assets along the California Coastline. AMOC already receives feeds from airborne DOD aircraft and is looking to the Navy Southern California Offshore Range as an additional source for enhanced maritime domain awareness. With the support of the DHS Science and Technology Directorate and the USCG Research and Development Center, prototype technologies have been deployed to the AMOC and USCG Los Angeles/Long Beach Sector, and are currently under evaluation. The Coastal Surveillance System (CSS) pilot has already shown promise in its ability to manage and coherently integrate various maritime sensor systems into a single picture, which can be then shared between stakeholders.

DHS and CBP have cooperated in various law enforcement and border security efforts including conducting joint air interdiction operations with Mexican forces to increase apprehensions of suspect air traffic. CBP continues to enhance our partner-

ships with our international counterparts, as well as Federal, State, local, and Tribal law enforcement agencies and the public and private sectors to monitor, collect, analyze, and produce intelligence reporting on smuggling tactics, techniques, and procedures. Intelligence provides front-line personnel with a better understanding of the illicit transportation methods and concealment techniques they are likely to encounter. Coordination and cooperation among all entities that have a stake in our mission have been, and continue to be, paramount to an effective maritime security strategy. OAM continues to unify our enforcement efforts and expand collaboration with other agencies.

INDICATORS OF SUCCESS

OAM will continue to work with our partners to increase maritime domain awareness through shared intelligence, advancements in technology, and continued cooperative efforts in detection and interdiction.

OAM efforts, in coordination with our partners, have resulted in the seizure of immense quantities of contraband, and disrupted considerable illicit activity before it reaches our shores. In fiscal year 2013, OAM conducted more than 73,500 flight hours and 44,500 underway hours, resulting in the arrest of 2,997 individuals, the apprehension of more than 48,000 illegal migrants, over 3,100 weapons, \$24,696,873.00 in currency, and the seizure of more than 820,000 pounds of illegal drugs which includes cocaine seizures valued at nearly \$10 billion and marijuana seizures valued at \$1.8 billion.

Over the last decade, OAM has evolved to counter the egregious threat of non-compliant vessels. OAM has developed capabilities to disable non-compliant vessels and prevent the more serious violators from reaching our communities. Since 2003, OAM has engaged in 108 incidents involving marine warning and/or disabling rounds, and one incident involving air-to-vessel warning and disabling rounds. In each case, the criminals were safely brought to justice without incident or injury.

We acknowledge that there is still work to do. The path forward is to improve our maritime domain awareness by continually enhancing our detection capabilities, maximizing maritime intelligence integration, increasing our resources, enhancing and expanding our technologies, and strategically aligning our resources to allow flexibility in responding to potential threats. OAM will continue to use a risk-based approach to adapt and align our personnel and assets as needed to address emerging and dynamic threats and to keep our maritime borders secure.

CONCLUSION

Chairwoman Miller, Ranking Member Jackson Lee, and Members of the subcommittee, thank you for this opportunity to testify about the work of CBP and OAM. With your support, we will continue to refine and further enhance the effectiveness of our detection and interdiction capabilities. I look forward to answering any questions you may have at this time.

Mrs. MILLER. Thank you very much, Commissioner Alles.

The Chairwoman now recognizes Mr. Caldwell for his testimony.

STATEMENT OF STEPHEN L. CALDWELL, DIRECTOR, MARITIME AND SECURITY COAST GUARD ISSUES, HOMELAND SECURITY AND JUSTICE TEAM, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Mr. CALDWELL. Chairman Miller, Ranking Member Jackson Lee, and other Members of the committee, thank you very much for inviting GAO to be here today to discuss how we secure our maritime borders.

Based on GAO's prior work, there are several factors that are critical to securing those maritime borders. These are: Robust maritime domain awareness; assessment of risks from foreign ports; international partnerships; maritime surveillance, interdiction, and security operations; domestic partnerships along our coast and in our ports; and measuring maritime security.

So Admiral Lee and General Alles have already discussed many of these same factors, so I think I will concentrate my comments

on the last factor, which is: How do we measure the security of our maritime borders? My comments are in the spirit of the bill you had in the last Congress, H.R. 1417, a bill with bipartisan support from Chairman McCaul, Chairman Miller, as well as Representatives Thompson and Jackson Lee.

H.R. 1417 called for DHS to develop and implement metrics on the effectiveness of security in the maritime environment. Some of these potential metrics, for example, were undocumented migrant interdiction rates, illicit drug removal rates, cocaine removal rates in the Transit Zone, response rates for assets to arrive on scene.

These metrics are definitely a good start. However, there are going to be many challenges coming up with additional meaningful metrics. As you know, some of the H.R. 1417 metrics depend on estimates of things that are pretty hard to estimate, such as the actual flow of illegal migrants and drugs.

GAO's prior work has shed some light on both some of the progress and the challenges that we have made as a Nation in terms of measuring the security of our maritime borders. Some of the problems I have noted in my written statement, including cases where there is a lack of reliable or accurate data. There is a case where we have data but it is not being used to manage our programs. In some cases, there is just a lack of outcome-based measures.

In our November 2011 report, we took a detailed look at the Coast Guard's attempts to measure risk reduction related to its maritime security mission. Coast Guard, to its credit, did try to develop a measure that identified the percentage of reduction in maritime security risks resulting from various Coast Guard activities. However, given the relative dearth of actual maritime attacks or incidents, the Coast Guard used subject-matter experts to estimate these risks as a proxy measure to try to get at how we may have prevented, say, the radical terrorist attack.

This exercise demonstrated that estimating risk reduction itself is inherently uncertain, as this measure is based largely on subjective measures of Coast Guard—subjective judgments of Coast Guard personnel. Therefore, the risk-reduction results that were reported and have been reported for several years were not based on measurable or observable activities but on those judgments.

Looking at the Coast Guard's broader maritime mission set, things like search-and-rescue and vessel safety, that makes it even more difficult for Coast Guard to use such measurements of security measures to manage its resources. So one of the challenges is going to be, can you combine a variety of the missions combined by Coast Guard and CBP to look at some of these broad measurements of mission success as well as some of the more specific ones?

In closing, GAO will continue to work with this committee and the Congress as a whole to help agencies develop and refine performance measures that can measure the security of our maritime borders. Such measures can help agencies better gauge their progress and better manage their workforce and their assets.

Thank you very much. I will be happy to respond to questions. Thank you.

[The prepared statement of Mr. Caldwell follows:]

PREPARED STATEMENT OF STEPHEN L. CALDWELL

NOVEMBER 19, 2013

GAO HIGHLIGHTS

Highlights of GAO–14–196T, a testimony before the Subcommittee on Border and Maritime Security, Committee on Homeland Security, House of Representatives.

Why GAO Did This Study

Maritime borders are gateways to our Nation's maritime transportation system of ports, waterways, and vessels—which handle billions of dollars of cargo annually. An attack on this system could have dire consequences and affect the global economy. In addition, criminals could use small vessels to smuggle narcotics, aliens, and other contraband across U.S. maritime borders. Within DHS, the Coast Guard is responsible for many homeland security efforts in the maritime domain, including conducting port facility and commercial vessel inspections and coordinating maritime information-sharing efforts, among other things. In addition, CBP is responsible for screening incoming vessels' crews and cargo to facilitate the flow of legitimate trade and passengers.

This testimony identifies key factors important to secure the maritime borders, and discusses progress and challenges in related DHS programs. This statement is based on products GAO issued from July 2003 through October 2013.

What GAO Recommends

GAO has made recommendations to DHS in prior reports to strengthen its maritime security programs. DHS generally concurred with these recommendations and has taken actions, or has actions under way, to address them.

MARITIME SECURITY.—PROGRESS AND CHALLENGES IN KEY DHS PROGRAMS TO SECURE THE MARITIME BORDERS

What GAO Found

GAO's prior work has identified several key factors important to secure the maritime borders. The Department of Homeland Security (DHS) and its components have made progress (e.g., coordinating with partners), and in some cases also experienced challenges with their related maritime security programs.

- *Maintaining robust maritime domain awareness.*—It is critical that Federal agencies maintain maritime domain awareness—the understanding of anything associated with the global maritime environment that could adversely affect the security, safety, economy, or environment of the United States. The U.S. Coast Guard has developed systems—including information-sharing and vessel-tracking systems—to enhance maritime domain awareness. GAO's prior work has found that the Coast Guard has made progress in developing its systems, but that it also experienced some challenges. For example, in July 2011, GAO reported that the Coast Guard had not met its goal of building a system intended to enable the sharing of information among its new offshore vessels and aircraft. GAO recommended that the agency take actions to address this challenge. DHS concurred and stated it planned to take actions.
- *Assessing risks coming from foreign ports.*—The security of maritime borders also depends upon security at foreign ports where cargo bound for the United States originates. U.S. Customs and Border Patrol (CBP) and the Coast Guard have developed models to assess the risks of foreign ports, foreign vessels entering U.S. ports, and the cargo carried by these vessels from these ports. In September 2013, GAO found that CBP has taken steps to enhance the security of U.S.-bound cargo, but CBP does not periodically assess the supply chain security risks from foreign ports that ship cargo to the United States. GAO recommended that CBP periodically assess the supply chain security risks from these ports. DHS concurred with GAO's recommendation and reported that it planned to take actions to address it.
- *Conducting maritime surveillance, interdiction, and security operations.*—Along the coasts and in ports, maritime surveillance, interdiction, and operations are conducted to ensure the security of the maritime borders. For example, CBP's Office of Air and Marine is to provide maritime surveillance and interdiction capabilities. In March 2012, GAO found that the office did not meet its National performance goal and did not provide higher rates of support in locations designated as high-priority. GAO made recommendations to help ensure that the office's assets and personnel are best positioned to effectively meet mission needs and address threats, among other things. DHS concurred and reported

that it planned to take action to address the recommendations by the end of March 2014.

- *Measuring performance.*—In securing our maritime borders, DHS and its component agencies have faced challenges in developing meaningful performance measures. For example, GAO's prior work found that they have experienced challenges collecting complete, accurate, and reliable data; among other things. In January 2011, GAO reported that both CBP and the Coast Guard tracked the frequency of illegal seafarer incidents at U.S. seaports, but the records of these incidents varied considerably between the two component agencies and between the agencies' field and headquarters units. GAO made a recommendation to improve the accuracy of DHS data, and DHS concurred and has made progress in addressing the recommendation.

Chairman Miller, Ranking Member Jackson Lee, and Members of the subcommittee: Thank you for the opportunity to discuss key aspects of a secure maritime border. Maritime borders are gateways to our Nation's maritime transportation system of ports, waterways, and vessels, which handle billions of dollars of cargo annually. Accordingly, maritime borders are critical to our National security. For instance, an attack on this system could have a widespread effect on global shipping, international trade, and the global economy, and an attack on a domestic port could have dire consequences because of the size of ports and their general proximity to metropolitan areas. Further, criminals could use small vessels to smuggle narcotics, aliens, and other contraband across U.S. maritime borders. Balancing maritime security concerns with the need to facilitate the free flow of people and commerce remains an on-going challenge for the public and private sectors alike.

