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DHS IN TODAY'S DANGEROUS WORLD: EXAMINING THE DEPARTMENT'S BUDGET AND READINESS TO COUNTER HOMELAND THREATS

UNITED STATES HOUSE OF REPRESENTATIVES, COMMITTEE ON HOMELAND SECURITY

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Chairman, Committee on Homeland Security

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**HOMELAND SECURITY
COMMITTEE**

**Statement of Chairman Michael McCaul (R-TX)
House Homeland Security Committee**

*DHS in Today's Dangerous World:
Examining The Department's Budget and Readiness to Counter Homeland Threats*

March 16, 2016

Remarks as Prepared

Almost fifteen years after 9/11, the war against Islamist terror has entered a dark phase. New battlefields have emerged across the world, and our enemies are on the offensive. They are recruiting through retweets and crowd-sourcing their attacks. And they have brought the conflict to our doorsteps in new and dangerous ways.

Only months ago in San Bernardino, we witnessed the horrible violence terrorists can inflict on our communities. Yet we were reminded in the wake of that tragedy that such radicalism is no match for our resolve. The American people will not submit to the intimidation of jihadists, and we will not allow their repressive worldview to infect our free society.

Secretary Johnson, your team faces no small task. We are in the most serious threat environment since 9/11, and the Department of Homeland Security is on the frontlines. You are responsible for keeping threats away from our shores at a time when terrorists are targeting us aggressively. Just two weeks ago, this Committee released a report showing that since 2014 ISIS has been tied to 75 terrorist plots against the West. One third of those plots were aimed at the United States, making our nation the group's number-one target.

But I am alarmed that despite these threats, the President still lacks a coherent vision for winning the wider war against Islamist terror. The Administration's wait-and-see, and lead from behind, foreign policy not only allowed ISIS to create a terror incubator in Syria and Iraq, but it also allowed a terrorist wildfire to sweep the globe. Even still, the President has failed to develop credible plans for containing—let alone rolling back—new extremist safe havens.

If we do not win this war on offense, then our security falls to our defense. And much of that rests on your shoulders, Mr. Secretary. We've arrested more than 80 ISIS supporters in the United States, and homegrown terror cases are being investigated in every state. The danger is real.

That is why I am grateful DHS is ramping up efforts to combat domestic radicalization. Your Department takes the issue seriously and has shown much-needed leadership. Overall though, I am disappointed the Administration is not doing more. Once again, the President is asking Congress to give him billions more for countering climate change than for countering violent extremism.

Terror threats, however, are not the only homeland security challenge we face. Our borders are not secure, and they have become highways of illicit traffic and violence. The American people are demanding that Washington do its job and secure our territory. But time and again, they have been let down.

The lack of a clear vision for securing the border is one of this Administration's greatest failings. Incredibly, in this year's budget the White House proposes cutting the number of Border Patrol agents. This sends a signal to the American people that their government is not serious about fixing this crisis.

I hope today we will also spend time examining our cyber defenses. The effects of cyber intrusions are felt every day across America, from corporate boardrooms to kitchen tables. DHS has stepped up its efforts to secure federal networks and to assist the private sector, but our country is still under daily assault. And the bad guys are winning. Network security is a central element of our national security, and today I hope we can discuss the Department's cybersecurity agenda and where we need to focus our efforts the most.

Finally, I am concerned about the steep cuts—more than \$500 million—in this year's DHS budget for the Urban Area Security Initiative and State Homeland Security Grant Programs that help first responders. Once again, the terror threat level is higher than it has ever been during my time in Congress. State and local responders are the country's first line of defense, and we need them to be vigilant, trained, and equipped to stop acts of terror. Why on earth, then, would we slash their grant funding? Today we are hoping for a good explanation, because I can tell you that right now our first responders don't need us to cut their budgets. They need us to have their backs.

I thank you for joining us today, Mr. Secretary. We hope to cover a wide range of issues and to hear about your plans for setting DHS up for success in confronting these challenges.

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**Prepared Testimony on
“DHS in Today’s Dangerous World: Examining the Department’s Budget and
Readiness to Counter Homeland Threats”
Secretary of Homeland Security Jeh Charles Johnson
House Committee on Homeland Security
March 16, 2016**

Introduction

Chairman McCaul, Ranking Member Thompson, and members of the committee, thank you for the opportunity to be here.

