

Transcript of Senate Appropriations Subcommittee on Homeland Security Hearing on the Proposed Fiscal 2012 Budget Request for the Homeland Security Department

Hearing Held on March 2, 2011

LANDRIEU:

Good morning. And I'd like to call our subcommittee to order. For the purpose of considering the department's budget for 2012. Let me first welcome our new ranking member, Senator Coats. And I'll be pleased to work with Senator Coats in the next two years. And really appreciate his leadership in this area.

Welcome Madam Secretary. We're happy to have you to present your budget this morning. You lead a department of 221,000 men and woman who are on the front lines every day protecting our nation and us citizens. And we commend those employees for their dedication and their hard work. They are at our airports, our ports, along our border, insecure locations considering the intelligence coming in all over our country. And we appreciate their work. And we appreciate your leadership.

My goal is to produce a bipartisan, fiscally responsible Homeland Security bill for fiscal year 2012 that provides this department with the resources it needs to prepare for, respond to and recover from all threats man-made and natural. I share your commitment to the goals established in the quadrennial homeland security review -- preventing terrorism, securing our borders, enforcing our immigration laws, safeguarding cyberspace and insuring resiliency in the face of natural or man-made disasters.

Securing this nation is just not, as you know Madam Secretary, a federal government responsibility. State and local governments share that responsibility, and frankly as many of our corporations who are doing their part and individual citizens as they are trained to recognize threats that potentially are occurring in their local communities. We must, this department I believe, serve as leaders and educators in helping our state and local governments and corporations, serving as a model for them as well as encouraging our private citizens to do their part.

As we approach the 10th anniversary of the 9/11 attacks, the 8th anniversary of the creation of the department and the 6th anniversary of the catastrophic levee failures which caused horrific destruction in and around the city of New Orleans, the hurricanes of Katrina and Rita along the Gulf Coast, we must not let our guard down. We must remember the lessons of those horrific events. And even without the eminent threat right before us, not fail to remember what we learned on those terrible occasions. We must have the fortitude and the discipline and the tenacity I think Senator Coats and others to continue to fund adequately this effort and not become lax or distracted.

In the State of the Union address the president said that al Qaeda and its affiliates continue to plan attacks against us. He said, quote, "as extremists try to inspire acts of violence within our borders we are responding with the strength our communities and with respect to the rule of law." Secretary Napolitano, you have stated that the terrorism threat is at the highest level since 9/11. That is a statement that we should pay attention to.

We will be mindful of those statements as we consider the president's request for this 2012 year. I'm supportive of reducing spending where we can, obviously, eliminating mediocre programs or duplicate programs, but I do not believe the notion of reducing spending arbitrarily to a 2008 level for this department makes any sense.

The Coast Guard would have to eliminate 2400 personnel and its recapitalization program would be terminated. We saw what the Coast Guard did in responding to the BP oil spill. I don't believe a cutback there is smart.

We'd have to eliminate the national security cutter, the fast response cutter, the marine patrol aircraft, a number of custom officers at our ports of entry would be reduced by over 1600, the number of border patrol agents -- Senator McCain has fought very hard, along with others, to secure more personnel at our borders not less. And I will not support a budget that reduces that number by 3500.

Reducing funding for the Transportation Security Administration to levels before the Christmas Day bombing attempt would be reckless. We know that there are attempts to take down aircraft in America that are ongoing. We have been successful in preventing it so far. This budget supports our effort to continue to be successful.

We will have 775 fewer scanners at our airports, 4,000 fewer screeners, 330 few air cargo inspectors and 235 fewer canine teams. Under my leadership we will not go in that direction.

I believe the president has submitted a responsibly -- fiscally responsible budget for this department. Of course, we'll have some issues within the department. I look forward to working with my ranking member to find a way forward that provides the resources necessary, however, to keep our nation and our citizens safe.

Following Senator Coats' opening statement, we'll hear from you Madam Secretary because our schedule has changed. I wanted the members to have time for opening statements, but I'm going to ask them to submit them for the record, because a vote has been called for 11:00.

But let me turn to my ranking member and thank Senator Cochran for joining us this morning.

COATS:

Madam Chairman, thank you. I'm pleased to join you on this committee. My first venture here, so I'll probably have more questions than answers. But I look forward to your testimony. And Secretary Napolitano, thank you for being here this morning and reaching out yesterday with a courtesy call for me and willing to sit down and talk through difficult, challenging issues at a difficult, challenging time. So I appreciate that very much.

And also please to -- I never though I would be sitting in a superior position to Senator Cochran on any committee anywhere including lunch, but it's a pleasure to be with you Thad and your leadership over the years on this committee and ranking membership is duly noted.

Madam Secretary, I don't think anybody -- any of us question that we are in difficult fiscal times. Also, no one questions whether or not we have security threats that we need to address and protect the American people from incursions and unwanted terrorist activity and do everything we can to provide for homeland security. So there comes the challenge for all of us.

The current budget that the president has announced is an increase over previous years. As you know congress is looking for ways to try to do more with less. The question, I think, comes in terms of how we can provide effective service and fulfill our obligations in providing for the security of our country at the same time trying to do it in a more efficient way. We're not asking for no government, here, we're asking for more efficient government. And working together I think to try to achieve that is -- should be one of our goals.

As I look at your budget, there are a couple of things that comes to mind. And if I just might mention those and we can discuss them during the hearing and afterward. The budget indicates, I think assumes, that there will be an increase in aviation passenger security fees. And that those fees will start rolling in in the third quarter of fiscal year 2012, yet none of that is assured yet. And I'm told that that's a mark of nearly \$590 million. And so I'd like to pursue that question with you.

Secondly, the budget continues to request operations for disaster relief based on historical obligations for non-catastrophic events and assumes that large catastrophic events are rare and should be funded strictly by supplemental

emergency appropriations. As you know, the reality is that those large, catastrophic events result in year after year after year of follow up funding. And whether that should be done by emergency supplemental or budgeted is I think a fundamental question that we have to address.

My understanding is that for fiscal year 2011 the amount necessary to provide for continuing work post-Katrina, post other catastrophic occurrences is \$1.6 billion, an amount that's not requested -- put into the president's budget. And so when you add all this up I think it totals around \$3 billion not included in the 2012 request. How we're going to reconcile that I think is going to be a challenge for all of that. And of course that -- those assumptions often come in low. We've seen occurrences of more and more violent storms and catastrophic events, whether it's flooding, wildfire, hurricanes or whatever.

A couple of other areas that I'd like to talk about. We can wait until question time. Again, I thank you for being here and look forward to a year of good, solid work in terms of trying to do more with less funds, but do it more efficiently. Every family in America, every business in America, almost every state in the union has had to face up to this challenge and the federal government is going to need to do so also.