Within the Department of Homeland Security (DHS), the U.S. Coast Guard has much of the responsibility for ensuring the safety and security of U.S. maritime interests and leading homeland security efforts in the maritime domain. In this capacity, the Coast Guard conducts port facility and commercial vessel inspections, coordinates maritime information-sharing efforts, and promotes maritime domain awareness, among other things.¹ Also within DHS, U.S. Customs and Border Protection (CBP) is responsible for screening incoming vessels' crews and cargoes for the presence of contraband, such as weapons of mass destruction, illicit drugs, or explosives, while facilitating the flow of legitimate trade and passengers. Several other DHS components, such as the Transportation Security Administration, the Domestic Nuclear Detection Office, and the Federal Emergency Management Agency, also have roles in securing our maritime borders.²

My statement today identifies key factors that are important to secure the maritime borders and discusses progress and challenges in related DHS programs. Specifically, I will address the following factors: (1) Maritime domain awareness; (2) risks from foreign ports; (3) international partnerships in global supply chain security; (4) maritime surveillance, interdiction, and security operations; (5) partnerships and coordination along the coasts and in ports; and (6) measuring performance.

My statement is based on reports and testimonies we issued from July 2003 through October 2013 related to maritime, port, vessel, and cargo security and other related aspects of maritime border security. To perform the work for our previous reports and testimonies, we visited domestic and overseas ports; reviewed agency program documents, port security plans, and other documents; and interviewed officials from the Federal, State, local, private, and international sectors, among other things. The officials we met with represented a wide variety of stakeholders including the Coast Guard, CBP, port authorities, terminal operators, vessel operators, foreign governments, and international trade organizations. Further details on the scope and methodology for the previously-issued reports and testimonies are available within each of the published products. We conducted the work on which this statement is based in accordance with generally accepted Government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and

¹ Maritime domain awareness is the understanding by stakeholders involved in maritime security of anything associated with the global maritime environment that could adversely affect the security, safety, economy, or environment of the United States.

² The Transportation Security Administration has responsibility for managing the Transportation Worker Identification Credential program, which is designed to control the access of maritime workers to regulated maritime facilities in the United States. The Domestic Nuclear Detection Office is responsible for acquiring and supporting the deployment of radiation detection equipment, including radiation portal monitors at domestic seaports to support the scanning of cargo containers before they enter U.S. commerce. The Federal Emergency Management Agency is responsible for administering grants intended to improve the security of the Nation's highest-risk port areas.

conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

SEVERAL FACTORS ARE IMPORTANT TO SECURE MARITIME BORDERS AND DHS HAS MADE PROGRESS TO ADDRESS THEM, BUT CHALLENGES REMAIN

Our prior work has identified several key factors important to securing the maritime borders, which include: (1) Maintaining robust maritime domain awareness, (2) assessing risks coming from foreign ports, (3) leveraging international partnerships, (4) conducting maritime surveillance, interdiction, and security operations, (5) coordinating with partners along the coast and in ports, and (6) measuring performance. Our prior work has also shown that DHS and its components have made progress, and in some cases experienced challenges, with their programs to address these factors.

Maintaining Robust Maritime Domain Awareness

To ensure the security of our maritime borders, it is critical that Federal agencies maintain robust maritime domain awareness. According to the *National Plan to Achieve Maritime Domain Awareness*, the maritime domain provides an expansive pathway around the world that terrorist organizations could exploit for moving equipment and personnel, as well as a means for launching attacks. Timely awareness of the maritime domain and knowledge of threats helps the Coast Guard to detect, deter, interdict, and defeat adversaries. For example, according to the Coast Guard, maritime domain awareness played a key role in allowing it to interdict narcotics, intercept thousands of alien migrants, detain hundreds of suspected smugglers, board foreign vessels to suppress illegal fishing, and rescue thousands of people.

To enhance maritime domain awareness, the Coast Guard works with its maritime partners to facilitate the sharing and dissemination of a wide array of information and intelligence to better secure the Nation's maritime transportation system against potential threats. The Coast Guard has made progress in developing its maritime domain awareness systems—including its Common Operational Picture—by increasing user access and adding data sources.³ The Coast Guard also has related systems that can be used to provide enhanced maritime domain information to Coast Guard units and port partners. However, as we previously reported, the Coast Guard experienced challenges in developing and implementing these systems. For example, in July 2011, we reported that the Coast Guard had not met its goal of building a single, fully interoperable Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance program system intended to enable the sharing of information among its new offshore vessels and aircraft.⁴ In addition, in February 2012, we reported that the intended information-sharing capabilities of the Coast Guard's WatchKeeper software—which was designed to gather data to help port partner agencies collaborate in the conduct of operations and share information, among other things—met few port partner agency needs. This is, in part, because the Coast Guard did not determine these needs when developing the system.⁵ Further, in April 2013, we reported that, among other things, the Coast Guard had not followed its own information technology development guidance when developing one of its new maritime domain awareness systems, known as Coast Guard One View.⁶ We recommended, and the Coast Guard concurred, that it take actions to address these challenges. DHS stated that it planned to take actions to address these recommendations, such as developing necessary acquisition documentation.

In addition to its own systems, the Coast Guard also relies on systems operated by other entities to help it track vessels and enhance maritime domain awareness. For example, to track vessels at sea, the Coast Guard uses a long-range identification and tracking system and an automatic identification system that broadcasts information on the vessels and their locations. To track vessels in U.S. coastal areas, inland waterways, and ports, the Coast Guard operates a land-based automatic identification system and also obtains information from radar and cameras in some ports. In March 2009, we reported on the challenges of tracking small vessels using

³The Common Operational Picture is an interactive, map-based information system that can be shared among Coast Guard commands.

⁴GAO, *Coast Guard: Action Needed as Approved Deepwater Program Remains Unachievable*, GAO-11-743 (Washington, DC: July 28, 2011).

⁵GAO, *Maritime Security: Coast Guard Needs to Improve Use and Management of Interagency Operations Centers*, GAO-12-202 (Washington, DC: Feb. 13, 2012).

⁶GAO, *Coast Guard: Clarifying the Application of Guidance for Common Operational Picture Development Would Strengthen Program*, GAO-13-321 (Washington, DC: Apr. 25, 2013).

available technologies.⁷ For example, we reported that although the Coast Guard and other agencies may have technology systems that can track small vessels within some ports, these did not always work in bad weather or at night. In September 2012, we reported that the expansion of vessel tracking technology to all small vessels may be of limited utility because of, among other things, the large number of small vessels, the difficulty in identifying threatening actions, and the challenges associated with getting resources on scene in time to prevent an attack once it has been identified.⁸ DHS and its components—such as the Coast Guard and CBP—have started or completed initiatives to improve maritime domain awareness in order to address small vessel security risks, including an initiative to help CBP better track small vessels arriving from foreign locations and another initiative to assist the Coast Guard in assessing and monitoring small vessel launch sites.

Assessing Risks Coming from Foreign Ports

The security of maritime borders also depends, in part, upon security at foreign ports where cargo and vessels bound for the United States may originate. CBP and the Coast Guard have developed models to assess the risks of cargo carried by these vessels, foreign ports, and foreign vessels entering U.S. ports. In particular, CBP developed the Container Security Initiative (CSI) program that places officials at select foreign ports to use intelligence and risk assessment information to determine whether U.S.-bound cargo container shipments from those ports are at risk of containing weapons of mass destruction or other terrorist contraband.⁹ CBP's selection of the initial 23 CSI ports in 2002 was primarily based on the volume of U.S.-bound containers, but beginning in 2003, CBP considered more threat information when it expanded the number of CSI ports.¹⁰ In our September 2013 report, we reported that CBP had not assessed the risk posed by foreign ports that ship cargo to the United States since 2005.¹¹ In 2009, CBP developed a model that ranked 356 potential expansion ports for a related program on the basis of risk, but it was not implemented because of budget cuts. We found in September 2013 that by applying CBP's risk model to fiscal year 2012 cargo shipment data, CSI did not have a presence at about half of the ports CBP considered high-risk, and about one fifth of the existing CSI ports were at lower-risk locations. As a result, we recommended that CBP periodically assess the supply chain security risks from foreign ports that ship cargo to the United States and use the results to inform any future expansion of CSI and determine whether changes need to be made to existing CSI ports. DHS concurred with our recommendation and reported that by December 2014 it plans to develop a process for conducting periodic assessments of the supply chain security risks from all ports that ship cargo to the United States and use information from the assessments to determine if future expansion or adjustments to CSI locations are appropriate.

While CBP is focused on the security of the cargo shipped to the United States from foreign ports, the Coast Guard is focused on the security of ports and the vessels arriving in the United States. Under the International Port Security program, Coast Guard officials visit foreign ports to evaluate their antiterrorism security measures against established international standards. We reported in October 2007 that the Coast Guard had found that most of the over 100 countries it visited had substantially implemented international standards.¹² More recently, the Coast Guard reported in November 2013 that it had visited over 150 countries. In September 2012, we reported that the Coast Guard had made progress with implementing its International Port Security program despite a number of challenges.¹³ For example, we reported that the Coast Guard was able to alleviate sovereignty concerns of some countries by including a reciprocal visit feature in which the Coast Guard hosts foreign delegations to visit U.S. ports. Further, as we reported in September 2013, the Coast Guard developed a risk-informed model—that it updates an-

⁷ GAO, *Maritime Security: Vessel Tracking Systems Provide Key Information, but the Need for Duplicate Data Should Be Reviewed*, GAO-09-337 (Washington, DC: Mar. 17, 2009).

⁸ GAO, *Maritime Security: Progress and Challenges 10 Years after the Maritime Transportation Security Act*, GAO-12-1009T (Washington, DC: Sept. 11, 2012).

⁹ As of July 2013, there were 58 CSI ports in 32 countries that, collectively, accounted for over 80 percent of the container shipments imported into the United States.

¹⁰ We reported in September 2013 that CBP subsequently added 35 ports to the CSI program from 2003 through 2007 on the basis of additional criteria, such as strategic threat factors and diplomatic or political considerations.

¹¹ GAO, *Supply Chain Security: DHS Could Improve Cargo Security by Periodically Assessing Risks from Foreign Ports*, GAO-13-764 (Washington, DC: Sept. 16, 2013).

¹² GAO, *Maritime Security: The SAFE Port Act: Status and Implementation One Year Later*, GAO-08-126T, (Washington, DC: Oct. 30, 2007).

¹³ GAO-12-1009T.

nually—as part of its International Port Security program to regularly assess the potential threat foreign ports pose to the maritime supply chain and make operational decisions.¹⁴ According to the Coast Guard *International Port Security Program: Annual Report 2012*, the Coast Guard uses the model to make informed decisions on how to engage each country with the International Port Security program, including: (1) How often to visit ports, (2) how many staff to assign to a particular visit, and (3) whether the country requires assistance.¹⁵

In addition to assessing the security of foreign ports, the Coast Guard also uses the results of the International Port Security program to help determine which arriving foreign vessels to board and inspect through its Port State Control program. In particular, according to the Coast Guard's *International Port Security Program: Annual Report 2012*, the Coast Guard is to use risk-based criteria to identify which foreign vessels entering U.S. ports and waterways it considers to be at risk of non-compliance with international or domestic regulations, and perform compliance examinations of these vessels. The risk-based criteria used to make these decisions include the vessel's management, the flag state under which the vessel is registered, and the vessel's security compliance history resulting from previous examinations.