The President’s FY 2017 budget request for the Department of Homeland Security reflects hard choices to fit within the caps established by the bipartisan budget agreement of 2015, but, at the end of the day, it funds all of our vital homeland security missions in these challenging times.

The President’s FY 2017 budget request calls for \$40.6 billion in appropriated funds (compared to \$41 billion currently in FY2016) but an increase in total spending authority to \$66.8 billion (compared to \$64.8 billion currently in FY2016). Total workforce requested is 229,626, compared to 226,157 in FY2016, accompanied by an overall workforce pay raise of 1.6%.

Like this year, the President’s budget requests \$6.7 billion to finance the cost of major disasters in FEMA’s disaster relief fund, and the ability to collect fees of \$19.5 billion (compared to \$17.1 billion this year).

As I said before, the President’s budget request funds our vital homeland security missions. Our request includes:

- \$5.1 billion for transportation screening operations, including increased screening personnel, to ensure the security of our airways, a \$100 million increase;
- \$1.6 billion, an increase of over \$200 million, to fund our vital cybersecurity mission, including increased investments in the Continuous Diagnostic Mitigation program;
- \$1.9 billion for the Secret Service, which is the same as enacted in FY 2016, to protect our national leaders, fight cyber-crime, and support increased hiring;
- \$319 million to cover costs associated with unaccompanied children and families;

- \$1.1 billion for recapitalization of the U.S. Coast Guard's assets, including a sizable investment in the Nation's future arctic capability; and
- \$226 million for continued investment in the construction of a future DHS headquarters at St. Elizabeth's.

Management Reform

Like last year, reforming the way in which the Department of Homeland Security functions and conducts business, to more effectively and efficiently deliver our services to the American people, is my overarching objective for 2016. We've done a lot in the last two years, but there is still much we will do. There are still too many stove pipes and inefficiencies in the Department.

My goal as Secretary is to continue to protect the homeland, and leave the Department of Homeland Security a better place than I found it.

The centerpiece of our management reform has been the Unity of Effort initiative I announced in April 2014, which focuses on getting away from the stove pipes, in favor of more centralized programming, budgeting, and acquisition processes.

We have already transformed our approach to the budget. Today, we focus Department-wide on our mission needs, rather than through component stove-pipes. With the support of Congress, we are moving to a simplified budget structure that will support better decision-making across the Department.

We have transformed our approach to acquisition. Last year I established a DHS-wide Joint Requirements Council to evaluate, from the viewpoint of the Department as a whole, a component's needs on the front end of an acquisition.

We have launched the "Acquisition Innovations in Motion" initiative, to consult with the contractor community about ways to improve the quality and timeliness of our contracting process, and the emerging skills required of our acquisition professionals. We are putting faster contracting processes in place.

We are reforming our human resources process. We are making our hiring process faster and more efficient. We are using all the tools we have to recruit, retain and reward personnel.

As part of the Unity of Effort initiative, in 2014 we created the Joint Task Forces dedicated to border security along the southern border. Once again, we are getting away

from the stove pipes. In 2015, these Task Forces became fully operational. In 2016, we are asking Congress to officially authorize them in legislation.

We are achieving more transparency in our operations. We have staffed up our Office of Immigration Statistics and gave it the mandate to integrate immigration data across the Department. Last year, and for the second year in a row, we reported our total number of repatriations, returns and removals on a consolidated, Department-wide basis.

The long-awaited entry/exit overstay report was published in January, providing a clearer picture of the number of individuals in this country who overstay their visitor visas. It reflects that about 1% of those who enter the country by air or sea on visitor visas or through the Visa Waiver Program overstay.

We are working with outside, non-partisan experts on a project called BORDERSTAT, to develop a clear and comprehensive set of outcome metrics for measuring border security, apprehension rates, and inflow rates.

Since 2013 we've spearheaded something called the "DHS Data Framework" initiative. For the protection of the homeland, we are improving the collection and comparison of travel, immigration and other information against classified intelligence. We will do this consistent with laws and policies that protect privacy and civil liberties.

We want to restructure the National Protection and Programs Directorate from a headquarters element to an operational component called the "Cyber and Infrastructure Protection" agency.

Finally, we will improve the levels of employee satisfaction across the Department. We've been on an aggressive campaign to improve morale over the last two years. It takes time to turn a 22-component workforce of 240,000 people in a different direction. Though the overall results last year were still disappointing, we see signs of improvement. Employee satisfaction improved in a number of components, including at DHS headquarters.