Thank you.

LANDRIEU:

Thank you senator for those remarks. I want to acknowledge Senator Lautenberg who has joined us. He chaired this committee in the interim. Senator, thank you for your leadership.

We're going to go right into questions in the order of appearance. Let me begin following up on what Senator Coats said about the disaster relief fund, Madam Secretary, which is particularly of interest to Gulf Coast leaders, but frankly with the catastrophes in Rhodes Island, the flooding in Tennessee and fires and tornadoes in other parts of the country, there are many members that are very concerned.

For fiscal year 2011, the current year we're in, we're facing a \$1.6 billion gap in the disaster relief fund. If the president does not request, and congress does not approve supplemental funding, that account under our calculations will literally run out of money in June, only a few months from now, just as we're entering hurricane season.

For fiscal year '12, the problem is even worse, because we're facing a \$3 billion gap based on known costs. These are not projections or speculations, these are known costs of past disasters.

In fiscal year '10 there was a similar shortfall. FEMA had to stop providing assistance for rebuilding and recovery projects, many of those were in my home state, some of them were in Senator Cochran's home state of Mississippi, but they were all over the country. Unfortunately, this looks like it's repeating itself. And I'd like to head it off if we can at the pass.

During the last hearing before the authorizing committee you said it's, quote, "really nonnegotiable" when asked about the looming crisis. You said, "we have to pay for these disasters. It's our responsibility."

Do you believe that the president is going to send up a supplemental to request this funding? And if so when? Because if we have to cut \$1.6 billion out of the base homeland security budget, that will cut the Coast Guard, that will cut FEMA, that will cut grants to state and local responders. And basically we will be cutting current disaster response teams to pay for past disasters. To me that doesn't make any sense. Do you think the president will send up a supplemental? And would you support it?

NAPOLITANO:

Well, thank you senator. And thank you for this hearing. And I'm pleased to be here before you. Ranking Member Coats, other members of the committee.

I do have an opening statement and I'll just simply ask that that be...

LANDRIEU:

I'm sorry. Please go right ahead with your opening statement.

NAPOLITANO:

Well, I'm happy to go right to questions if you want to do that.

LANDRIEU:

No, no. Go right to your opening statement. I'm very sorry. And then you can take that question.

COATS:

Maybe you'll be happier.

LANDRIEU:

Yeah, maybe it'll be easier than my question. Go right ahead.

COATS:

Whatever works.

NAPOLITANO:

Well, why I don't answer the question and then I'll give the opening statement.

LANDRIEU:

Thank you. I'm sorry.

NAPOLITANO:

Because this is -- you have identified one of the issues that we will have to work together on. And we look forward to working with the committee on. One of the things that the numbers don't reflect yet is our effort to de-obligate funds that have been set aside to pay for past disasters that no longer are necessary. In other words, we've been able to go backwards and say, well we set aside this amount. And in fact, we did not need that amount of money.

So in fiscal year '10 for example we restored \$2 billion to the DRF by process of de-obligation. That's what it's called. And so we look forward to continuing that strategy as we move forward to refill the DRF with de-obligated funds.

Will that be enough to cover expenses for FY11 and FY12? Probably not without a supplemental of some sort.

So we anticipate that the administration will submit a supplemental for the DRF. This has been a historical practice under Republican and Democratic administrations. I think the reason the practice started was because of the difficulty of predicting ultimately what the DRF will be required to cover. So that -- the administration has carried forward with that historical practice, but nonetheless I think it's fair to say, Madam Chair, that a supplemental will be necessary.

LANDRIEU:

Thank you. And please go on with your opening statement.

NAPOLITANO:

Well, let me begin again by thanking you and thanking you for the opportunity to discuss the president's FY12 budget for the Department of Homeland Security. I think it's fair to say that the demands on DHS have never been greater. This is especially true as we remember those at the department who have given their lives of the service of the mission of securing our country, including just in the past weeks and months, border patrol agent Brian Terry and ICE special agent Jaime Zepata.

Now Mexico is leading the investigation into the death of Agent Zepata. We are supporting them through a joining DOJ/DHS task force that the attorney general and I announced two weeks ago. Recently, Mexican authorities have apprehended some of the alleged killers of Agent Zepata. And we are conducting a number of operations in the United States related to the drug cartels that plague that country.

I can speak for the entire administration when I say we are not only saddened by the loss of an agent, we are outraged by this act of violence against an officer of the United States. And make no mistake, justice will be brought to all of those involved. We owe nothing less to the memory of our agent, Agent Zepata, and to those who are still on the job in Mexico.

But the loss of these great agents is a stark reminder of the sacrifices made by the men and women of DHS every day. It also strengthens our resolve to continue to do everything in our power to protect against, mitigate, and respond to threats and to make our nation more resilient for years to come.

Today's threat picture features adversaries who evolve quickly and are determined to strike us here at home. From the aviation system and the global supply chain to surface transportation, critical infrastructure, and our cyber networks.

We are leading the administration's unprecedented effort to secure our southwest border, coupled with a smart and effective approach to enforcing immigration laws in the interior of our country. And we continue to prepare for, respond to and recover from disasters of all types.

President Obama's FY2012 budget for the department allows us to continue to meet these evolving threats and challenges by prioritizing our essential operational requirements while reflecting an unprecedented commitment to fiscal discipline that maximizes the effectiveness of every security dollar that we receive.

Reflecting the current fiscal environment in building the FY2012 budget, all DHS components identify savings associated with the department's 33 efficiency review initiatives and we cut administration and overhead, including my own office's budget, by over \$800 million. Savings were realized through efficiencies in acquisition, asset and real property management as well as employee vetting and credentialing, hiring and onboarding, and information technology. We cut professional services contracts, travel and non- mission critical training.

We also delay construction of FEMA at the new DHS headquarters at St. Elizabeth's, and defer office co-locations as well as building maintenance and enhancements.

My written statement includes a comprehensive list of the operational priorities in the budget request. And today I would like to highlight a few of them for you here even as I request that the full statement be admitted in your record.

First, preventing terrorism and enhancing security was the founding mission of DHS. It remains our top priority today. This budget safeguards transportation modes through a layered detection system including the deployment of additional transportation security officers, behavioral detection officers, canine teams, and advanced imaging technology machines at domestic airports while expanding watch-list vetting through the secure flight program and enhancing screening and targeting of international travelers before they board U.S. bound flights through the immigration advisory program.

The budget also strengthens surface transportation security by supporting 12 new multi modal VIPR teams -- the acronym stands for visible intermodal prevention and response. These teams conduct operations throughout the transportation sector to prevent potential terrorist activity.