Leveraging International Partnerships in Global Supply Chain Security

International partnerships based on international standards are another key aspect of secure maritime borders. For example, the International Ship and Port Facility Security (ISPS) Code was developed after the September 11, 2001, terrorist attacks to establish measures to enhance the security of ships and port facilities with a standardized and consistent security framework. The ISPS Code requires facilities to conduct an assessment to identify threats and vulnerabilities and then develop security plans based on the assessment. The requirements of this code are performance-based; therefore, compliance can be achieved through a variety of security measures. Additionally, in collaboration with 11 other members of the World Customs Organization, CBP developed the Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework), which is based, in part, on the core concepts of CBP programs and provides standards for collaboration among customs administrations and entities participating in the supply chain.¹⁶ The SAFE Framework was adopted by the 173 World Customs Organization member customs administrations in June 2005; and as of our last report on this topic in July 2008, 154 had signed letters of intent to implement the standards.

CBP and the Coast Guard also leverage relationships with private-industry stakeholders and foreign partners to promote the security of maritime borders, given that protecting domestic ports begins outside the United States where inbound shipments enter the supply chain. For example, the Customs-Trade Partnership Against Terrorism (C-TPAT) program is a voluntary program that enables CBP officials to work in partnership with private companies to review and approve the security of their international supply chains.¹⁷ Companies that join the C-TPAT program commit to improving the security of their supply chains and agree to provide CBP with information on their specific security measures. In addition, the companies agree to allow CBP to verify, among other things, that their security measures meet or exceed CBP's minimum security requirements. This allows CBP to ensure that the security measures outlined in a member's security profile are in place and effective.¹⁸ In April 2008, we reported that the C-TPAT program holds promise as part of CBP's multifaceted maritime security strategy.¹⁹ We also reported that the program allows CBP to develop partnerships with the trade community, which is a challenge

¹⁴ GAO-13-764.

¹⁵ U.S. Coast Guard, *International Port Security Program: Annual Report 2012* (Washington, DC: Mar. 31, 2012).

¹⁶ The World Customs Organization is an intergovernmental organization representing the customs administrations of 173 countries that aims to enhance the effectiveness and efficiency of customs administrations.

¹⁷ In November 2001, CBP announced the C-TPAT program as part of its efforts toward facilitating the free flow of goods while ensuring that the containers do not pose a threat to homeland security. In October 2006, the Security and Accountability for Every Port Act of 2006 established a statutory framework for the C-TPAT program, codified its existing membership processes, and added new components—such as time frames for certifying, validating, and revalidating members' security practices. 6 U.S.C. §§ 961–973.

¹⁸ In return for their participation in the program, C-TPAT members are entitled a reduced likelihood of scrutiny of their cargo. CBP has awarded initial C-TPAT certification—or acceptance of the company's agreement to voluntarily participate in the program—to over 10,000 companies, as of February 2012.

¹⁹ GAO, *Supply Chain Security: U.S. Customs and Border Protection Has Enhanced Its Partnership with Import Trade Sectors, but Challenges Remain in Verifying Security Practices*, GAO-08-240 (Washington, DC: Apr. 25, 2008).

given the international nature of the industry and resulting limits on CBP's jurisdiction and activities, and provides CBP with a level of information sharing that would otherwise not be available. However, our reports raised concerns about the overall management of the program and challenges in verifying that C-TPAT members meet security criteria. We recommended that CBP strengthen program management by developing planning documents and performance measures, and by improving the process for validating security practices of C-TPAT members. CBP agreed with these recommendations and has addressed them.

Additionally, through mutual recognition arrangements with foreign partners, the security-related practices and programs established by the customs or maritime security administration of one partner are recognized and accepted by the administration of another.²⁰ Both CBP and the Coast Guard have entered into such arrangements. For example, CBP can expand the reach of its supply chain security programs (such as C-TPAT) through mutual recognition arrangements. According to the World Customs Organization, mutual recognition arrangements allow customs administrations to target high-risk shipments more effectively and expedite low-risk shipments by, for example, reducing redundant examinations. As we reported in September 2013, mutual recognition arrangements may allow the Coast Guard to allocate resources more efficiently and reduce risks.²¹ For example, we further reported that the Coast Guard signed a memorandum of understanding with the European Union that establishes a process for mutually recognizing security inspections of each other's ports.²² According to DHS documents and Coast Guard officials in Europe, by signing this memorandum of understanding, the Coast Guard plans to reassign some International Port Security officials from Europe to Africa, where certain countries are having more difficulties than others in implementing effective antiterrorism measures in their ports. Further, we reported that one trade-off of signing the memorandum of understanding is that Coast Guard's International Port Security officials will not have the same opportunities to have face-to-face interactions and share port security information and practices directly with their European Union counterparts as in the past. Despite this trade-off, Coast Guard officials stated that entering into such arrangements increases efficiencies and noted that they intend to negotiate additional memorandums of understanding with other foreign governments that have strong port inspection programs.

Conducting Maritime Surveillance, Interdiction, and Security Operations along the Coast and in Ports

Along the coast and in ports, maritime surveillance, interdiction, and security operations are conducted to ensure the security of maritime borders. For example, CBP's Office of Air and Marine provides maritime surveillance and interdiction capabilities. Its strategic assumptions include the ability to provide a 24-hour, 7-day-a-week response to border penetrations anywhere along the U.S. border, with a 1-hour response time for areas designated as high-priority.²³ We reported in March 2012 that as of May 2011, the Office of Air and Marine had placed about half of its air assets on the Southwest Border region and the remainder in the northern and southeast regions, while marine resources were distributed fairly evenly across the northern, southwest, and southeast regions.²⁴ Further, our analysis of the Office of Air and Marine's fiscal year 2010 performance results indicate that they did not meet its National performance goal to fulfill greater than 95 percent of Border Pa-

²⁰ Mutual recognition arrangements can be entered into with other countries as well as other governing bodies, such as the European Union. For the purposes of this testimony, the countries and governing bodies that enter into mutual recognition arrangements with the United States are considered partners.

²¹ GAO-13-764.

²² According to DHS officials, the European Union characterizes its port visits as "inspections." Under the memorandum of understanding procedures, the Coast Guard recognizes a successful European Union inspection of its member states' ports in the same manner as it would recognize a successful country visit by Coast Guard inspectors. Coast Guard officials stated that they have collaborated with their European counterparts to develop standard operating procedures for these port inspections.

²³ CBP's Office of Air and Marine resources are divided among 70 air and marine locations across three regions (southeast, southwest, and northern); the National Capital area; and National Air Security Operations Centers throughout the continental United States, Puerto Rico, and the U.S. Virgin Islands. In deciding how resources should be allocated, considerations include historical location, Congressional direction, and differences in geography and relative need for air and marine support to address threats.

²⁴ The Office of Air and Marine has 23 branches and 6 National Air Security Operations Centers across these regions, and within the branches, the office may have one or more air or marine units. See GAO, *Border Security: Opportunities Exist to Ensure More Effective Use of DHS's Air and Marine Assets*, GAO-12-518 (Washington, DC: Mar. 30, 2012).

trol air support requests and did not provide higher rates of support in locations designated as high priority based on threats. We made recommendations to help ensure that the Office of Air and Marine's assets and personnel are best-positioned to effectively meet mission needs and address threats, and to help DHS better leverage existing resources, eliminate unnecessary duplication, and enhance efficiencies. DHS concurred with these recommendations, and described actions it was taking, or planned to take to address them, including making strategic and technological changes in its assessment of the mix and placement of its resources by the end of March 2014.

In addition to CBP's Office of Air and Marine interdiction and response activities, the Coast Guard conducts a number of activities to deter potential threats to the United States' maritime borders. For example, the Coast Guard escorts a certain percentage of high-capacity passenger vessels—cruise ships, ferries, and excursion vessels—and energy commodity tankers to protect against an external threat, such as a waterborne improvised explosive device. The Coast Guard also provides additional security response capabilities through its Maritime Safety and Security Teams and Maritime Security Response Teams. Created by the Maritime Transportation Security Act of 2002, the Maritime Safety and Security Teams constitute a maritime security antiterrorism force.²⁵ The teams are managed as assets that may be deployed Nation-wide, and are responsible for safeguarding the public and protecting vessels, harbors, ports, facilities, and cargo in U.S. territorial waters. The teams are to maintain readiness to deploy to events such as terrorist threats or incidents and storm recovery operations, and routinely deploy to National special security events such as Super Bowls and presidential inaugurations. They are also to enforce security zones around high-interest vessels in transit and at other times when additional levels of security are needed within the Nation's ports and waterways. The Coast Guard's Maritime Security Response Team complements the Maritime Security and Safety Team, and is charged with maintaining a high readiness posture 365 days a year. The Maritime Security Response Team is the Coast Guard's advanced interdiction force for counterterrorism and law enforcement operations of a high-risk nature. The team provides a variety of advanced capabilities or skills, including addressing threats posed by weapons of mass destruction and vertically deploying from helicopters to engage potentially hostile personnel.

Coordinating with Partners along the Coast and in Ports

Along the coast and in ports, partnerships and coordination among various stakeholders contribute to the security of the maritime borders. To target the threat of transnational terrorist and criminal acts along the coastal borders, the Maritime Operations Coordination Plan, established in 2011, directs CBP, the Coast Guard, and U.S. Immigration and Customs Enforcement's Homeland Security Investigations to utilize the fusion of their intelligence, planning, and operations capabilities through the formation of Regional Coordinating Mechanisms.²⁶ The Coast Guard serves as the lead agency responsible for planning and coordinating among components. We reported in September 2013 that, according to the Coast Guard, there were 32 Regional Coordinating Mechanisms as of June 2013 that aligned with Coast Guard sectors' geographic areas of responsibility.²⁷ In addition to the lead agencies, other stakeholders include the Federal Bureau of Investigation; the Drug Enforcement Administration; the U.S. Attorney's Office; State, local, and Tribal law enforcement agencies; and foreign law enforcement agencies.

In ports, Area Maritime Security Committees consist of key stakeholders who: (1) May be affected by security policies, and (2) share information and develop port security plans. These committees, which are required by Coast Guard regulations that implement the Maritime Transportation Security Act of 2002, also identify critical port infrastructure and risks to the port, develop mitigation strategies for these risks, and communicate appropriate security information to port stakeholders.²⁸ Recommended committee members include a diverse array of port stakeholders, including Federal, State, and local agencies, as well as private-sector entities such as terminal operators, yacht clubs, shipyards, marine exchanges, commercial fishermen, trucking and railroad companies, organized labor, and trade associations. Area Maritime Security Committees also are to serve as forums for developing Area Maritime Security Plans. The Maritime Transportation Security Act of 2002 required the

²⁵ See 46 U.S.C. § 70106.

²⁶ The Maritime Operations Coordination Plan was signed by the Director of Homeland Security Investigations, the Commissioner of CBP, and the Commandant of the Coast Guard.

²⁷ GAO, *Department of Homeland Security: Opportunities Exist to Enhance Visibility over Collaborative Field Mechanisms*, GAO-13-734 (Washington, DC: Sept. 27, 2013).