This year we will see an overall improvement in employee satisfaction across DHS.

Counterterrorism

In 2016, counterterrorism will remain the cornerstone of the Department of Homeland Security's mission. The events of 2015 reinforce this.

As I have said many times, we are in a new phase in the global terrorist threat, requiring a whole new type of response. We have moved from a world of terrorist-

directed attacks to a world that includes the threat of terrorist-inspired attacks – in which the terrorist may have never come face to face with a single member of a terrorist organization, lives among us in the homeland, and self-radicalizes, inspired by something on the internet.

By their nature, terrorist-inspired attacks are harder to detect by our intelligence and law enforcement communities, could occur with little or no notice, and in general makes for a more complex homeland security challenge.

So, what are we doing about this?

First, our government, along with our coalition partners, continues to take the fight militarily to terrorist organizations overseas. ISIL is the terrorist organization most prominent on the world stage. Since September 2014, air strikes and special operations have in fact led to the death of a number of ISIL's leaders and those focused on plotting external attacks in the West. At the same time, ISIL has lost about 40% of the populated areas it once controlled in Iraq, and thousands of square miles of territory it once controlled in Syria.

On the law enforcement side, the FBI continues to do an excellent job of detecting, investigating, preventing, and prosecuting terrorist plots here in the homeland.

As for the Department of Homeland Security, following the attacks in Ottawa, Canada in 2014, and in reaction to terrorist groups' public calls for attacks on government installations in the western world, I directed the Federal Protective Service to enhance its presence and security at various U. S. government buildings around the country.

Given the prospect of the terrorist-inspired attack in the homeland, we have intensified our work with state and local law enforcement. Almost every day, DHS and the FBI share intelligence and information with Joint Terrorism Task Forces, fusion centers, local police chiefs and sheriffs.

In FY 2015 we provided homeland security assistance to state and local governments around the country, for things such as active shooter training exercises, overtime for cops and firefighters, salaries for emergency managers, emergency vehicles, and communications and surveillance equipment. We helped to fund an active shooter training exercise that took place in the New York City subways last November, as well as exercises earlier this year in Miami and last week in Louisville, Kentucky. Last month we announced another round of awards for FY 2016 that will fund similar activities over the next three years.

As I said at a graduation ceremony for 1,200 new cops in New York City in December, given the current threat environment, it is the cop on the beat who may be the first to detect the next terrorist attack in the United States.

We are also enhancing information sharing with organizations that represent businesses, college and professional sports, faith-based organizations, and critical infrastructure.

We are enhancing measures to detect and prevent travel to this country by foreign terrorist fighters.

We are strengthening our Visa Waiver Program, which permits travelers from 38 different countries to come here without a visa. In 2014, we began to collect more personal information in the Electronic System for Travel Authorization, or “ESTA” system, that travelers from Visa Waiver countries are required to use. As a result of these enhancements, over 3,000 additional travelers were denied travel here in FY 2015.

In August 2015, we introduced further security enhancements to the Visa Waiver Program.

Through the passage in December of the Visa Waiver Program Improvement and Terrorist Travel Prevention Act of 2015, Congress has codified into law several of these security enhancements, and placed new restrictions on eligibility for travel to the U.S. without a visa. We began to enforce these restrictions on January 21. Waivers from these restrictions will only be granted on a case-by-case basis, when it is in the law enforcement or national security interests of the United States to do so. Those denied entry under the Visa Waiver Program as a result of the new law may still apply for a visa to travel to the U.S.

Last month, under the authority given me by the new law, I also added three countries – Libya, Yemen and Somalia – to a list that prohibits anyone who has visited these nations in the past five years from traveling to the U.S. without a visa.

We are expanding the Department’s use of social media for various purposes. Today social media is used for over 30 different operational and investigative purposes within DHS. Beginning in 2014 we launched four pilot programs that involved consulting the social media of applicants for certain immigration benefits. USCIS now also reviews the social media of Syrian refugee applicants referred for enhanced vetting. Based upon the recent recommendation of a Social Media Task Force within DHS, I have determined, consistent with relevant privacy and other laws, that we must expand the use of social media even further.