The request also provides funding for the Securing the Cities program to protect our highest risk cities from a radiological or nuclear attack and makes a significant investment in the national bio and agro defense facility which will provide enhanced diagnostic capabilities to protect our country from foreign animal and emerging diseases.

The request expands support for the national network of state and local fusion centers to enhance baseline capabilities and provide local law enforcement with the tools they need to address threats in their communities.

Now to secure and manage our borders, the request continues the administration's historic border security efforts by supporting 21,370 border patrol agents and 21,186 U.S. Customs and Border Protection officers, both all-time highs.

The budget also includes \$242 million for the continued deployment of proven, effective surveillance technology along the highest trafficked areas of the southwest border to better meet the operational requirements of our agents on the front lines.

For the northern border, this budget request supports investments in technology tailored to the maritime and cold weather environment including proven stand alone technology to provide immediate operational benefits.

And for our nation's maritime borders, this budget includes funding to continue the essential national security cutter program and makes historic investments to recapitalize the Coast Guard's aging assets including six fast response cutters, 40 response boats as well as a sizable investment in the renovation and restoration of aging shore facilities.

The budget also requests -- the budget requests also continues the department's focus on smart and effective enforcement of our U.S. immigration laws while streamlining and facilitating the legal immigration process. Building on our record over the past two years, the department will continue to prioritize the identification and removal of criminal aliens who pose a threat to public safety and target employers who knowingly and repeatedly break the law.

This request enables ICE to fund 33,400 detention beds, remove over 200,000 criminal aliens and deploy secure communities to 96 percent of all jurisdictions nationally in FY2012 while promoting compliance with work site

related laws through criminal prosecution of egregious employers. Form I-9 inspections and continued expansion and enhancement of eVerify are included.

The request funds immigration -- integration efforts, including programs supporting English language and citizenship, education, and continues detention reform efforts currently under way.

Now to safeguard and secure cyberspace, the budget increases resources to identify and reduce vulnerabilities in our nation's key cyber networks. It includes significant investments to expedite the employment of Einstein 3 to prevent and detect intrusions on government computer systems, increase federal network security of large and small agencies and continue to develop a robust cyber security workforce to protect against and respond to cyber security threats. The budget also focuses on combating cyber crime and preventing attacks against United States' critical infrastructure.

Now to ensure resilience to disasters, as you mentioned Madam Chair, the budget request focuses on moving resources out of Washington, D.C. and into the hands of state and local responders who are often best positioned to detect and respond to terrorism, to natural disasters and to other threats by sustaining federal funding for state and local preparedness grants providing \$3.8 billion in fiscal '12.

The funding also includes \$670 million for assistance to firefighter branches, including \$420 million to rehire an estimated 2,300 laid off firefighters and retain veteran first responders.

Now to lead and support essential national security and economic security efforts, the budget expands the Coast Guard's operational capacity by funding 50,682 military and civilian positions and establishing the Coast Guard's first incident management assistance team which will be deployed rapidly to support incidents of national significance. It also continues to support ICE and CBP's enforcement and investigative efforts to protect U.S. intellectual property rights as well as the Secret Service's state of the art forensic support to the National Center for Missing and Exploited Children.

Madam Chair, this budget is the culmination of a major first of its kind effort by the department through the quadrennial Homeland Security review and the associated bottom up review to align our resources with a comprehensive strategy to ensure a safe, secure and resilient homeland while making an unprecedented commitment to fiscal discipline.

I would be remiss, however, if I did not note all this progress is at risk in the continuing resolution passed by the House. This is the full FY11 resolution. That proposal cuts technology investments and security improvements on the southwest and northern borders, it cuts aviation security measures, it cuts funding to sustain the progress that has been made in enforcing the nation's immigration laws, it cuts critical cyber security tools and operations, it cuts intelligence personnel, it cuts Coast Guard funding to support our war efforts abroad, and it cuts grants that support counter terrorism and disaster response capabilities...

(AUDIO GAP)

COATS:

...one way or another. Congress can address it as its trying to do through current efforts on the CR for the remaining year, but also structuring how next year's functions of government will be funded. The reality is, I think, is that no one is going to get everything that they would like to get. And the question I have for you is, and I know you've been through -- you scrubbed your budget, but if you start with the assumption that you may not get in your budget all of the requests that have been have you scrubbed the system to, in a sense, categorize -- if you have to come back to us and say, OK, this is all we're going to get -- have you scrubbed that in a way that you can say these are absolutely -- we deem these to be absolutely essential?

We have a next category which are very important but not absolutely essential. Another category that says these potentially can be deferred until revenues increase or we're able to do better with the budget. And these are ones that we think could be nice to have, but not really necessary to have and could potentially be terminated to gain those savings. It might be accompanied with, say, a provision which you just discussed, an increase in fees on the -- in planing, but I guess my question is have you done this? Do you contemplate having to move to a plan b should the congress not be able to fund the budget as presented? And if you have, can you share that with us? And if you haven't, is that something in the plans?

NAPOLITANO:

We went through that analysis in working with all of the -- what the president's budget requests would be. And finding places or things that could be put off or delayed. For example, postponing the move to a real department headquarters at St. Elizabeth's was something that we recommended as going through kind of the analysis you just suggested.

Now if you saw where our headquarters are now, and the office that I have and others have you would know that -- we made a tough choice there. It means that we can't have all our components co- located. It means that from a managerial standpoint we still are spread out. We postponed all co-locations in other cities across the country because of the associated costs of moving people. And that has a managerial impact to it as well.

So I believe the president's budget reflects the analysis that you have just suggested and that real choices have been made in it already.

COATS:

Well, I'm sure that's what the president's budget projection thinks, but obviously we're going to have a congressional budget, I hope. And we're certainly going to have congressional appropriations. And they may not match what the president has is proposing. Every agency is going to come here and say exactly what you said. We're cut to the bone. The president's budget is as low as we can go. The reality in this congress is that we're going to appropriate, and I believe, going to end up appropriating less than what that budget asks for. And so it seems to me that it would be prudent for every agency to simply kind of red team your current budget and basically say if what happens probably happens then where do we go. Would we have something that we could bring back to congress and say we don't like it, but these are the consequences, but this is what we'll have to do if we come in at this number?

NAPOLITANO:

...senator working with you on the budget. I just would respectfully suggest that this department is somewhat unique. It is new. It's all -- especially all operations. And so when you look at this budget, it really is tied to the five priorities I identified for you in my opening statement.

COATS:

Well, I agree with that. I mean, along with national defense, homeland security, a couple of others are essential functions of the U.S. government. I couldn't agree more. But there just are fiscal realities that we have to deal with. And I think right now the method going forward is to take a look at every area to see if we can find efficiencies.

Doing as much or more with less is something, again, that all of America has had to do in this last two years. And it's easier for some than others, but everyone has been forced to make those hard decisions and I think in this case the reality is that there will probably be some hard decisions that will have to be made.