²⁸ 33 C.F.R. §§ 103.300–310.

Coast Guard to develop Area Maritime Security Plans—to be updated every 5 years—for ports throughout the Nation.²⁹ The Coast Guard develops these plans for each of the 43 geographically-defined port areas with input from applicable Governmental and private entities, and the plans are to serve as the primary means to identify and coordinate Coast Guard procedures related to prevention, protection, and security. In March 2007, we reported that there was a wide variance in ports' natural disaster planning efforts and that Area Maritime Security Plans—limited to security incidents—could benefit from unified planning to include an all-hazards approach. We recommended that DHS encourage port stakeholders to use existing forums for discussing all-hazards planning.³⁰ DHS concurred with our recommendation and implemented it through the fiscal year 2007 Port Security Grant Program supplemental program, which was designed, in part, to facilitate the development of a Port-Wide Risk Management/Mitigation and Business Continuity/Resumption of Trade Plan.³¹

Measuring Maritime Security

Another important aspect of a secure border is measuring maritime security. In the DHS component agencies' implementation of the various maritime security related programs I have described today, and as we have previously reported, one of the challenges that DHS and its component agencies have faced has been the lack of adequate performance measures. The following are some of the performance measurement challenges we have reported on:

- *Lack of reliable and accurate data.*—DHS and its component agencies have experienced challenges collecting complete, accurate, and reliable data. For example, in January 2011, we reported that both CBP and the Coast Guard tracked the frequency of illegal seafarer incidents at U.S. seaports, but the records of these incidents varied considerably between the two component agencies and between the agencies' field and headquarters units.³² As a result, the data DHS used to inform its strategic and tactical plans were of undetermined reliability. We recommended that CBP and the Coast Guard determine why their data varied and jointly establish a process for sharing and reconciling records of illegal seafarer entries at U.S. seaports. DHS concurred and has made progress in addressing the recommendation.
- *Not using data to manage programs.*—DHS and its component agencies have not always had or used performance information to manage their missions. For example, we reported in February 2008 that Coast Guard officials used their Maritime Information for Safety & Law Enforcement database—the Coast Guard's primary data system for documenting facility inspections and other activities—to review the results of inspectors' data entries for individual maritime facilities, but the officials did not use the data to evaluate the facility inspection program overall.³³ We found that a more thorough evaluation of the facility compliance program could provide information on, for example, the variations we identified between Coast Guard units in oversight approaches, the advantages and disadvantages of each approach, and whether some approaches work better than others. We recommended that the Coast Guard assess its Maritime Information for Safety & Law Enforcement compliance data, including the completeness and consistency of the data and data field problems, and make any changes needed to more effectively utilize the data. The Coast Guard agreed and has reported taking actions to address the recommendation. These actions include hiring a full-time management and program analyst to consistently review the data for trends and gaps, and developing training resources, help

²⁹ 46 U.S.C. § 70103(b)(2)(G). In 2006, the Security and Accountability for Every Port Act of 2006 (SAFE Port Act) added a requirement that AMSPs include recovery issues by identifying salvage equipment able to restore operational trade capacity. 46 U.S.C. § 70103(b)(2)(G).

³⁰ 46 U.S.C. § 70103(b). GAO, *Port Risk Management: Additional Federal Guidance Would Aid Ports in Disaster Planning and Recovery*. GAO-07-412 (Washington, DC: Mar. 28, 2007).

³¹ Fiscal year 2007 Port Security Grant Program supplemental program funding supports the development of a plan that emphasizes port-wide partnerships, regional management of risk, and business continuity/resumption of trade. The central plan focuses on security across the port area and articulates a strategy for ensuring business continuity and resumption of trade within the port in the event of an emergency.

³² Illegal seafarers include both absconders (seafarers CBP has ordered detained on-board a vessel in port, but who depart a vessel without permission) and deserters (seafarers CBP grants permission to leave a vessel, but who do not return when required). GAO, *Maritime Security: Federal Agencies Have Taken Actions to Address Risks Posed by Seafarers, but Efforts Can Be Strengthened*, GAO-11-195 (Washington, DC: Jan. 14, 2011).

³³ GAO, *Maritime Security: Coast Guard Inspections Identify and Correct Facility Deficiencies, but More Analysis Needed of Program's Staffing, Practices, and Data*, GAO-08-12 (Washington, DC: Feb. 14, 2008).

desks, and conferences, among other things, to help field personnel track changes to Maritime Information for Safety & Law Enforcement and to improve data entry time and consistency.

- *Lack of outcome-based performance measures.*—DHS and its component agencies have also experienced difficulties developing and using performance measures that focus on outcomes. Outcome-based performance measures describe the intended result of carrying out a program or activity. For example, although CBP had performance measures in place for its C-TPAT program, these measures focused on program participation and facilitating trade and travel and not on improving supply chain security, which is the program's purpose. We made separate but related recommendations in July 2003, March 2005, and April 2008 that CBP develop outcome-based performance measures for this program.³⁴ CBP concurred, and, in response to our recommendations, identified measures to quantify actions required and to gauge C-TPAT's impact on supply chain security. The Coast Guard has faced similar issues with developing and using outcome-based performance measures. For example, we reported in November 2011 that the Coast Guard developed a measure to report its performance in reducing maritime risk, but faced challenges using this measure to inform decisions.³⁵ The Coast Guard reported it has improved the measure to make it more valid and reliable and stated it believes it is a useful proxy measure of performance, but notes that developing outcome-based performance measures is challenging because of limited historical data on maritime terrorist attacks.

Chairman Miller, Ranking Member Jackson Lee, and Members of the subcommittee, this completes my prepared statement. I would be happy to respond to any questions you may have at this time.

Mrs. MILLER. Thank you very much.

The Chairwoman now recognizes Captain Woodring for his testimony.

**STATEMENT OF CAPTAIN MARCUS WOODRING, USCG (RET.),
MANAGING DIRECTOR, HEALTH, SAFETY, SECURITY, AND
ENVIRONMENTAL BRANCH, PORT OF HOUSTON AUTHORITY**

Captain WOODRING. Good morning, Chairwoman Miller, Ranking Member Jackson Lee, and distinguished Members of the subcommittee.

Chairwoman Miller, thank you for holding this important hearing today.

To Ranking Member Jackson Lee, thank you for again inviting the Port of Houston Authority as the industry witness.

As you know, the Port of Houston is in the Ranking Member's district, and we appreciate her supportive engagement.

The Port of Houston is comprised of the Port Authority's 8 terminals, along with more than 150 private terminals. For 17 consecutive years, the port has ranked first in the United States in foreign waterborne tonnage, trading with over 200 ports of call globally, making us a true maritime border.

Results of a recent economic impact study show that ship-channel-related businesses at the Port of Houston are responsible for more than 2.1 million jobs, generate \$499 billion in annual economic activity, and contribute over \$52 billion in annual tax rev-

³⁴ See GAO, *Container Security: Expansion of Key Customs Programs Will Require Greater Attention to Critical Success Factors*, GAO-03-770 (Washington, DC: Jul. 25, 2003); *Cargo Security: Partnership Program Grants Importers Reduced Scrutiny with Limited Assurance of Improved Security*, GAO-05-404 (Washington, DC: Mar. 11, 2005); and *Supply Chain Security: U.S. Customs and Border Protection Has Enhanced Its Partnership with Import Trade Sectors, but Challenges Remain in Verifying Security Practices*, GAO-08-240 (Washington, DC: Apr. 25, 2008).

³⁵ GAO, *Coast Guard: Security Risk Model Meets DHS Criteria, but More Training Could Enhance Its Use for Managing Programs and Operations*, GAO-12-14 (Washington, DC: Nov. 17, 2011).

enue nationally. Just yesterday, we had the Vice President of the United States stop to visit our Bayport Container Terminal, underscoring the importance of our Nation's ports in economic growth, as he traveled to visit the expanding Panama Canal.

We have heard about a layered approach to border security, starting with offshore interdiction, all the way to the sea buoy. My focus today will be on the industry efforts to secure the border within the port. Our efforts use both physical assets and professional partnerships.

For physical assets, the U.S. Coast Guard, Customs and Border Protection, the Harris County Sheriff's Office, and the Houston Police Department all maintain patrol vessels. Surveillance flights are also conducted on a regular basis by these same agencies.

Those are the Federal and local resources, but how does industry link in? The story of the Houston Ship Channel Security District, a unique public-private partnership, clearly shows the direct relationship between assets and partnerships.

In the aftermath of 9/11, Government began putting more stringent controls in place in the maritime domain. The industrial facilities and companies of the Port of Houston came to the table and essentially said, we don't have law enforcement authority or jurisdiction, but we want to help, as our businesses have the most to lose if things go wrong.

In 2007, the Texas legislature, backed by industry, passed a bill creating the Houston Ship Channel Security District. Assessments are paid annually by the facilities within the boundaries of the district. The overarching purpose is to provide greater security by supporting initiatives to enhance capabilities and joint operational readiness, ultimately ensuring maritime commerce flows unabated, therefore drives our economy.

Examples include: Providing matching funds for a port security grant to purchase a Harris County Sheriff's Office patrol vessel; providing matching funds for Harris County to install over 100 cameras at 33 sites to monitor the maritime domain; purchasing the fuel used by the Houston Police Department helicopter to patrol the ship channel; and funding a watch center to monitor the camera system.

Besides funding projects, the district also enhances partnerships. The Houston Ship Channel Security District cameras are linked to the U.S. Coast Guard and the Port of Houston Authority, with the district receiving access to both our camera systems in return. The force-multiplying effect is tremendous.

I will conclude my remarks by focusing on the collaborative nature of maritime security in the Port of Houston.

We meet regularly as part of the Area Maritime Security Committee, the Central Texas Coastal Area Committee, and the Lone Star Harbor Safety Committee. Each of these committees provides a constant opportunity for industry to interact with key local, State, and Federal agency leaders.

We recently held our annual security drill at the Barbours Cut Container Terminal. Over 170 participants from 50 different agencies, entities, or companies came together to address a dirty bomb scenario.

Within their budgetary constraints, both the U.S. Coast Guard and Customs and Border Protection provide outstanding service to the Port of Houston. They come to work daily with the mentality that they must keep commerce flowing for the National good while also enforcing the mandated regulatory requirements. At the local level, they are considered leaders, partners, and valued teammates.

An excerpt from a U.S. Coast Guard study summarizes my last point: “Port partnerships are predictably strongest, most collegial, and most productive where major calamities have necessitated life-or-death relationships of trust. This is most evident in the partner interviews in New York and Houston, where partners seek each other out for after-work social and morale activities in addition to a high degree of work-focused collaboration.”

I submit to you today that technology and resources are critical to maintaining maritime security, but dedicated people and trusting partnerships are equally as important. The industries of the Port of Houston are proud to contribute to both.

Thank you, and I look forward to your questions.

[The prepared statement of Captain Woodring follows:]

PREPARED STATEMENT OF CAPTAIN MARCUS WOODRING

NOVEMBER 19, 2013

Good morning Chairman Miller, Ranking Member Jackson Lee, and Members of the subcommittee, I am Marcus Woodring. I serve as the managing director for Health, Safety, Security, and Environmental (HSSE) at the Port of Houston Authority.