CBP is deploying personnel at various airports abroad, to pre-clear air travelers before they get on flights to the United States. At present, we have this pre-clearance capability at 15 airports overseas. And, last year, through pre-clearance, we denied boarding to over 10,700 travelers (or 29 per day) seeking to enter the United States. As I said here last year, we want to build more of these. In May 2015, I announced 10 additional airports in nine countries that we've prioritized for preclearance.

For years Congress and others have urged us to develop a system for biometric exit – that is, to take the fingerprints or other biometric data of those who leave the country. CBP has begun testing technologies that can be deployed for this nationwide. With the passage of the omnibus bill, Congress authorized up to \$1 billion in fee increases over a period of ten years to pay for the implementation of biometric exit. I have directed that CBP begin implementing the system, starting at top airports, in 2018.

In January, I announced the schedule for the final two phases of implementation of the REAL ID Act, which goes into effect two and then four years from now. At present 23 states are compliant with the law, 27 have extensions, and 6 states or territories are out of compliance. Now that the final timetable for implementation of the law is in place, we urge all states, for the good of their residents, to start issuing REAL ID-complaint drivers' licenses as soon as possible.

In the current threat environment, there is a role for the public too. "If You See Something, Say Something"™ must be more than a slogan. We continue to stress this. DHS has now established partnerships with the NFL, Major League Baseball and NASCAR, to raise public awareness at sporting events. An informed and vigilant public contributes to national security.

In December we reformed "NTAS," the National Terrorism Advisory System. In 2011, we replaced the color-coded alerts with NTAS. But, the problem with NTAS was we never used it, it consisted of just two types of Alerts: "Elevated" and "Imminent," and depended on the presence of a known specific and credible threat. This does not work in the current environment, which includes the threat of homegrown, self-radicalized, terrorist-inspired attacks. So, in December we added a new form of advisory – the NTAS "Bulletin" – to augment the existing Alerts. The Bulletin we issued in December advises the public of the current threat environment, and how the public can help.

Finally, given the nature of the evolving terrorist threat, building bridges to diverse communities has become a homeland security imperative. Well informed families and communities are the best defense against terrorist ideologies. Al Qaeda and the Islamic State are targeting Muslim communities in this country. We must respond. In my view, this is as important as any of our other homeland security missions.

In 2015 we took these efforts to new levels. We created the DHS Office for Community Partnerships, headed by George Selim. George and this office are now the central hub for the Department's efforts to counter violent extremism in this country, and the lead for a new interagency CVE Task Force that includes DHS, DOJ, the FBI, NCTC and other agencies.

Funding is included in the President's budget request to support these counterterrorism efforts in the following key areas:

- \$2 billion requested in total grants funding will prepare state and local governments to prevent, protect against, mitigate, respond to, and recover from incidents of terrorism and other catastrophic events. These funds also include Firefighter and Emergency Management Performance Grants that support local first responders in achieving their missions and \$50 million for Countering Violent Extremism grants for emergent threats from violent extremism and from complex, coordinated terrorist attacks.
- \$292 million sustains U.S. Customs and Border Protection (CBP) targeting programs, which includes support for the National Targeting Centers (NTC) for passengers and cargo. The NTCs effectively target and interdict inadmissible high-risk passengers, cargo and agriculture/bioterrorism threats before reaching U.S. ports of entry. And, the newly established Counter Network Program will expand CBP's partnerships to exchange information and coordinate actions to identify, disrupt, and dismantle illicit networks and associated organizations.
- \$197.5 million to sustain inspection and enforcement efforts abroad, which include the Immigration Advisory Program, created by CBP in 2004 to prevent terrorists and high-risk or improperly-documented travelers from boarding commercial aircraft destined for the United States. This investment also funds Preclearance operations. In addition to improving CBP's ability to protect the American homeland by extending our borders and preventing terrorists from gaining access to the United States, Preclearance relieves congestion at U.S. "gateway" airports and opens up new destinations for international flights.
- \$103.9 million to purchase radiological and nuclear detection equipment, an increase of \$14 million over funding appropriated in 2016, enabling the proposed new CBRNE Office (a combination of Office of Health Affairs and Domestic Nuclear Detection Office) and the U.S. Coast Guard, CBP, and TSA, to keep U.S. ports of entry safe and secure by detecting and interdicting illicit radioactive or nuclear materials.