I don't know if looking forward to working on this together is something either of us relish, but I think it's something that we're going to have to do.

NAPOLITANO:

Senator, I think -- first of all, there always been a supply information as you go through the budget request and have questions about things. We are more than happy to work with you on that.

COATS:

OK.

Just my time is about to expire. And given the fact that we have a vote coming up and some other members want to talk. I'll yield the balance of my time back to...

LANDRIEU:

Thank you, Senator Coats. Senator Cochran.

COCHRAN:

Madam Chairman, thank you. Congratulations on your leadership of this committee. Madam Secretary, welcome. We look forward to working closely with you to identify budget needs and to try to respond to them in a thoughtful and expeditious manner.

One of the difficulties I know that you face is lack of predictability about when funds are available for this program and that. I wonder if you could share with us some specific examples of what problems you might encounter if we do not move quickly to provide you with certainty with respect to your budget needs.

NAPOLITANO:

Well, I think from a management perspective managing by small CR's is very difficult. It means you -- it affects you ability to undertake key acquisitions, it affects your ability to hire personnel, it affects you ability to make investments in things that you kind of think will be ultimately in the budget, but those funds aren't yet available. So from a management perspective it makes a difficult management job even more difficult.

COCHRAN:

One of the things we're proud of in our state is the fact we have a ship building capability on the Mississippi Gulf Coast, Pascagoula, And part of the mission there is to fulfill contracts that are made with your department that you chair for Coast Guard cutters. What is the status of our ship building progress in meeting those needs? And what can we do to work more effectively with you predicting what the future is going to hold?

NAPOLITANO:

Well, we have -- here's what (inaudible) questioning for the Coast Guard is that ultimately we have eight large national security cutters. The budget between '11 and '12 fully funds cutter number five. We do not provide in the '12 budget what's called long lead funding for six. We have instead a commitment -- I think it's actually in writing by LMB that we will fund six. But those funds will not be spent until FY13 so we didn't park them in FY12. We didn't think that was an efficient use of them.

So we fully expect to build the -- build out the eight cutters. In exchange for not funding lead time for six in '12 we buy what -- a combination of 46 smaller vessels: fast response cutters and so forth that could be used in other missions for the Coast Guard, for there laid down.

And then there's associated -- some funding in there for aircraft, but those are made in Mississippi.

COCHRAN:

Are you satisfied with the requests being submitted to congress for funding that the FEMA Disaster Relief Fund will have money to respond to emergencies that occur? We think of the hurricanes that hit the Gulf of Mexico, the oil spill that occurred down there. We've had some really serious challenges in that part of the country. About that disaster fund, do we have enough money requested in here to meet your needs?

NAPOLITANO:

The disaster fund request is for '12 is based on historical practice which is to take a five year average -- not catastrophic disasters and roll that forward as the number and then rely on a supplemental for catastrophic disasters. So the FY12 budget will cover that practice.

As the chair noted earlier this morning, we do have some costs that will necessitate a supplemental. We have been de-obligating money and we've been repaying money into the DRF so what the amount of that supplemental ultimately need to be I cannot tell you right now.

COCHRAN:

Madam Chairman, I think I'll reserve my balance of my time.

LANDRIEU:

Thank you, senator.

Senator Lautenberg.

LAUTENBERG:

Thank you Madam Chairman. And Madam Secretary, I'll talk to you now as the vice chairman of this subcommittee and I'm happy to serve in that capacity. And you have had the unique experience, you've been on the front line in terms of your past services et cetera and know how important security, law enforcement is. And we face urgent threats to our homeland security. It comes from our friends in the House who want to cut funding for programs that the Department of Homeland Security to keep us safe while our -- the Republicans want to make unreasonable cuts to governor. The fact of the matter is when it hits people's lives it makes a huge difference. And their plan would

slash funding for valuable homeland security grant programs like port security, public transportation security, cutting these programs by 66 percent.

These funds go to our states, cities and towns. They're on the front lines of protecting our homeland. Cuts to these two programs alone would mean approximately \$60 million in homeland security support would vanish in my state of New Jersey. And New Jersey is home to what law enforcement has identified as this country's most at risk two mile area for terrorists.

It's the stretch between the port of Newark and the National Liberty Airport. It's a region that is -- has contact with 12 million persons and it's irresponsible to take vital resources away from our most threatened area.

Now President Obama and you Madam Secretary recognize this. And the administration's request takes a more thoughtful approach to funding the Department of Homeland Security. The budget recommends slight increases for urban area security initiatives, state homeland security grant programs. These provide vital support to keep our resident's safe. But the budget request for funding port security and a slight decrease for rail transit and bus security accompanies the fact that the Coast Guard, one of our most valuable resources in our need to protect ourselves, also continues to be asked to do more with less. And we've got to protect them with resources it needs to effectively handle its many missions.

And overall I have some concerns about the requests I'm going to address in my questions, it will go to you in writing. I'm very much out of time, we'll go as far as we can right now. However, this is not the time to cut back on our homeland security. We see an increased risk of homegrown terrorists -- the Fort Hood massacre, the Times Square and the New York City subway plot which was uncovered by our law enforcement people. And it's incidents like this remind us that the threat of terrorism is as real as ever. And we're doing more than skimping on public safety. Are we cutting -- simply cutting resources, or are we cutting the throats of the people in our society?

So Madam Secretary, I ask how we can continue our work to make vital investments in homeland security? And we've talked about the value charges and what burdens that imposes on the screening process. And I looked at Newark Airport, one of the largest in the country, and there have been six security breaches at Newark Airport in the last couple of months. Now, I understand that TSA is almost 70 employees short of its allocated number for Newark Airport. What's DHS doing to fully staff Newark Airport -- forgive me -- transport and transportation security officers and managers and the training they need?

NAPOLITANO:

Well, I'll respond that in light of your specific question on Newark Airport, but Senator Lautenberg I think that the president's budget request was designed to meet the threats as we see the threats. One of the things we asked for in there to achieve an efficiency is combining and consolidating grant programs. We have 17 grant programs. We'd like to consolidate that significantly to reduce overhead to the grantees as well as to the grantor. That was something we ask for in the last year. We didn't achieve it, but it is a suggestion that we make to the committee as one area where we could possibly achieve some safe and yet operationally make sure that we're getting money to where it's needed.

LAUTENBERG:

Well, that's a big stretch having to do more with less is something we've got -- gotten accustomed to here in all these years of difficulty. But we also have to recognize that there are some minimum resources that we have to have to assure the public that we are taking care of their safety.