We would like to thank Chairman Miller for holding this important hearing today. I must also recognize Ranking Member Jackson Lee for again inviting the Port of Houston Authority as an industry witness. As you know, the Port of Houston is in the Ranking Member’s district and we continue to benefit from her leadership and advocacy on behalf of the Port.

The Port of Houston is comprised of the Port Authority’s eight public terminals along with more than 150 private terminals. The port is consistently ranked first in the United States in foreign water-borne tonnage, trading with over 200 ports of call globally, making us a true maritime border.

Results of a recent economic impact study show that ship channel-related businesses at the Port of Houston are responsible for more than 2.1 million jobs, generate \$499 billion in annual economic activity, and contribute over \$52 billion in annual tax revenue Nationally. Just yesterday, we had the vice president of the United States stop to visit our Bayport Container Terminal, underscoring the importance of our Nation’s ports in economic growth, as he travelled to visit the expanding Panama Canal.

At the most basic level, the Port of Houston would be unable to sustain its operations and economic significance in the global marketplace without border security. This “border security” encompasses many things, ranging from keeping unauthorized cargo and people from entering the United States, to protecting our environment from invasive species.

We have heard about a “layered approach” to border security, starting with offshore interdiction all the way to the sea buoy. My focus today will be on the industry efforts to secure the border within the Port of Houston. Our efforts use both physical assets and professional partnerships.

For physical assets, the U.S. Coast Guard, the Harris County Sheriff’s Office, and the Houston Police Department all maintain patrol vessels for the Houston Ship Channel. The majority of the Houston Ship Channel has been designated a “security zone” since shortly after 9/11. Other major channels into our Bayport and Barbours Cut Container Terminals are also designated security zones, i.e. “off limits”, to recreational boaters. With the density of industrial activity, and really no recreational reason to be there, the overall impact to the public is minimal—yet provides safety for boaters and security for our Nation’s largest petrochemical complex. Surveillance by helicopters is also conducted on a regular basis by these same agencies.

Those are the Federal and local resources, but how does industry link in? The story of the Houston Ship Channel Security District, a unique public/private partnership, gives us the answer and clearly shows the direct relationship between assets and partnerships.

In the aftermath of 9/11, the Federal, State, and local governments began putting more stringent controls in place within the maritime domain of the Houston Ship Channel. The industrial facilities and companies of the Port of Houston came to the table and essentially said—we don't have law enforcement authority or jurisdiction, but we want to help as our businesses have the most to lose if things go wrong. In 2007, the Texas Legislature passed a bill creating the Houston Ship Channel Security District. The legislation enabled the industry to tax itself and collect assessments paid annually by the facilities and companies within the boundaries of the District, with the goal of ensuring commerce continues to flow in an unimpeded fashion.

The ultimate purpose of the Houston Ship Channel Security District is to provide a regional approach for providing greater degree of security and safety for facilities, employees, and communities surrounding the ship channel by supporting projects and initiatives to enhance the capabilities, communication, and joint operational readiness of existing law enforcement organizations.

Examples include providing the matching funds for a Port Security Grant to purchase a Harris County Sheriff's Office patrol vessel, providing matching funds for Harris County to install 33 cameras to monitor the maritime domain, purchasing the fuel used by the Houston Police Department helicopter to patrol the ship channel, and funding a watch center to monitor the camera system.

Each of these projects directly benefits industry's desire to secure the maritime border and keep commerce moving, reducing their liability for interruptions in the supply chain. None would have been possible without the mechanism called the Houston Ship Channel Security District.

I'll conclude my remarks by focusing on the collaborative nature of maritime security in the Port of Houston. We meet regularly as part of the Area Maritime Security Committee, the Central Texas Coastal Area Committee, and the Lone Star Harbor Safety Committee. Each of these committees provides a constant opportunity for maritime personnel to interact with key local, State, and Federal agency leaders. We recently held our annual security drill, SECUREX 2013, at the Barbours Cut Container Terminal. Over 170 participants from 50 different agencies/entities came together to address a "dirty bomb" scenario. While we pray that we never convene in a real-life scenario similar to this, we are well-prepared as a maritime community to respond.

The partnerships extend well beyond these committees. The Houston Ship Channel Security District cameras I mentioned earlier are linked in to the U.S. Coast Guard and Port of Houston Authority, with the Ship Channel Security District receiving access to both our camera systems in return. The force-multiplying effect is tremendous.

Within their budgetary constraints, both the U.S. Coast Guard and Customs and Border Protection provide outstanding service at the Port of Houston. They both come to work daily with the mentality that they must keep commerce flowing for the National good, while also enforcing the mandated regulatory requirements. At the local level, they are considered leaders, partners, and valued teammates in the maritime community.

In 2009, the U.S. Coast Guard conducted a series of interviews at various ports around the Nation and published the results in the "Port Interagency Information Sharing Study". Maritime professionals from all segments of industry and Government were interviewed. An excerpt from this study summarizes the extremely strong nature of maritime security in the Port of Houston:

"Port partnerships are predictably strongest, most collegial, and most productive where major calamities have necessitated life-or-death relationships of trust. This was most evident in the partner interviews in New York and Houston, where partners seek each other for after-work social and morale activities, in addition to a high degree of professional work-focused collaboration".

I submit to you today that technology and resources are critical to maintaining maritime security, but dedicated people and trusting partnerships are equally important. The industries of the Port of Houston are proud to contribute to both.

Thank you and I look forward to your questions.

ATTACHMENT.—2013 HOUSTON SHIP CHANNEL SECURITY DISTRICT FACTSHEET

THE HOUSTON SHIP CHANNEL SECURITY DISTRICT

THE HARRIS COUNTY HOUSTON SHIP CHANNEL SECURITY PROJECT

Surveillance System

- 19 Landside Sites with Cameras/Sensors/Equipment
- 14 Waterside Sites with Cameras/Sensors/Equipment
- Command-and-Control System integrating Security Project, Harris County, and Sheriff's Office assets
- 24/7/365 monitoring by the Harris County Sheriff's Office Security Monitoring and Analysis Center (SMAG)
- Video Links to Regional Partners such as the United States Coast Guard and the Port of Houston Authority Police Department
- Upcoming: Select video links to industry partners and District Members

Landside Assets

- 9 Harris County Sheriff's Office Trucks
- 3 Harris County Sheriff's Office, Baytown Police Department, and Galena Park Police Department Sedans
- 5 Port of Houston Authority Police Department Trucks
- Radiological Detection Equipment

Waterside Assets

- Four HCSO Marine Patrol Boats
- One HCSO 36' SAFE Patrol Boat
- Submersible Remotely Operated Vehicle

Communications Infrastructure

- The Ring of Steel: a fiber communications network connecting regional First Responders, Law Enforcement, Governmental Planners, and Infrastructure Support Teams
- 14 Public Safety LTE E-Node-B Sites Completed—the first functional Public Safety LTE system in the Nation

HSCSD LAW ENFORCEMENT SUPPORT

HSCSD supports the Houston Police Department with funding for training and deployment of assets including:

- MD500 Patrol Helicopter
- Bell 412EP Twin Engine Tactical Support Helicopter
- Three Rapid Response Trucks for the HPD Bomb Squad
- Fast-Rope and Rappelling Equipment
- Assault Armor Kits, Masks, and Radios
- An Airborne Radiation Detector

HSCSD supports the Harris County Sheriff's Office with funding for training, deployment, and maintenance of HCSO assets including:

- Marine Unit Boat Fuel and Maintenance
- Marine Unit Vehicle & Trailer Fuel and Maintenance
- Landside Infrastructure Patrol Vehicle Fuel and Maintenance
- SMAG Third Shift Surveillance Personnel

HSCSD supports the city of Baytown with equipment designed to facilitate the deployment of the city's multi-mission Chemical, Biological, Radiological, Nuclear, and Explosive Weapons equipped boat that provides Type I HazMat and Bomb Squad/Explosives Team support and Type II Regional Structure Collapse/Technical Rescue services.

Mrs. MILLER. Thank you very much, Captain. We appreciate that.

We appreciate the testimony of all the witnesses.

You know, I can remember when I first came to Congress about a decade ago—hate to date myself here—but my first trip down to the border, looking at the vast expanses that we had on the land border and thinking that—at that time, we really weren't even using UAVs to assist in border security, and, of course, that has changed.

I am just a huge proponent of UAVs. I think the application—I think they have been so incredibly in theater, and they have the application, certainly, of border security, whether that is in the land or the maritime environment. So I was listening to some of your testimony there and thinking about the Predators that you have.

Also, just as you were talking about the panga boats that are continuing to move up the northern border of California there, more northerly than Los Angeles or San Diego, sort of, away from your cutters or your stations, et cetera, and the utilization of Predators—and we were looking at the amount of instances that you use the Predators, and apparently it has been a very limited amount in California.

So I guess that is part of my question. How you are really utilizing the resources that you have in the maritime environment, not only along California, the California coast, but even along the—it is my understanding that the one that you have in Cape Canaveral is not functioning at this time and that there are three now in Corpus Christi.

So they are all in Corpus Christi; is that so? If so, is that your plan going forward? Do you expect that you would keep them all there or move them around a bit? Or how is your vision of all of that? How short do you think you are on the amount of UAVs that you could really utilize optimally?

That question for Commissioner Alles and perhaps Admiral Lee a bit, too.

General ALLES. All right, thank you, ma'am.

As you indicated, the Predators are now all based out of Corpus Christi. There are currently two there; one was damaged in a hard landing and is being repaired currently at General Atomics in California.

As I look at the Predator—so, one of the questions you asked is really about California operations. We have an operation called Blue Tempest, that we have done some limited Guardian operations out there. Guardian is the maritime variant of it, which has the sea view radar on it. We have flown around 100 hours out on the California coast with that particular asset.

We do have some limitations out there. There are a number of FAA restrictions to our California operations. So we have found the aircraft is working very effectively for us on the borders. It is working very effectively for us in the Transit Zone. It is currently in the Transit Zone with some Coast Guard personnel conducting a deployment there and is working well for us there. In the actual offshore U.S. environment, we are still working through a number of issues with the FAA to get the best employment out of the Predator.

So partly why you don't see as much use there is I have based other maritime patrol aircraft—we have P-3s in Jacksonville. I have the Dash 8s in Jacksonville and Puerto Rico and New Orleans. I have the new maritime enforcement aircraft that we are building in San Diego. Those don't have those kinds of unmanned restrictions. So those have been the bulk of my maritime patrol capability out there, as opposed to the Guardian UAV.

I would like to use it more in the future. We still, you know, are working through with the FAA as a process. They have been very cooperative. But they have a safety issue to work with, so we have to work through—I am talking about air traffic control clearance. So we just have to work through those issues with the FAA to get better utilization of it off of our coasts.

Then, as far as equipment is concerned, I think we have a satisfactory quantity of the aircraft. It is really the amount of flying hours that I can put on the airplane, and that is based on the amount of flying-hour money I get per year. So I currently fly 5,000 to 6,000 hours a year for all the systems. I could go much higher than that, probably towards 9,000 or 10,000, given sufficient funding, ma'am.