- \$81.9 million sustains the BioWatch program to provide detection and early warning of the intentional release of select aerosolized biological agents in more than 30 jurisdictions nationwide.
- \$79.9 million sustains Infrastructure Security Compliance funding to secure America's high-risk chemical facilities through systematic regulation, inspection, and enforcement under the authority of the Chemical Facility Anti-Terrorism Standards.

Aviation Security

We are taking aggressive steps to improve aviation and airport security.

Since 2014 we have enhanced security at overseas last-point-of-departure airports, and a number of foreign governments have replicated those enhancements.

As many of you know, in May of last year a classified DHS Inspector General's test of certain TSA screening at eight airports, reflecting a dismal fail rate, was leaked to the press. I directed a 10-point plan to fix the problems identified by the IG. Under the new leadership of Admiral Pete Neffenger over the last six months, TSA has aggressively implemented this plan. This has included "back to basics" retraining for the entire TSO workforce, increased use of random explosive trace detectors, testing and re-evaluating the screening equipment that was the subject of the IG's test, a rewrite of the standard operating procedures manual, increased manual screening, and less randomized inclusion in Pre-Check lanes. These measures were implemented on or ahead of schedule.

We are also focused on airport security. In April of last year TSA issued guidelines to domestic airports to reduce access to secure areas, to require that all airport and airline personnel pass through TSA screening if they intend to board a flight, to conduct more frequent physical screening of airport and airline personnel, and to conduct more frequent criminal background checks of airport and airline personnel. Since then employee access points have been reduced, and random screening of personnel within secure areas has increased four-fold. We are continuing these efforts in 2016. In early February, TSA issued guidelines to further enhance the screening of aviation workers in the secure area of airports.

I am particularly proud of the newly established TSA Academy housed by the Federal Law Enforcement Training Centers in Glynco, Georgia. All new TSOs are now receiving two-week training on how to screen for threats. DHS has built a full-scale representation of an airport screening station for students to use as they are taught how to serve the traveling public, interpret x-ray machine images, and check bags for dangerous materials or weapons.

In the President's FY2017 budget request, funding is included for aviation security in the following key areas:

- \$3.0 billion to support 42,848 Transportation Security Officers, an increase of \$26.9 million over FY 2016, to ensure effective screening operations while minimizing wait times.
- \$199.8 million for transportation screening technology, enabling TSA to continue improving the capabilities of its checkpoint screening equipment throughout almost 450 airports to better protect against passenger-borne threats, an increase of \$5 million.
- \$116.6 million to provide training for TSA screeners, which supports an increase of \$20 million for new basic training to be provided at the TSA Academy located at the Federal Law Enforcement Training Center in Glynco, Georgia.
- \$84.0 million for TSA's intelligence operations, an increase of \$2.0 million to expand the number of intelligence officers to 87 in frontline facilities that will enhance the effectiveness of checkpoint security screening.
- \$815.3 million to support the continued deployment of Federal Air Marshals (FAMs), \$10 million above the FY 2016 levels. The Federal Air Marshal Service has been subject to a hiring freeze since 2011, and recently completed a new Concept of Operations (CONOPS) detailing a new deployment strategy that achieves optimal FAMs staffing to ensure its operations mitigate the maximum risk as with other TSA aviation security activities.

Cybersecurity

While counterterrorism remains a cornerstone of our Department's mission, I have concluded that cybersecurity must be another. Making tangible improvements to our Nation's cybersecurity is a top priority for President Obama and for me to accomplish before the next President is inaugurated.

On February 9th, the President announced his "Cybersecurity National Action Plan," which is the culmination of seven years of effort by the Administration. The Plan includes a call for the creation of a Commission on Enhancing National Cybersecurity, additional investments in technology, federal cybersecurity, cyber education, new cyber talent in the federal workforce, and improved cyber incident response.

DHS has a role in almost every aspect of the President's plan.

As reflected in the President's 2017 budget request, we want to expand our cyber response teams from 10 to 48.

We are doubling the number of cybersecurity advisors to in effect make "house calls," to assist private sector organizations with in-person, customized cybersecurity assessments and best practices.

Building on DHS's "Stop. Think. Connect" campaign, we will help promote public awareness on multi-factor authentication.

We will collaborate with Underwriters Laboratory and others to develop a Cybersecurity Assurance Program to test and certify networked devices within the "Internet of Things." -- such as your home alarm system, your refrigerator, or even your pacemaker.

Last year we greatly expanded the capability of DHS's National Cybersecurity Communications Integration Center, or "NCCIC." The NCCIC increased its distribution of information, the number of vulnerability assessments conducted, and the number of incident responses.