House Republicans have proposed cutting port security by two-thirds -- the grants. The port of New York/New Jersey, largest port on the east coast, second largest port in the country, directly linked to what FBI deemed the most

dangerous area in America for terrorists attack. And yet we lose \$33 million in security funding under the House bill. What would be the impact on the New Jersey/New York region on their economy if there was to be a terrorist attack on one of our largest ports. It's almost unimaginable. The financial center of the world is included in that circumference as I mentioned before 12 million people.

A high presence, a large presence of chemical manufacturing in this area -- very, very dangerous to the surrounding population. And what are we doing about that? How can we assure the public that they are being well protected, Madam Secretary, because that time is precious and fleeting here, I will take an answer in writing. And I'll have a couple of other questions that I'll submit to you and ask for a prompt response, please.

NAPOLITANO:

Senator, I all I can say about the House budget for FY11 is that it is not a good budget for security. It will have impacts on things like protecting the critical infrastructure along that mile in New Jersey through reductions in grants, through reductions in our personnel. And if that budget becomes the basis for the FY12 budget then I think the congress needs to understand, and I think my job is to help it understand, that that in all likelihood will have a security impact.

LAUTENBERG:

Thank you.

LANDRIEU:

Thank you, Madam Secretary.

Senator Moran.

MORAN:

Chairperson Landrieu, thank you very much for the opportunity to join you. And Mr. Coats and other members of this subcommittee, Secretary Napolitano, thank you for your testimony. I look forward to being a responsible and diligent member of this subcommittee and appropriations committee. And I'm honored to be here today.

In the short time that I have I wanted to highlight one of the things that is included in your budget that I'm very supportive of. I wanted to give you the chance to comment on. And you mentioned in your written as well as verbal testimony about the national bio and agro defense facility. And it's my understanding that the request was initially for \$200 million, now in your budget having been scrubbed by OMB at \$150 million. And I would like to express my support and willingness to work with you to see that that is accomplished.

I represent a state in which we're often thought of as the wheat state. And we're clearly that. But we are very much a livestock -- particularly a cattle state. And we have genuine concern, recognized by the Department of Homeland Security, about the possibility of animal diseases. Whether they are naturally occurring, accidental or intentional, they have a dramatic impact upon the economy of Kansas and certainly the country. And we have a very aging facility located on Plum Island that your department has been through a selection process, has concluded a site, in fact was there at the announcement of December 2008 about the site for this new facility. And I want to make certain that this congress and this administration finally fulfill the next step toward building that facility for the safety and security of the American consumer and citizen in light of the risk that we face in this country.

And so I would -- I just would like to have you reiterate the department's position, your position, express to congress the value of this facility and how important the timing is for its completion.

NAPOLITANO:

Well, Senator Moran, first of all (inaudible) is very supportive of this -- Governor Brownback, Senator (inaudible) talked about it and our support for this again. I would though, however, fool you that a House concurrent resolution for FY11 that the part of our department that is hit the hardest in that resolution is science and technology, that directorate, that's where NBAD is located in our budget. It has reduced by half in that HCR. That's also where we're doing research on new breathing apparatuses for firefighters and research at our national labs on an airport checkpoint of the future. You know, trying to design something so that people don't have to take off their shoes and limit the amount of liquid they can carry on, that sort of thing.

But the NBAD is in there as well. We're very supportive. Plum Island does not meet the nation's needs in this area. Kansas has -- was the winner of a very highly peer reviewed -- highly contested peer reviewed competition. And we look forward to its continued construction in Kansas. But I must share with you that things are at risk based on the House budget.

MORAN:

I would respond, Madam Secretary, that a piece of good news in the debate on the House floor about -- in discussing HR11, the amendment was made to provide that no funding be authorized for this project and that amendment was defeated. So I would pleased to see the support by a majority of House members for this project.

I also would add that the state of Kansas has already committed dollars, has already expended resources, and I would guess that there's a bit of reluctance on our part to continue the funding. We've committed \$140 million toward the completion of this project, and we would have -- I can't speak for Senator Brownback, but I know that there would be reticence on the part of many in Kansas in continuing to fund this project in the absence of the federal commitment. We're anxious for the day in which the first shovel full of dirt. We would love to have you there and join us with the shovels to begin the federal commitment on that day.

And so...

NAPOLITANO:

And senator, I think we show that commitment. We believe in the NBAD. And it should be in Kansas. And we need to get on with it.

MORAN:

I appreciate those sentiments, and I thank the chairperson for allowing me to have this conversation.

NAPOLITANO:

Thank you, senator.

LANDRIEU:

Madam Secretary, the Department of Defense budget this year is being increased by \$23 billion, a four percent increase, and that's excluding the cost of the wars in Iraq and Afghanistan. The Coast Guard's discretionary budget is increased less than one percent. The Coast Guard is one of the five armed forces of the United States. Some of us are having difficulty understanding how it can be treated almost as a step-child given the work that it's asked to do in direct protection of our nation whether it's intercepting drugs, responding to disasters, responding to catastrophic oil pollution incidents which just occurred.

Can you shed any light as to why the sixth security cutter was deferred? I mean, I understand we have budget constraints, but could you comment just about the importance of maintaining the Coast Guard operations for the security of our nation.

NAPOLITANO:

Well senator, the sixth security cutter was not deferred in the sense of unnecessarily delayed, but the plain fact of the matter is, is that by the time we actually need to expend money for six given the time it will take to finish four and five we'll be into fiscal year '13 and our plan is rather than set aside unusable money for six in FY12 that we will request the amount in the year we need to expend it, which would be FY13.

LANDRIEU:

OK. Well, let's continue to focus on that. Another issue that's of particular interest, and I hate to be so parochial because I do have my eyes on the whole country, but right now along the Gulf Coast we're having such serious issues, you know with the moratorium, the moratorium, the Gulf Coast spill, still recovering from Katrina and Rita. And this is the whole Gulf Coast, you know, from Florida to Texas. But another issue, and it may be affecting some of the other coastal states as well, is the illegal dumping of seafood wrecking our domestic markets.

We are having a terrible time in this area Customs, in my view, is simply not doing enough to collect the dumping duties that importers owe to the federal government. Since 2005, for example, importers of shrimp from China have failed to pay more than \$58 million in dumping duties. So Senator Coats, when we're looking for some additional funding, we could be more efficiently be collecting some of the money that China or Vietnam or others owe us, using that money to invest or support, or give if not rebates -- according to WTO that may be inappropriate, but in some way capturing, you know, those funds.

So could you comment on what is in your budget to enforce these anti-dumping rules and regulations. On that subject.

NAPOLITANO:

Well, I think we would be better if we addressed those in writing for you. I know there was some concern. I believe there's a rule on crawfish if I'm not mistaken, among other times of seafood. I would like to discuss with my component heads what the problem is if there is a problem and come back to you with a detailed answer.