Mrs. MILLER. Appreciate that.

Admiral.

Admiral LEE. Yes, ma'am. My counterpart here in CBP is far more invested in the UAS program than we are. We are still in the test and evaluation phase. We have already tested the UAS ScanEagle on the Cutter Bertholf and the Stratton. We are going into Phase 2 of that test and evaluation right now. We see great potential for this in the realm of MDA.

However, I must add this caveat: All the MDA in the world will be of little use unless we have an end-game in place. So we can detect and we can monitor, but if we don't have the capability to intercept and stop those threats—in this case, pangas and other sorts of surface vessels running illegal migrants or narcotics—then we lose the game. So we have to have the end-game to couple with the advancements in UAS.

Mrs. MILLER. Do you think the pangas are the greatest threat, really, to the maritime security of the coast?

Admiral LEE. Well, I wouldn't necessarily say that, but I would say they are a significant threat. They are a significant threat because they are running around us.

My counterparts in CBP and Border Patrol have done a fantastic job of securing the land border in the Southwest, and so that has pushed them into the maritime. Their tactics have changed over the past few years, and now they are going further and further out and further and further north up the coast of California. We are seeing them land as far north as San Francisco now. Where it used to be a southern-California issue, now it is a whole-of-California issue. They have the logistics in place to do it, and we don't have enough patrol craft to be on top of them at this particular time.

Mrs. MILLER. To both of you, one other question: Talking about types of resources that we have had, the taxpayers have already paid for, that we gotten a good bang for our buck in theater, that have been successful, like the UAVs, et cetera, how are you doing—continuing to do?

I know you have both advantaged yourself a bit of some of the returning equipment from theater. Is there anything that we can do to help you, as you are looking to resources that might be available? I know you are starting to use some of the rheostats and some of the various things, et cetera. Any comment on that or any help that we can assist you with in that regard?

General ALLES. I think, honestly, ma'am, we are getting good help from the committee on that. Most of those assets are going on the land borders. They are not—as you know, Afghanistan, Iraq have primarily been land issues. So most of that equipment fits better in that environment.

We are getting—CBP is getting from the Marine Corps some UH-1Ns, some Iroquois that are going out of service. They were used overseas. So those are advantageous for us and will help us out as we do some of our service-life extensions on our UH-60s.

But I think overall have we gotten good cooperation on that and are starting to get good re-use out of some of the—particularly the aerostat balloons along the Southern Border. The RGV balloon, the Rio Grande Valley balloon, as I recall, is now up.

Mrs. MILLER. The last thing before I recognize my Ranking Member, I hope you all look at this committee as a conduit to assist you with challenges that you run into, not just where you come and testify. You know, we are here to work together with you.

As you are mentioning, Commissioner, about some of the challenges you are running into with the FAA, the FAA has their mission, right? But they have this airspace thing all over the country they will keep running into with various kinds of strategic deployments that we are trying to do for border security or homeland security, et cetera.

So, believe me, I appreciate the job that the FAA does, but if there is anything that we can do, again, to be a conduit to assist you with that, please don't hesitate to ask us about that, as well.

With that, I would recognize our Ranking Member.

Ms. JACKSON LEE. I thank the Chairwoman.

Let me thank the witnesses for their testimony and their presence before this hearing.

I want to start, Director Caldwell, with you, and hopefully we can weave through what I think are very important findings by the GAO.

Just with an opening point of your report here that says why GAO did this study, just to frame it: "An attack on this system could have dire consequences, and criminals could use small vessels to smuggle narcotics, aliens, and other contraband." Certainly, this is a system that handles billions of dollars of cargo, and so, in essence, this is a system that should not be ignored.

I would like to take you through some of your suggestions, or recommendations, rather, and have you expand on them a little bit more.

I believe that, with the potential opening of the Panama Canal, we could not have a larger question mark and need for an answer than the issue of maritime security. This is going to be a new frontier for our region. The magnitude of incoming ships will broaden, the competition will broaden, and, certainly, the potential for wreaking havoc will likewise be broadened.

You indicated that you want a robust—or suggested a robust maritime domain awareness. Go into just—be pointed beyond your written testimony, please, regarding the United States as it relates to maritime security. What are those key words, "maritime domain awareness"? Do we need to have collaborators on that?

Mr. CALDWELL. Well, “maritime domain awareness” is very broad, and it starts very far out. So it starts with, obviously, the foreign waters and foreign ports that actually ship the things to us. Panama Canal is a good example of that. It is quite far from our waters, but it is going to be a case where we may have much larger ships with much larger cargos, many more containers, coming through there.

So the main requirement in terms of that maritime domain awareness starts out there; it comes all the way into our own ports so that we know what is going on. You can even expand it to economic and issues of natural disasters.

Ms. JACKSON LEE. But how do you do that? Is that technology? Is that ships on water? Is that expanding Coast Guard? Obviously, there are waters within our boundaries and then beyond, open seas. What is your, just, pointed answer to that?

Mr. CALDWELL. Well, I think further away, obviously, it depends very heavily on international partnerships with other countries. A good example of these have already been cited in the deep Caribbean, where we are working with the Dutch, the French, the British, and other countries in terms of gathering information, sharing information, so that we can work as partners to identify the threats as they come in.

Then closer to our shores, it depends maybe more on technology and coordination among the forces that we have, whether that is CBP, Coast Guard, Department of Defense, and others.

Ms. JACKSON LEE. Let me ask this other question. Your October 2012 report on CBP’s model for assessing risks of inbound cargo containers—the Automated Targeting System model, also known as ATS—had some troubling conclusions about CBP’s failure to regularly assess the performance of the ATS methodology used to assess risk and the rate at which ATS was currently identifying high-risk containers.

Can you elaborate on what you found?

Mr. CALDWELL. Yes. We found that the ATS system was critical for CBP in identifying high-risk containers. We found that CBP was not regularly assessing that system, nor, when it did an update, was it evaluating whether the new updates were better than the model weights that they were replacing.

Ms. JACKSON LEE. Where are we now?

Mr. CALDWELL. We made recommendations that they do regular assessments, and the Department has pledged to do so, both DHS and CBP. We will be doing our update on that soon to find out what the status of that recommendation is, to decide whether we can close that.

Ms. JACKSON LEE. They have the tools and all to do the assessment, right?

Mr. CALDWELL. Yes. I think it is a question of focused attention, and, obviously, it requires people, as well, to provide that focus—

Ms. JACKSON LEE. So that is something that we can help with, is the idea of human resources, to be able to do that assessment.

Mr. CALDWELL. Sometimes I think it is just attention, you know, being paid at the top level of leadership, in terms of making sure that those regular assessments are done.

Ms. JACKSON LEE. But this was 2012 when you did your report. So you are going back again in 2014. You don't have an update, an interim—

Mr. CALDWELL. I can provide that for the record.

Ms. JACKSON LEE. Pardon me?

Mr. CALDWELL. I can provide that for the record—

Ms. JACKSON LEE. Would you, please?

Mr. CALDWELL [continuing]. To you, in terms of a detailed status.

Ms. JACKSON LEE. Great.

Let me go quickly to your point about conducting maritime surveillance. I know this seems to go along with the question that I previously asked, but I am concerned about having on the waters those who are assessing threats regularly and then designing a response to those threats.

I am going to also ask our admiral to answer that, as well.

Mr. CALDWELL. Let me just start. I think—

Ms. JACKSON LEE. Yes.

Mr. CALDWELL [continuing]. Admiral Lee has already talked about that you have to have a balance between what you can actually find through your surveillance resources and whether you actually have the resources to then persecute. You know, you know those threats are out there; do you actually have the boats to go out to get them at that distance, you know, armed as needed and meeting other requirements?

Ms. JACKSON LEE. Admiral, I know that Mumbai was not an example of, I believe, anything on our coast, but maybe there are places that are exposed. That was an unsecured little wharf with individuals coming up on little boats in the dark of night.

But how are you assessing threats and revising strategies on those threats? Do you feel comfortable that you are able to assess those threats regularly?

Admiral LEE. Well, I am going to answer that question in two parts.

First off, how do we assess them? We are putting most of our energy and efforts into those ports and waterways where the most traffic flows, those large ports like New York, New Orleans, Los Angeles, et cetera, et cetera, because that is where someone with ill intent can do the most damage to our maritime transportation system.

What keeps me and my colleagues up awake at night is the vulnerability that we have along our entire 95,000-mile maritime border, where anybody can pretty much come and go as they need. It is almost free-range. If somebody wanted to get into some smaller port to deliver something, they are proving that almost daily with the—all you have to do is look at the panga threat to see how easy it is for somebody to deliver a commodity to our shores. In that case, the commodity is marijuana. That commodity could be anything else. We are vulnerable. We are very vulnerable.

Ms. JACKSON LEE. This last question, may I just get to Captain Woodring?

As a port that will benefit from the opening of the Panama Canal, as a port that handles an enormous amount of cargo, do you have the tools to be prepared for any enhanced security questions with the opening of the Panama Canal?

Captain WOODRING. Yes, ma'am, we do. We have already worked with Customs and Border Protection. They understand the plans, they understand the Panama Canal is expanding and are looking forward to making their internal resource request to make sure that we have enough officers there to keep commerce flowing out our gates.

Ms. JACKSON LEE. Okay. Thank you very much.

Mrs. MILLER. The Chairwoman recognizes the gentleman from Pennsylvania, Mr. Marino.

Mr. MARINO. Thank you, Chairwoman.

Good morning, gentlemen. Thank you for being here. As a State and Federal prosecutor, I have seen what your efforts have done, and I commend you on it. Thank you so very much.

Let me start out with asking you, with the assets that are seized and the cash that is seized—Rear Admiral Lee, if you would start—what happens with those funds? I think I know what the answer is, but I want the American people to hear it.

Admiral LEE. Well, the assets that are seized are turned over, and after litigation is completed, the funds go into the Treasury. They don't come back to us.

Mr. MARINO. All right. That is the point I wanted to get across.

Does anyone else have a different answer or would like to follow up on that?

General ALLES. Yeah, the only, kind-of, technical point on that is, as the admiral mentioned, they go into general fund. Any assets, like a conveyance, if it is seized and utilized by the Government, then, you know, that obviously becomes an asset of the Government. Otherwise, typically, for boats, since they tend to reappear over and over, we have them destroyed.

Mr. MARINO. Yeah. So nothing really—I am sorry, do either of you gentlemen have any comments on that?

So none of those assets are really handed over, which I think should be, directly to your agencies, to your efforts. Is that correct?

General ALLES. If it is an asset we can utilize, yes, we can seize it and use it internally in the organization. We have in the past.

Mr. MARINO. You mean, "an asset," that could be a boat, that could be an airplane, that could be weapons. Is it ever cash?

Admiral LEE. No. Cash is going to be turned in.

Mr. MARINO. I see.

So, given the fact that the biggest problem we have here in this country right now is revenue flow, particularly \$17 trillion in debt, but I think it is critical that agencies such as yours should at least reap part of that benefit to hire more personnel, to purchase more equipment.

So that segues into my next question: If you each had a choice of what piece of equipment you would like to have more of, could you please share that with us?