At the NCCIC, last year we built a system to automate the receipt and distribution of cyber threat indicators in near real-time speed. We built this in a way that also includes privacy protections.

I have issued an aggressive timetable for improving federal civilian cybersecurity, principally through two DHS programs:

The first is called EINSTEIN. EINSTEIN 1 and 2 have the ability to detect and monitor cybersecurity threats in our federal systems, and are now in place across all federal civilian departments and agencies.

EINSTEIN 3A is the newest iteration of the system, and has the ability to block potential cyber attacks on our federal systems. Thus far E3A has actually blocked 700,000 cyber threats, and we are rapidly expanding this capability. About a year ago, E3A covered only about 20% of our federal civilian networks. In the wake of the OPM attack, in May of last year I directed our cybersecurity team to make at least some aspects of E3A available to all federal departments and agencies by the end of last year. They met that deadline. Now that the system is available to everyone, 50% are actually on line, including the Office of Personnel Management, and we are working to get all federal departments and agencies on board by the end of this year.

The second program, called Continuous Diagnostics and Mitigation, or CDM, helps agencies detect and prioritize vulnerabilities inside their networks. In 2015, we

provided CDM sensors to 97% of the federal civilian government. This year, DHS will provide the second phase of CDM to 100% of the federal civilian government.

We have worked with OMB and DNI to identify the government's high value systems, and we are working aggressively with the owners of those systems to increase their security.

In September, DHS awarded a grant to the University of Texas San Antonio to work with industry to identify a common set of best practices for the development of Information Sharing and Analysis Organizations, or "ISAOs."

Finally, I thank Congress for passing the Cybersecurity Act of 2015. This new law is a huge assist to DHS and our cybersecurity mission. We are in the process of implementing that new law now. Just last month, I announced that we issued guidelines and procedures, required by this law, providing federal agencies and the private sector with a clear understanding of how to share cyber threat indicators with the NCCIC, and how the NCCIC will share and use that information. We issued these guidelines and procedures consistent with the deadline set by the new law.

Funding is included for cybersecurity in the FY 2017 budget request in the following key areas:

- \$274.8 million for the Continuous Diagnostics and Mitigation program which provides hardware, software, and services designed to support activities that strengthen the operational security of federal ".gov" networks, an increase of more than \$170 million over the FY 2016 enacted level.
- \$471.1 million sustains the EINSTEIN program, to continue to combat intrusions, enhance information sharing, and deploy analytical capabilities to secure the federal civilian information technology enterprise.
- The FY 2017 budget request sustains ICE and USSS resources to combat cyber-crime and investigate cyber-criminals.

Immigration/Border Security

Immigration policy must be two sides of the same coin.

The resources we have to enforce immigration laws are finite, and we must use them wisely. This is true of every aspect of law enforcement.

With the immigration enforcement resources we have, ICE is focused more sharply on public safety and border security. Those who are convicted of serious crimes

or who have recently been apprehended at the border are top priorities for removal. And we will enforce the law in accordance with these priorities.

Accordingly, over the last several years deportations by ICE have gone down, but an increasing percentage of those deported are convicted criminals. And, an increased percentage of those in immigration detention, around 85%, are in the top priority for removal. We will continue to focus our resources on the most significant threats to public safety and border security.

In furtherance of our public safety efforts, in 2014 we did away with the controversial Secure Communities program and replaced it with the new Priority Enforcement Program, or “PEP.” PEP fixes the political and legal controversies associated with Secure Communities and enables us to take directly into custody from local law enforcement the most dangerous, removable criminals. Since PEP was created, cities and counties that previously refused to work with Secure Communities are coming back to the table. Of the 25 largest counties that refused to work with ICE before, 16 are now participating in PEP. In 2016, we will work to get more to participate.

And, because we are asking ICE immigration enforcement officers to focus on convicted criminals and do a job that’s more in the nature of law enforcement, last year we reformed their pay scale accordingly. Now, the pay scale for these immigration officers is the same as other federal law enforcement.

We have also prioritized the removal of those apprehended at the border. We cannot allow our borders to be open to illegal immigration.

Over the last 15 years, our Nation – across multiple administrations – has invested a lot in border security, and this investment has yielded positive results. Apprehensions by the Border Patrol – which are an indicator of total attempts to cross the border illegally – are a fraction of what they used to be.