LANDRIEU:

Thank you. And I want to submit for the records, and I'll turn it over to Senator Coats, and I think he may have another question or two. Senator Murkowski has joined us. But for the record about the DRF, I asked the staff to provide it and I'm going to submit it for the record, a 20 year history of emergency supplemental funding. Out of the \$128 billion that's been allocated by the federal government for emergency response to all sort of disasters, \$110 billion has been appropriated through the supplemental process. So 110 out of 128. And when you look at this list

you can understand why that occurs because these sums range from a low of \$143 million budgeted one year to \$50 billion another year. So there are large fluctuations and very difficult to predict what is going to happen.

And as Senator Coats and I were saying these storms seem to be getting more frequent, flooding more frequent, levels of flooding higher, more aggressive kind of storms and weather patterns. So I submit this to the record because I actually think this committee is going to have to push hard to get this emergency funding in a supplemental and use the base funding of Homeland Security to manage the operations of this important function of government.

So if I can have unanimous consent to submit that to the record.

Let me recognize Senator Coats for a second round. And then Senator Murkowski. And then Senator Moran.

COATS:

Madam Chairman, thank you.

Just one question and then I'll submit some questions also for you to respond back at...

LANDRIEU:

And then we're going to have to break in about five minutes.

NAPOLITANO:

I'll try and keep my answers short.

COATS:

I'll try and keep my question short.

The -- looking at the grants to state and local communities, I think it's the total in the budget request is \$3.8 billion which is about nine percent of the department's total discretionary request. That will be in addition to \$28 billion as I understand it, that's been appropriated since fiscal year 2004. The question is -- it's my understanding that we haven't really been able to fully assess like FEMA is undertaking something to this effect to fully assess how effective these are and particularly the distribution of all of this.

I mean, the problem usually arises on grants and distributions is that the political animal raises its head and basically says I've got to get my share. So, I mean -- I'm sympathetic to what Senator Lautenberg was saying relative to representing an area that is significantly high threat area with the consequences of being very, very significant. That obviously is going to be a more significant and higher priority area than several of my rural towns or Jerry's (ph) rural towns.

But if we keep insisting on a revenue sharing program in which everybody gets a slice it may be that given this fairly extraordinary amount of money that has been spent to upgrade and prepare local responders and so-forth needs to be triaged in a more effective way. Now I say that meaning that, you know, there may be some communities in Indiana that might not get what they otherwise would have gotten in deference to the fact that we have identified some more highly targeted, more significant consequences if we have an attack here in a particular area and so forth.

Could you comment on that in terms of one, how we best assess the impact and the effectiveness of that \$28 billion that's already been spent and whether or not we need to make an effort at looking at prioritizing, or triaging areas which ought to get more funds than others that should get less.

LANDRIEU:

Let me interrupt just one minute. In the spirit of bipartisanship I'm actually going to pass the gavel to Senator Coats so he can continue. I'm going to go vote. And in five minutes, you all can take a recess and then I'll be right back. But you all continue.

NAPOLITANO:

Right. This requires a longer answer, I think, than perhaps the buzzer will permit, but in the area of grants, one of the things we need to do as a country is -- I call it a homeland security architecture which begins with small town, cities, et cetera. The federal government cannot do it by itself. And I think the theory underlying a lot of the grants is that being the case we need to make sure that there's a certain baseline capability throughout the country.

And then secondly, in the area of focusing federal grants on the areas of highest risk, there I think there needs to be and can be and should be a dialogue with the executive branch and the legislative branch. I will share with you, senator, that one person's rural community is another person's subject to an agg or a bio attack and the need to have things like the NBAD located there. So there's some -- on the issue of interoperability of emergency response equipment rural America is the toughest problem.

In urban areas, interoperability can be achieved and is being achieved because the lines are there, the towers are there and so forth. And rural America, or the area along the southwest border, or along the northern border is some of our most difficult area to cover just because of the lack of capital and infrastructure. So these are kinds of the nuts and bolts things we are going through when we talk about awarding grants for interoperability, or for this or for that.

But I think you're right to suggest that there can be a useful dialogue on how grants are done. That's why we have recommended that some of these programs be consolidated, because we think that that would be a better way to manage them and so forth. And so we look forward to working with the committee on that.

COATS:

Thank you.

Senator Murkowski.

MURKOWSKI:

Thank you, Senator Coats. Madam Secretary, welcome. I apologize, I wasn't here for the full hearing. And I will make my comments quick, hopefully, and we can get out of here to the vote. And I don't know whether you have to stay until we get back or not, but let me go very, very quickly.

I was up in Alaska this past weekend, and all of the news was centered around one of our state house representatives, Representative Sharon Cissna, a woman that I have served with, a woman who has undergone breast cancer and had a mastectomy and you don't need to know her personal history, but her personal history is now part of the discussion in Alaska, because she was subjected to what she felt was a very intrusive pat down coming back from Seattle to go to work in Juneau after her medical appointments. And apparently the full body scanners detected

some scars and apparently Representative Cissna is not the only individual where scars from medical procedures are picked up and the individual is subjected to what is described as a very intrusive pat down.

She had made the determination that she was not going to put herself through this again. She had done it once. And as a consequence, this individual in order to get back to work drove a car, took a small airplane, went through Canada and eventually got on to the ferry. It took her four days to get from Seattle to Juneau. Our state capital is on an island in Alaska. We can't get anywhere without flying.

I have sent a letter to the administrator of the TSA asking him for clarification as to what the process will be for those that have had medical procedures, those that have crossed that X, that go through this screening process where they are subjected to enhanced pat downs. And the intrusion on their dignity is such that they are making choices like Representative Cissna did to not fly. In my state, as you know, that's a pretty difficult decision to make.

I haven't heard anything back from the administrator about this yet, but it is an issue that as we work to protect the safety of all Americans and the safety of our skies, the safety of our nation, there is that balancing between how we ensure for that and how we ensure for an individual's privacy and dignity. I wanted to make sure you were fully aware of this, because this is an issue that has -- it has taken on a life beyond its own. And I don't know whether you have an answer for me today in terms of what those protocols may be, but it is something that I believe the issue will not die down until there is a better resolve than what we saw happen, at least with one particular constituent in the Seattle Airport.

COATS:

And Madam Secretary if I could just in the interest of time here, I'm going to pass the gavel to my colleague and let you answer her. I think by the time Senator Murkowski is done, the chairman will be back. I've just got to know she's returning. So if there's a little break, we'll just take a temporary recess...

NAPOLITANO:

Fair enough.

MURKOWSKI:

Thank you.

NAPOLITANO:

I can chair the committee if you want. Just kidding.

All right. First of all, senator, we're going to look into this particular matter. It strikes me as highly unique one, but we will...