Admiral, you can start, and then move down the line, please.

Admiral LEE. Yes, sir. Thank you for that question.

We all have our wish list. Right now, our wish list is to recapitalize our deepwater fleet that is aging and going off-line with great speed. Without that deepwater fleet, we will not have the capability to push our borders downrange, in this case the Transit

Zone, and conduct maritime operations that really have an impact on our Nation's security.

We know through past practice that the most effective way to take narcotics off the streets of the United States is to intercept those narcotics out of its shipping point, at its sources, down in the Transit Zone. We get the cocaine and marijuana in its largest quantities, in its purest form.

When we seize operators in the Transit Zone, the intel that we get from those operators to feed back into the intelligence community is the purest we can get. Those folks are only one or two layers down from the cartels themselves. Once those narcotics are delivered back landside and it is broken up into smaller packages and delivered across the border landside, those operators are so far removed, we get limited intel out of those.

So the bottom-line answer to your question is we need the funds to recapitalize our deepwater fleet so we can continue to push our borders out where they need to be.

Mr. MARINO. Sir, please.

General ALLES. From my standpoint, sir, our current biggest need is recapitalizing our UH-60 fleet. Those are currently expiring from service. They are actually the oldest UH-60s in service in the United States.

After that is our multi-role enforcement aircraft that we are currently procuring; our coastal interceptor vessels that we are due to procure next year. I would just mention the TARS radar system, Tethered Aerostat Radar System, is used along the Southern Border to interdict people that are attempting to cross the border illegally.

Mr. MARINO. Thank you.

Anyone else? Mr. Caldwell or Captain Woodring.

I see I only have 30 seconds left. Have any of you seen any connection between the drug cartels, the trafficking of drugs, and/or terrorists or potential terrorism? Have you actually seen any of those cross paths?

Admiral LEE. I do not have an anecdote from the Coast Guard point, sir.

Mr. MARINO. Okay.

General ALLES. I think as we look at Mexican drug cartels, we are concerned. Particularly as we look at the Iranian influence into Mexico, it would be one of our concerns.

Mr. MARINO. Thank you very much, gentlemen. I will be there pitching for you every step of the way.

I yield back. Thank you, Chairwoman.

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

I thank the admiral for mentioning again about recapitalizing your deepwater fleet. Again, in an effort for this committee to help you, we are going to be thinking what we can do as we get into the next appropriations season on that. Because we are reaching a critical juncture, as you are well aware, with the Coast Guard of not being able to meet their mission that we have tasked you with and loaded you up since 9/11 and yet are not really resourcing you as we need to.

The Chairwoman recognizes the gentleman from Texas, Mr. O'Rourke.

Mr. O'ROURKE. Thank you, Madam Chairwoman.

I am hoping to get a concise answer to the question posed in the title of the hearing, in terms of what a secure maritime border looks like.

This subcommittee and the full committee of which we are a part has decided, when it comes to land borders, as imperfect a measure as this is, we have decided on operational control and have decided that 90 percent operational control at our land borders is a sufficient level to protect the public safety and interest, and it prevents us from overspending and receiving diminishing returns as a result.

Is there—and I will start with Mr. Caldwell—is there something like that for maritime security?

In your answer to the Ranking Member's question about maritime domain awareness, you included some criteria that seem out of our control. You know, we are somewhat dependent on international partners, issues that take place away from our ports. What is within our domain of influence and control that we can hold the admiral, the commissioner accountable for, that we can use to understand how wisely we are spending taxpayer dollars?

Mr. CALDWELL. Thank you.

In terms of the concept of operational control, I cannot say I have seen something like that for the maritime domain. Generally, what we are looking at is drug seizures, either in tonnage or as a rate of estimates of what the total flow is.

In terms of the criteria, I think it is hard to give a really concise answer because you want the criteria to capture some of the other things we worry about in the maritime domain, not just terrorists, not just drugs, not just illegal migrants, but maybe some other things out there.

As you know, Coast Guard has a broader mission, too, in terms of environmental safety. You don't want oil spills. You don't want—you know, recovery from disasters in ports, a lot of other things, as well.

Mr. O'ROURKE. For the commissioner, you know, just anecdotally getting the information in terms of tonnage seized, hearing you describe what is involved in executing your mandate, it sounds like you are being very effective with your resources.

What is a good way for this committee to know that for sure, to, again, ensure that we are holding you and the men and women who serve under you accountable and that we are getting true value for taxpayer dollars spent, and if there is a request for additional resources, we know how to gauge what those dollars will buy and understand what the return should be back from that investment?

General ALLES. I think we can measure, you know, those—you mentioned a couple of specifics, sir. We can measure the performance of our fleet based on what it does. So, I mean, I can tell you, for instance, a P-3, for each hour it flies in the Tran Zone, it delivers about \$1.2 million worth of cocaine—a pretty good metric for the platform. Similar for the UAVs working down in that Transit Zone. I can use those kind of metrics to assess performance when it comes to drug interdiction. I can look at it in terms of illegal immigration flows, as far as some accountability there.

I would offer, though, that the, really, MDA metric—or, not the MDA—the maritime security metric, really, I don't find a single metric as being adequate there. It is really going to be a combination of things inside of a risk-based approach that talks about things like intelligence, the enforcement statistics you already mentioned, maritime events, technology integration, and then risk analysis.

We look at—our organization internally measures each air branch yearly by what it performs, in terms of what it turns out in terms of vehicles, drugs, cash, illegal immigration flow, those kind of things, to decide where we are most effectively positioned. Based on that analysis, we will move personnel or move aircraft or vessels based on that performance.

Mr. O'ROURKE. I guess, for Admiral Lee to continue with this line of questioning, I believe either you or the commissioner mentioned that during—or, as a result of the sequester and fewer flight hours, fewer resources deployed, we saw less tonnage interdicted. From the commissioner's answer just now to my question, it seems like if we spent more, we would interdict more, but that is certainly not limitless.

So, again, where do we want to be? Because we could spend unlimited dollars and never get there unless we know what the goal is.

Admiral LEE. Thank you for that question, sir.

ONDCP's goal in terms of tonnage removed is about 36 percent. Last year, we only removed 13.4 percent—the interagency. I am not talking just about the Coast Guard, but that is the interagency writ large.

Mr. O'ROURKE. That is all illegal drugs?

Admiral LEE. Illegal drugs.

Mr. O'ROURKE. Okay.

Admiral LEE. Here, let's just talk cocaine for a second. Last year—and I am just giving you rough estimates. Last year, we estimate that the source countries, which are Bolivia, Peru, and Colombia, produced and shipped about 600 metric tons of cocaine. We, the U.S. Coast Guard, seized about 78 metric tons, which was down significantly from the previous year.

So we received 78 metric tons. Just by virtue of another bar to measure, back in 2008, which was a banner year for us, we seized 166 metric tons. The interagency and our partner nations seized about an equal amount. Twenty metric tons of that was seized at the border. Where is the rest of it going? That is the real metric. They ship 600. We, collectively, stopped 124 metric tons.

I would submit, sir, that the real metric that the United States needs to be measuring is not how much we are seizing, but what is the impact to organized crime of that that we do seize? How much money are we taking out of their pockets, and how is that affecting instability downrange in our nations south of us?

We have to keep our eye on that because it is a National security concern. We don't want any more nations down south of us to get to the point such that we have in Honduras right now, where they have the highest murder rate per capita of any country in the world. Right now, 91 persons per 100,000 are murdered year-to-

year. The United States right now, to give the other benchmark, is 4.7 per 100,000.

It is vitally important that we keep the pressure on those transnational organized criminal networks, those cartels. If we back away from that mission, if we stop taking that dope off of the street by way of seizing it in large quantities in the Transit Zone, we will fail in our National strategy.

Mr. O'ROURKE. Thank you.

Thank you, Madam Chairwoman.

Mrs. MILLER. I thank the gentleman.

The Chairwoman now recognizes the gentleman from South Carolina, who is looking particularly dapper, all in an effort to raise awareness of men's prostate cancer.

Mr. DUNCAN. That is exactly right. November is prostate and pancreatic cancer month, and I support this in memory of State Representative David Umphlett, a good friend of mine that died June 2011 of pancreatic cancer. So thanks for recognizing that.

Sitting here thinking about the cooperation that we have had with the country of Colombia and the impact it has had on really knocking back the amount of cocaine produced and the activity of the cartel, and really just rhetorically thinking about how that could be applied to Nicaragua and Honduras and some of the other Latin American countries, as well, it is really not my line of questioning but it is something that I think we need to talk about.

Admiral Lee, you raised that awareness with your comments just now.

I want to shift to the UAVs that are being utilized by both the Coast Guard and the CBP, because it is interesting to folks back in my district how they are utilized. There is a lot of groovy technology out there.

So, Admiral Lee, can you discuss how the UAVs are being used? I know a Predator B has just been tasked to California to help with the pangas, and, also, I understand some of the cutter technology for launching and recovering some of those aircraft possibly.

So if you could touch base on what you are doing with UAVs, whether they are cost-effective, whether they are operational-effective.

Admiral LEE. Yes, sir.

I stated earlier we are still in the test and evaluation phase for operating our UASs off of our cutters. We are going into Phase 2 of that test and evaluation next month off of the Cutter Stratton.

The Predators are being used by my counterpart here, General Alles, so I defer to him for more specificity on that program.

Mr. DUNCAN. Let me ask you this before we go to Commissioner Alles. How are they being flown? Are they being flown remotely out of—like, the CBP flies those UAVs out of South Dakota or somewhere. How is the Coast Guard flying those? Are you flying them from shipboard controls, or is that on land-based pilots?

Admiral LEE. Yes, sir, so far, we are launching and retrieving from aboard ship.

Mr. DUNCAN. Okay. So you are recovering the aircraft on a cutter?

Admiral LEE. Yes, sir.

Mr. DUNCAN. Okay. That is interesting. I would love to see that someday.

Commissioner Alles, could you respond?

General ALLES. Yes, sir. So, just for clarification, the Coast Guard participates with us in the Predator program as pilots in the program actually flying the aircraft and operating the aircraft. Then the actual shipborne devices he is talking about I think have been the ScanEagle.

Correct?

Admiral LEE. ScanEagle, yes.

General ALLES. Yeah. So that is a different UAV than we are using.

Mr. DUNCAN. Right.

General ALLES. So, primarily, our UAVs are used along the borders. In fact, they are restricted by FAA certificates of authorization to the borders, within about 75 miles of the borders.

Our primary efforts, our UAV bases are in Corpus Christi, Cape Canaveral, Sierra Vista, which is where Fort Huachuca is down in Arizona, and then also up in Grand Forks, North Dakota. So the bulk of our effort goes along the Southwest Border in the Rio Grande Valley, in the Arizona area, New Mexico, other parts of Texas, and then, after that, some limited patrols off the California coast.

We are doing more Transit Zone operations with the UAVs, and then also along the Northern Border. We use those using a synthetic aperture radar to do what is called change detection, which can actually detect border intrusions in low-traffic zones. So we use that actual change detection radar in our UAVs along our low-traffic areas in Texas and New Mexico, Arizona, and also along the Northern Border to basically see if we are having any activity.