In FY 2014, overall apprehensions by the Border patrol increased, as we saw a spike in the number of families and unaccompanied children from Central America during the spring and summer of 2014. That year the overall number of apprehensions was 479,000. Across the government, we responded aggressively to this surge and the numbers fell sharply within a short period of time.

In FY 2015, the number of those apprehended by the Border Patrol on the southwest border was 331,000 – with the exception of one year, the lowest since 1972.

From July to December 2015 the numbers of migrants from Central America, especially families and unaccompanied children, began to climb again.

In January I announced a series of focused enforcement actions to take into custody and remove those who had been apprehended at the border in 2014 or later and then ordered removed by an immigration court. I know this made a lot of people I respect very unhappy. But, we must enforce the law in accordance with our priorities.

In January overall apprehensions by the Border Patrol on the southwest border dropped 36% from the month before. At the same time, the number of unaccompanied children apprehended dropped 54%, and the number of those in families dropped 65%. In February, the numbers of unaccompanied children have remained at this lower level. We are closely monitoring the situation on the southwest border and will not dial back our efforts, as, illegal migration traditionally increases in the spring. We will do all we can to prevent another summer surge in illegal crossings. We will continue to enforce the law consistent with our priorities for enforcement, which includes those apprehended at the border in 2014 or later.

Then there is the other side of the coin. The new enforcement policy the President and I announced in November 2014 makes clear that our limited enforcement resources will not be focused on the removal of those who have committed no serious crimes, have been in this country for years, and have families here. Under our new policy, these people are not priorities for removal, nor should they be.

In fact, the President and I want to offer, to those who have lived here for at least five years, are parents of U.S. citizens or lawful permanent residents, and who have committed no serious crimes, the opportunity to request deferred action on a case-by-case basis, to come out of the shadows, get on the books, and be held accountable. We are pleased that the Supreme Court has agreed to hear the case of *Texas v. United States*, which involves the new deferred action policies we announced in November 2014.

Our overall policy is to focus our immigration enforcement resources more effectively on threats to public safety and border security, and, within our existing legal authority, do as much as we can to fix the broken immigration system. We're disappointed that Congress has not been our partner in this effort, by passing comprehensive immigration reform legislation.

Finally, we recognize that more border security and deportations may deter illegal migration, but they do nothing to overcome the "push factors" that prompt desperate people to flee Central America in the first place. We are prepared to offer vulnerable individuals fleeing the violence in Central America a safe and legal alternate path to a better life. We are expanding our Refugee Admissions Program to help vulnerable men, women and children in Central America who qualify as refugees. We are partnering with the U.N. High Commissioner for Refugees and non-governmental organizations in the region to do this as soon as possible. This approach builds on our recently established

Central American Minors program, which is now providing an in-country refugee processing option for certain children with lawfully present parents in the United States.

The President's FY 2017 budget request includes the following key resources for immigration and border security:

- \$7.0 billion to fund the salaries and benefits of Border Patrol agents and CBP officers. In FY 2017, CBP plans to hire up to 21,070 Border Patrol agents, a decrease of 300 from the 2016 enacted level, and 23,821 CBP officers.
- \$1.4 billion to enable U.S. Immigration and Customs Enforcement to maintain nearly 31,000 detention beds for individuals presenting a flight risk, a risk to public safety or national security, or who are subject to mandatory detention.
- \$2.0 billion sustains the Coast Guard counter-drug and alien migration interdiction operations. These intelligence-driven mission activities are critical to disrupting Transnational Criminal Organizations and securing the southern border.
- \$1.6 billion sustains the Coast Guard's ports, waterways, and coastal security efforts. These include screening to ensure unauthorized and illicit individuals do not gain access to, or disrupt, key maritime transportation and commerce nodes. All crew, passengers, and cargo of vessels over 300 tons are screened prior to arrival in U.S. waters to mitigate potential risks to our nation.
- \$319 million, a decrease of more than \$370 million, to cover the costs associated with the temporary care and transportation of up to 75,000 unaccompanied children, along with other resources for the custody of adults with children who cross our borders.
- \$126.0 million for the Alternatives to Detention Program, an increase of \$12 million, to monitor 53,000 average daily participants, including families, who may pose a flight risk but who are not considered a threat to our communities. The ATD program places low-risk individuals under various forms of non-detained, intensive supervision, which may include electronic monitoring.
- \$347.5 million for the Criminal Alien Program, an increase of \$7 million, to support ICE in the apprehension and removal of both at-large and incarcerated convicted criminals. These resources include funding for an additional 100 officers to support the expanded implementation of PEP.