MURKOWSKI:

I'm told it's not, and that's why...

NAPOLITANO:

We will find out. And -- because I share with you that we don't -- no one -- this is not designed to be invasive in the sense of unnecessary or a harassment of any sort. And we want to make sure we work through this particular issue. So we will do that.

I will also share with you, however, that overall we are finding that the AIT process, which is the new technology we're using, 99.9 percent of the passengers who have been through it since Thanksgiving have expressed -- gone through it, no opt outs, no anything. People with artificial joints, artificial hips for example, they love it because it can clearly distinguish that versus the magnetometer where they were also getting pulled aside.

The particular issue you raised, this is something that I'm more than prepared to look into. We will provide you with a response. No one with a medical condition should feel like every time they have to go through the screener, they're going to get pulled aside because of their medical condition. Who we want to pull aside are individuals for whom we could not resolve an anomaly on the screen and that this is our line of protection for an aircraft. There's a lot of things that go on before you get to that point, that's our last line. So we will get back to you on that.

MURKOWSKI:

And I appreciate you looking into that. The Alaska state legislature has -- excuse me, the House of Representatives has passed a resolution in support of this -- in support of Representative Cissna's effort to get some clarification to the process. I will forward all of this to you and look forward to working with you sharing some of the information that I have raised.

Very quickly, then, a second question and then I'll submit a third for the record. This is at it relates to our Coast Guard, to our ability to respond in an ever growing Arctic. I was pleased to see the FY12 budget restored the funding of the operational control for our ice breaker fleet to the Coast Guard. I think that that makes sense. That's important.

But contained within that budget is the decommissioning of the Polar Sea in FY11. It provides for completion for the maintenance for the Polar Star, but that won't be complete until 2013. So we've got a situation here where at least for the next couple of years we have the Healey (ph) out there in the waters, but we don't have any Polar class icebreakers. And it leaves us without the capacity to do any high -- heavy ice breaking capability until then

So the question to you is, is with the fact that the Coast Guard will only have one heavy icebreaker once the Polar Star is -- excuse me, once the Polar Sea is down and the Polar Star is up what are the department's plans? What are the Coast Guard's plans for the future of this country's heavy ice breaking fleet?

If you could give me the status of the Coast Guard's high latitude study and when you might expect that that might be available for release to us here in the congress.

NAPOLITANO:

Indeed.

First of all, my understanding is the Healey (ph) which is medium-sized cutter were made operational in 11/12. Now the problem is you have the Star and the Polar Star and the Polar Sea both of which are old vessels and need to be -- have heavy maintenance. And so you have those looks like a bare period in FY12. Our plan is during that period to lease a heavy icebreaker to take...

MURKOWSKI:

Who do we lease from?

NAPOLITANO:

There are at least two countries that we can lease from. I would prefer to give that to you in writing -- not in writing, but -- not in open session, but we have identified at least two countries that we can lease from during that FY12 period.

Now we have as you said in your question, you've got the funding for operational control up there, \$39 million moved over to the Coast Guard. That is where it should go. We also have in the FY12 budget a sum set aside for Arctic study. One of the things this country really needs is to really look at the Arctic and what is necessary to protect U.S. interests there. So that is in the Coast Guard budget as well.

With respect to the look -- you want to know when the other study would be finished. Let me check with the commandant and we will get you the date.

MURKOWSKI:

I appreciate that. And I appreciate the information on what we do to fill the gap here with the heavy icebreaker. I do hope that we're not moving in a direction where we view that as our option -- to lease, basically commercially. I think we need to remember that we are an Arctic nation. The United States is an Arctic national. And the fact that we have just barely one-and-a-half icebreakers, if you will, when you think about the medium and the heavy, it is a situation where we look to our ability to respond to as an Arctic nation, whether it's the level of shipping traffic that we're seeing going on up north, the level of exploration activity that may be at hand. We've got cruise ships going back and forth up in the Arctic right now.

We are woefully unprepared, I believe, at this point in time. So I'd love to discuss the kind of future of where we go and how we build this out so that we are -- we're able to respond as necessary. But again, we're behaving as an Arctic nation in assuming that that international role that I think we should as a nation.

NAPOLITANO:

I couldn't agree more.

MURKOWSKI:

Thank you, Madam Secretary.

And I guess we are at ease until Senator Landrieu comes back.

NAPOLITANO:

Thank you, senator.

(BREAK)

LANDRIEU:

Our meeting will come back to order from the brief recess for voting. This is the homeland security subcommittee appropriations meeting.

Let me begin with just another question about the potential -- and I hope we can avoid this, Madam Secretary, but the potential shutdown of government and what that might mean for the Department of Homeland Security.

The government was shut down for 27 days in 1995 and 1996. The front line personnel for customs service, border patrol and Secret Service continued to work, but their workers were not immediately paid. I understand there is some court operations did not -- or administrative operations did not continue to work. So you have to question how effective their work can be without any back office support.

But if the government were to shutdown, and again we're all working hard to see that doesn't happen and coming to some compromise with the House on this, what would be the impact to the department? I'm sure you've given some thought to this.

NAPOLITANO:

Thank you, Madam Chair. Yes I have, in part because this department didn't exist in '95 during the prior shutdowns. And so we had to be looking at this fresh and new because the department is only eight years old.

Thank you, again, by the way for coming to the program yesterday. It was really great to see you there.

I think you put your finger on one of the important points that the front line personnel who are related to security would fall within the exception of the shutdown and they would stay on duty, but the backroom personnel that are necessary to fully utilize the front line personnel would not in all likelihood. And our TSO's, our transportation security officers, our front line personnel tend to be at the lower end of the pay scale and tend to be ones that I would be very concerned about having to live paycheck to paycheck. And so you'd have your front line personnel who are working but aren't getting paid and being under some financial duress because of that.

So, you know, we have parts of the department that would probably have to shut down virtually 100 percent. But the security related part would operate. But as you say, Madam Chair, they would not have the full backing of the department that they would otherwise have.

LANDRIEU:

Thank you. I do think that something that we need to keep in mind as we press forward on these negotiations.

My next question -- I only have really three additional questions. And I think we can get through them in the next few minutes, is about the officer integrity, the issue of integrity in our operations. I think not only in trying to streamline where we can is important without undercutting our defense and homeland security, but also we want to have an honest and open and transparent government, which is always so important. And of course America is really a model in the world. We're proud of that. We're not perfect, but we are a model in that regard.

But there have been some concerns that this committee has expressed. And I want to just state that with the support of this subcommittee U.S. Customs Border and Protection has hired 16,000 new employees, a 37 percent increase, in

the last five years. U.S. Immigration and Customs has hired over 8,200 new personnel. This has been required to stand up this department and meet the goals and objectives of securing our borders.