Mr. DUNCAN. Yes, sir. I visited the program out in the Tucson sector and was highly impressed with what I was learning there. That was a Predator B, I believe.

But I guess we are talking about maritime. So you are flying off the coast of California to help with the panga interdiction. Anywhere else with maritime? Out of Corpus Christi, I am assuming.

General ALLES. So it is primarily—we do some operations out of Corpus Christi over the water. We are not seeing a lot of traffic there for interdiction. We have done operations off the Florida coast. Again, not seeing a lot of traffic for interdiction, plus having those maritime assets out there that can work more easily.

So, again, along the coastal areas of the United States, I am still working with the FAA to get more unlimited use of the UAV in those areas. So we haven't used them as much there as we have over land or in the Transit Zone. So we are still working those particular issues on the FAA side. We are making progress, good progress, with them too.

Mr. DUNCAN. Let me pivot back to Admiral Lee.

Are we seeing the use of UAVs out of some of our ports, say, in El Salvador, to replace any of the P-3 flights, manned flights? Are they more cost-effective and efficient, or are they similar cost?

Admiral LEE. Well, the Coast Guard doesn't fly P-3s. We fly C-130s. But the bottom line is, again, we are still in the test and

evaluation phase. We do offer personnel for the Predator program that General Alles is running.

I would have to get back with you for questions for the record if you want more specificity on it than that. That is all I can offer to you, sir.

Mr. DUNCAN. Right. Well, thank you for that.

[The information follows:]

The Coast Guard is not yet replacing manned aircraft operations with unmanned aircraft systems (UAS) because the Service is in pre-acquisition for a land-based UAS. Until the state of technology can accommodate all Coast Guard missions, the Service will continue to collaborate with Customs and Border Protection (CBP) and conduct maritime security missions as part of the joint UAS program.

Notionally speaking, UAS can be a more cost-effective and efficient option than their manned counterparts, but this is highly dependent on the specific system and payloads that are ultimately procured, as well as the type of flight operations that are required.

Mr. DUNCAN. Madam Chairwoman, I know that UAVs can fly a lot longer. They can stay on station 24 hours or longer, the new technology. It just seems like a great platform for drug interdiction because that is a 24/7 attempt to smuggle drugs in the country.

So I thank the gentlemen for what they do, and I want to see use of more technology as we can put it in the field and apply it under the budget constraints that we have.

With that, I yield back.

Mrs. MILLER. The Chairwoman now recognizes the gentlelady from Hawaii.

Ms. GABBARD. Thank you very much, Chairwoman Miller and Ranking Member Jackson Lee. I appreciate the opportunity to discuss these very important issues of maritime security. I would like to thank our guests for being here today and sharing their own expertise and insights on these issues.

I would like to follow up a little bit on Mr. Duncan's questions regarding the UAV and UAS systems.

Admiral Lee, if you could speak in a little bit more detail about the test and eval process that the Coast Guard is undergoing with these systems now? You are saying you are about to move into Phase 2. If you could speak about these different phases.

I am specifically interested if any of these tests are being conducted in District 14 currently.

Admiral LEE. No, the tests right now are not being conducted off of District 14. The next test is going to be conducted off of Wallops Island off of the Coast Guard Cutter Stratton.

I could read to you the paragraph that my staff prepared for me on this, if you would desire. I am sorry I can't right off the cuff give you the specificity that you are looking for. But let me just read this to you.

It says, "The Coast Guard completed UAS demonstrations aboard the Cutter Stratton in August of 2012"—that was Phase 1—"and Bertholf in May of 2013." That was Phase 2 alpha.

"Phase 1 focused on the basic engineering, installation, certification, and operation of UAS. Phase 2 alpha applied lessons learned in an actual shipboard deployment, along with an embarked MH-65"—that is one of our Dauphin helicopters—"as envisioned in our CONOPS. The final demonstration, which will be Phase 2 bravo, will explore a variety of sensor payloads, continue

to validate CONOPS, and provide tangible data on how the UAS contributes to our National Security Cutters' overall effectiveness.”

Ms. GABBARD. Thank you.

The Container Security Initiative really centered around U.S.-bound maritime containers that potentially pose a risk being identified and inspected—I think you and General Alles spoke about this earlier—as they are leaving international ports.

What specifically is the Coast Guard's role in that program? I was wondering if you can speak on the benefit of having Coast Guard personnel on the ground in foreign ports as opposed to being able to interact remotely from here.

Admiral LEE. All right. I hope I understood your question.

Going back to the layered approach that we use for trying to provide a maritime secure border, we start overseas in our foreign ports. We have an IPSP program, that is the International Port Security Program, whereby we send inspectors to—there are 157 ports internationally that ship goods to the United States. We visit those ports routinely to ascertain what kind of security measures they have in place, and do they meet the requirements that satisfy our needs for receiving those shipments on those vessels entering through their ports and waterways?

The next layer is that layer in between, which is the open sea. That is where we have patrol craft that, if we get intelligence that something is inbound that might be a threat to our National security, we can intercept, board, and deal with it.

Then, of course, the last layer is here in our own ports, whereby Customs and the Coast Guard team up with the port directors to do this Port Security Program here.

I defer to the general for—

Ms. GABBARD. Thanks.

Before, General, you comment on that, I just had a quick question about CBP's Office of Air/Marine not having any presence or operations in my home State of Hawaii. Considering, obviously, our geographic location and some of the challenges that we face with both air and marine security there, I am wondering about your lack of presence there. Is it a lack of threats or resources? Or if you could explain why you don't have a presence there.

General ALLES. Yes, ma'am. As we looked at the overall U.S. posture of air and marine assets and where we consider the most likely avenues of approach and highest-threat locations, Hawaii was not one that we considered a high-threat location. Of course, it is a fiscal question of how many offices we can actually stand up. I mean, that is the basic issue for Hawaii and why we have not been based there to that point.

It is the same, similar situation as we have in Alaska. We have no presence up there. So, in this case, we are relying on the Coast Guard presence that is already established there.

Ms. GABBARD. Do you have any unmanned aircraft systems deployed in the region, either in the Pacific and, really, looking out past the West Coast?

General ALLES. No. No, ma'am. They are not deployed that far afield.

Ms. GABBARD. Okay. Thank you.

Thank you.

Mrs. MILLER. I thank the gentlelady.

Before we conclude, the Ranking Member has a follow-up question.

Ms. JACKSON LEE. Madam Chairwoman, thank you so very much.

To follow up some of the comments made by colleagues, I have always opposed this sequester, as it impacts the assets that, General, both you have and, Admiral, both you have. As someone who is asking the Budget Committee, chaired by the Chairman of the Budget Committee, Mr. Ryan, to remove the sequester, let me ask you about these decreased assets.

Admiral, quickly, you said it was that number from—it appears in my head, 36 to 13 percent. Impacts on the kinds of assets—not assets, but the kinds of ability to be able to get a certain amount of metric tons out of the cycle.

General, I am asking you, as well, the impact that it has on the Air/Marine when you have cut the assets and also cut human resources.

Finally, Captain Woodring, if you would speak to the impact and the value of Federal dollars, both in terms of security and otherwise, in ports as large as yours.

Gentlemen, if you could, what is the sequester, what are the diminished resources doing to the basic mission for both of you and the assets? Responding to my colleague's question of assets not being in many places where you might want them.

Admiral Lee, if you would start first.

Admiral LEE. Yes, ma'am.

As a result of the sequester, we had to curtail operations 25 percent across the board for Coast Guard operations. Most of that came out of our Transit Zone operations because that is where most of the fuel money goes. That was a 32 percent reduction last year as a direct result of the sequester. That obviously had an impact on the tonnage that we were able to remove.

Ms. JACKSON LEE. Thank you very much.

General.

General ALLES. On the CBP side, the primary impact was to our flying-hour program. It substantially reduced that probably—

Ms. JACKSON LEE. I am sorry, flying what?

General ALLES. Flying-hour program, the amount of hours we fly our aircraft per year. I think we are at about a 10,000-hour impact as a result of the sequester.

Ms. JACKSON LEE. Help us, because hours and flying—when you reduce 10,000 hours of flying, how does that diminish your service and diminish the security here in the United States?

General ALLES. So, for instance, as a metric, any hour I lose in the Transit Zone is \$1 million of cocaine that gets by us. So any P-3 hour I have to cut back on, which there were cutbacks as a result, there is going to be cocaine that passes through.

Ms. JACKSON LEE. Any hour lost, you lose \$1 million in collection of metric tonnage. Is that—

General ALLES. In the Transit Zone, yes, ma'am, that is correct. Now, that is just for the P-3s. You have to be careful. That is just for the P-3 aircraft.

Ms. JACKSON LEE. The other aircraft you have been able to—

General ALLES. Well, the other hour impacts, the other aircraft, they affect things like illegal immigration flow and those. Those I can't give you numbers. I can take that for the record, if you would like me to, to get those numbers.

Ms. JACKSON LEE. I would appreciate that greatly, General. Thank you for your service.

Admiral Lee, thank you.

Captain Woodring, you were going to say how Federal funds impact your work.

Captain WOODRING. Yes, ma'am. The Federal funding for the port is mostly through the Port Security Grant Program. We also received recently a TIGER grant to expand one of our docks. Again, industries interested in commerce, the economy, moving cargo, and making money. Obviously, security impacts that, or a lack of security could impact that.

I can tell you, as the Port of Houston Authority, since the inception of the Port Security Grant Program, we have received over \$60 million in funding. It has bought things such as an expanded port coordination center for us, vehicles, our three new fireboats that just came on-line, a lot of fiber infrastructure, a lot of TWIC card readers and things of that nature.

On the Port Security Grant Program, we would like to see the funding level not shrink any further. We would also like to see the program kept separate from being bundled together with other grant programs that we would then have to compete for.

Ms. JACKSON LEE. So it has been vital to the existence and the workings and operations of the Port of Houston.

Captain WOODRING. Yes, ma'am. Those other things that I mentioned earlier with the Houston Ship Channel Security District, they were providing matching funds for port security grants. So, again, that may not have come to the Port of Houston Authority specifically, but certainly benefited the greater Port of Houston.

Ms. JACKSON LEE. Madam Chairwoman, thank you.

Again, I want to thank everyone for their service, but particularly I want to acknowledge Admiral Lee and General Alles and Captain Woodring, and I certainly thank Director Caldwell. I thank the gentlemen for their service to this Nation.

With that, Madam Chairwoman, I yield back.

Mrs. MILLER. Thank you very much, all of you gentlemen, so very, very much. Again, we so appreciate your service to the Nation and, certainly, the men and women that serve under you 24/7 and what they do for homeland security and protecting our Nation and our country. We think about it all the time.

I appreciate many of the questions and the answers today, particularly about resourcing and how important it is for us to be able to give the resources as we can within the confines of a restrictive budgetary environment for all of the various missions that we have tasked you all with.

So we thank you for that.

I will also note that, pursuant to committee rule, the hearing record will be held open for 10 days if there are any other Members of the committee that might have additional questions for the witnesses.

With that, again, we thank you all so very, very much for your time and for your service and for being here today.

The committee will stand adjourned.

[Whereupon, at 11:30 a.m., the subcommittee was adjourned.]