- \$268.4 million, an increase of \$30 million that sustains the increase of 311 attorneys in the FY 2016 appropriation, for ICE's Office of Principal Legal Advisor, which represents the U.S. Government in removal proceedings and litigated over 400,000 immigration related cases in FY 2015.
- \$355.7 million to maintain the necessary infrastructure and technology along the Nation's borders to ensure CBP law enforcement personnel are supported with effective surveillance technology to improve their ability to detect and interdict illegal activity in a safer environment. This represents a decrease of \$91 million from the substantial increase provided in the FY 2016 appropriation.

Refugees

We are doing our part to address the Syrian refugee crisis. USCIS, in conjunction with the Department of State, is working hard to meet our commitment to admit at least 10,000 Syrian refugees by the end of this fiscal year. We will do this by carefully screening refugees in a multi-layered and intense screening process involving multiple law enforcement, national security, and intelligence agencies across the Federal Government.

Secret Service

Over the last year, Director Joe Clancy of the Secret Service has done a tremendous job reforming the agency, including hiring a chief operating officer from outside the Secret Service, altering the structure and management of the agency, ramping up efforts to hire new members of its workforce, and expanding training opportunities. In 2016 we will continue to work on areas that still need improvement.

The President's FY2017 budget requests \$108.2 million to enhance White House security, an increase of \$42 million, which includes support for the U.S. Secret Service's Operational Mission Support initiative to enhance protection at fixed and temporary sites and includes advanced protective countermeasures.

The Coast Guard

With the help of Congress, in 2016 we will continue to modernize the Coast Guard fleet, including all major air and surface asset lines. We propose continuing these investments in the 2017 Budget request, and we seek an additional \$150 million for the design of a new Polar-class icebreaker.

Our FY 2017 budget request includes \$1.1 billion to support the Coast Guard's air and surface fleet recapitalization, to include \$240.0 million for production of four Fast Response Cutters; \$130.0 million to convert Air National Guard C27J aircraft for Coast

Guard use; \$150.0 million for acquisition activities for a new polar icebreaker; and \$100.0 million to complete evaluation of detailed design and long lead time material for the lead Offshore Patrol Cutter.

FLETC

Our FY 2017 budget includes \$243 million to support FLETC's mission. Since 2012, the Federal Law Enforcement Training Center has trained more than a quarter million federal, state and local officers and agents. At the same time, FLETC continually updates its curriculum to address the biggest challenges facing law enforcement, to include training for active shooter situations, cyber forensics, and human trafficking.

FEMA

FEMA continues to carry out its extraordinary responsibility of supporting the American people and communities to prepare for, respond to, and recover from various disasters. FEMA will continue to focus on efforts to enhance resilience and mitigation measures before disaster strikes, to prevent loss and save lives.

Our FY 2017 budget request supports the Disaster Relief Fund, grant programs, disaster preparedness plans, and training for our homeland security and law enforcement partners. This includes \$6.7 billion to sustain relief fund levels that provide immediate and long-lasting assistance to individuals and communities stricken by emergencies and major disasters. Our 2017 Budget request also includes \$365.0 million for the Pre-disaster Mitigation Fund and for flood hazard zone mapping. The Administration is committed to helping communities take steps to protect themselves from extreme weather and other climate impacts. These investments build on recent progress and pursue strategies to build a more climate-resilient America.

Lawful Trade and Travel

We continue to promote lawful trade and travel. We will continue to pursue the President's U.S.-Mexico High Level Economic Dialogue and his Beyond the Border Initiative with Canada. We are implementing "Single Window" for international trade, which, by December 2016, will enable the private sector to use just one portal to transmit information to 47 government agencies about exports and imports, thereby eliminating over 200 different forms and streamlining the trade process.

Conclusion

As I stated before, developing this budget request within the topline constraints of the bipartisan budget agreement of 2015 required difficult choices. But I am confident that the Department of Homeland Security will build upon the progress we have made over the past year and continue to fulfill our vital mission of keeping the homeland safe.

I again thank you for the opportunity to speak here today and for your continued support of DHS.

I look forward to your questions.