This committee has been concerned, however, due to the rapid hiring that there's a potential increase for officer corruption. So towards this end, the committee has provided additional resources for integrity training, investigation, conducting hearings about misconduct, background investigations, that includes a senior budget request an additional \$26 million for this. This is the right thing to do. I support the funding.

But it's our understanding that some of the people in charge of this, from CBP to ICE and the inspector-general are experiencing some difficulty working together. Could you comment about this -- if you are aware of this situation. Do you agree that it is somewhat of a problem? And if so, what are you doing to correct it? Will you and the deputy secretary work with me on establishing clear lines of authority for these important internal investigations?

NAPOLITANO:

Madam Chair, I think that it's fair to say that with that rapid increase we need to have appropriate oversight and supervision for a number of reasons, one of which is related to officer integrity. And so we have ramped up efforts there. I think it's also accurate to say that we have been working both with the IG's office and with CBP on the implementation of appropriate oversight.

What does that mean? Who does what/when? How do we make sure that cases are resolved swiftly so that agents are not unduly impugned or taken off the line and that if and when we find an agent who has become corrupt that we deal with that immediately and very firmly. We will not stand for corruption among our troops. And we do not want that bad seed to take root in this staffing increase. So we're all very committed to that goal.

So the issue is how do you operationalize that and between the IG, what the CBP does and what ICE does? And that is an issue in which I am very aware, have been personally involved in and we continue to work on.

LANDRIEU:

And do you have the money and resources you need for the polygraph and the initial check before hiring people? Are you able to process your hires pretty quickly do you believe?

NAPOLITANO:

The president's budget contains adequate resources for that, yes.

LANDRIEU:

OK.

My next question, and this is a growing concern among I think people in our country, and that is the escalating violence in Mexico. You alluded to, of course, we lost one of our special agents, Zepata, just recently and wounded another. This really brought to light the fact that our agents are prohibited from carrying service weapons in their defense, which is a side issue. But the more important issue, and that is important as well, is that 33,000 Mexican citizens have died during the Mexican government's admirable, but very difficult campaign against drug trafficking.

But what is the -- you know, what are the top one, two, or three directives that you're taking to try to contain this violence? And when we're sending agents is it appropriate to send agents into Mexico without being able to defend themselves?

NAPOLITANO:

Well, first of all, I would suggest, Madam Chair, that some of this be discussed in a classified setting. And that includes how the agents are armed and under what circumstances.

I will say that the violence in Mexico is something we are very concerned about. It's one of the things that we work on very closely with Mexico. President Calderon is scheduled for a visit to the United States this week. I believe that will be something that he and President Obama discuss. And it is something that we are working with Mexico on.

Some of our priorities are to assist Mexico in any way that we can and as requested to defeat the cartels. Number two, to make sure that we have adequate resources along our southwest border to prevent the cartels from bringing their violence over and trying to take over areas along the southwest border. So preventing spillover violence. And then number three, making sure that we have adequate manpower, technology, and infrastructure along the southwest border as a whole so that it can be a safe and secure zone for the trade and travel that has to occur between Mexico and the United States.

And this is something that often gets overlooked in the discussion, but Mexico is the number one or two trading partner of something like 23 states in the United States. And there are lot of jobs associated with that commerce with Mexico.

So both countries need to work to make sure that travel and trade occurs can go smoothly and efficiently through the ports of entry.

LANDRIEU:

Thank you. And I think my last question will be about the cyber threat which is something that I'm not sure that the public really sees. I think they see and read about the violence in Mexico. I think they understand some of the border issues. I think they understand the challenges of immigration. I think they most certainly can understand the airline attacks and the New York incident. But cyber is something that I'm not sure the public really can understand the consequences, really, of such an attack should it occur in a more successful way, because we are actually being attacked this through a new method.

So my question is President Obama said that cyber threat is one of the most serious economic and national security challenges that we face. I actually agree with that. You included safeguarding and securing cyber space as one of the five missions. This budget request appears to respond to this alarm by requesting a robust level of funding for U.S. cert (ph) operations, federal network security, network security deployment. These are important areas. I was pleased to see some of the upticks that you have.

As you know, there are several locations around the country that are really leaning forward, actually working in conjunction with non- federal partners. Corporations have really stepped up. The National Guard has shown an inclination to put some resources towards this.

We have created in Louisiana in Shreveport actually, in Bossier Parish to be exact, but in the northwest corner, the Cyber Innovation Center has built a strong regional network among universities and colleges to leverage cyber security systems.

I'd like to just ask you for a general comment about the cyber threat. And then to ask you and to invite you if you would join me for a trip there, to perhaps a few other locations around the country to see what some of the new initiatives are to actually stand up the technology and personnel necessary to respond to this very serious and I think underestimated threat to our country.

NAPOLITANO:

Madam Chair, yes, we have increased our cyber budget. We -- and between DHS and the Department of Defense, you really have between those two departments 95 percent of the cyber security responsibilities identified by the president's cyber review.

So you've seen that area of DHS expand fairly dramatically over the last two years. This is another area where the -- we believe that the United States has real interests, security interests involved. We are working with the private sector on this. We also are working with the universities on this. And we're increasing our outreach trying to identify persons who have a cyber background to come work at DHS. It's one of our key challenges is to get enough personnel who are cyber experienced to work in the public service as opposed to the private sector. So that's underway as well.

With respect to your invitation to come to Shreveport and to do some other cyber -- or cyber site visits, I would be happy to do so, particularly if there's a good Louisiana meal involved.

LANDRIEU:

Thank you.

Madam Secretary, I think we can rustle one up for you.

NAPOLITANO:

There you go.

LANDRIEU:

I'm going to end the meeting. But I do want to comment that there are a few other issues that our committee is going to be focused on. The TSA screener cap provision at 46,000. I don't know if that's going to be effective. International adoptions is an important issue to me to make sure that we're doing the very best we can in customs to support the great work that our non-profits and individual citizens are doing in that humanitarian area.

Improving the entry process for visitors to the United States, whether they are just tourists or whether they are business people traveling because of just the economy of the world. And we've just got to be a very forward leaning service agency to support that work.

The flood maps are a great concern to myself, Senator Cochran and other senators up along the Mississippi River which comes under this jurisdiction.

So those are some questions that I will defer and submit to you in writing. And I believe that will end our session for today. I thank you for your testimony and for your patience for the floor vote.

Other questions for the record should be submitted to the subcommittee staff by close of business on Thursday.

And unless there are further comments or questions, which I don't think there will be, this meeting is adjourned.

NAPOLITANO:

Thank you.

LANDRIEU:

Thank you, Madam Secretary.

NAPOLITANO:

Thank you very much, Madam Chair.