

Hearing Transcript

House Homeland Security Subcommittee on Border and Maritime Security Hearing on Threats Posed by Cartel Operations

February 16, 2017

MCSALLY:

The Committee on Homeland Security, Subcommittee on Border and Maritime Security will come to order. Let me first apologize for being a little bit late. We need to clone ourselves around here. I was in an Armed Services Committee hearing, very important on the F-35 and the -- the way ahead for our troops, so appreciate your patience.

The subcommittee's meeting today to examine the threat posed by drug cartels and transnational criminal organizations. And I'll recognize myself for an opening statement.

First, I'd like to welcome the newest member of our subcommittee, the gentleman from Florida, Mr. Rutherford. Welcome. I look forward to working with you and other new members of the committee.

As we begin the 150th Congress, let me be clear from the outset. I hope, over the course of this Congress, we can engage in thoughtful and productive conversations that lead to legislation and partnerships that will help secure our homeland.

One of my goals this year as chair of the subcommittee is to drill down on the threat that an unsecured border poses to our federal -- fellow Americans, which will be the focus of our conversation today. At our next hearing, we'll hear from leaders of the Border Security Joint Task Forces, authorized by this committee last Congress, to examine the nation's counter-network approach to combatting this threat.

Protecting our borders is a multifaceted effort. The job of securing the land border falls primarily to U.S. Border Patrol, while the job of the U.S. Coast Guard is to secure our maritime border.

We do have Office of Field Operations, an important role of securing more than 300 ports of entry, and Air and Marine Operations carries out air -- Air and Marine -- maritime environment activities and admissions to detect and interdict unlawful people and cargo approaching our borders.

Finally, HSI, Homeland Security Investigations, supports national security through its investigatory authorities and responsibilities.

These are not simple or easy tasks. The southwest border is a dynamic place with sometimes unforgiving terrain: rugged mountains, scorching desert, high cliffs, canyons, and more than 1,000 miles of river.

The maritime border is more than 4.5 million square miles of vast ocean patrolled by a limited number of assets, providing cartels with enormous expanses of territory to which to conduct their illicit activities.

Congress has appropriated billions of dollars to shore up our border defenses. Today, we have an impressive array of technology infrastructure and personnel deployed to keep the nation safe. Despite our best efforts, we have -- have seemingly made little progress, though, over the last few years to secure the border.

Most recent reports and testimony suggest that between our ports of entry we are a little more than 50 percent effective at stopping people from crossing the border illegally, and narcotics continue to pour into our communities unabated.

But on the other side of the border, the adversary, Mexican drug cartels, operate a wide-reaching network. Nothing moves in or out unless the cartel plaza boss says so.

Cartel presence, influence and power throughout Mexico is ubiquitous. Corruption is endemic. Local law enforcement in Mexico often find themselves ill-equipped to handle the vast amount of cartel activity.

Smuggling drugs and people is a billion-dollar business, and the individuals in charge have one goal in mind: make as much money as possible delivering illicit narcotics, people and other assets across the border and into the United States.

Obscene profits incentivize the cartels to be entrepreneurial and innovative in the tactics they use to successfully smuggle their illicit cargo. For instance, we know they conduct extensive counter-surveillance activities against our agents. They place spotters or scouts on hilltops and use the high ground to guide the drug loads away from agents and other detection assets.

Sophisticated and deep tunnels that include the use of ventilation systems and railcars to expedite the movement of drugs have also been used. And we've seen a proliferation of unorthodox methods of smuggling, such as the use of propane-powered double-barrel cannons in my district and around in other areas to shoot hundreds of pounds of drugs over the fences and barriers.

Ultralight aircraft, difficult to detect on radar, have been used under the cover of darkness to fly drugs over the border, dropping it very quickly and then returning undetected to Mexico.

And in my district, authorities broke up a complicated smuggling ring recently in Cochise County. The criminal network specialized in drive-through operations that used vehicle conveyers laden with thousands of pounds of drugs to cross remote parts of the border. They used scouts, encrypted communications, specialized codes to avoid detection.

It was not an amateur operation by any means. To the contrary, it was a sophisticated criminal enterprise with advanced tactics designed to thwart law enforcement at every turn. This is the nature of the adversary that we're facing along the border.

San Diego was once one of the busiest sectors for illicit traffic in the nation, but concerted efforts in the '90s and early 2000s, included additional barriers and manpower, brought the situation under control.

But nonetheless, because the cartels are nimble, they responded by using small open-hold vessels called panga boats to push the drug loads farther and farther off the coast of California -- I'm sure we'll hear about that from you today, Admiral -- and making them more difficult to detect, track and ultimately interdict.

Semisubmersibles, painted blue to blend in with the ocean, barely visible above the waterline, have been used to deliver multi-ton cocaine loads from Mexico -- to Mexico. Their ultimate destination is cities and towns across our nation.

As we increase our focus this Congress on securing the border, which I welcome, we have to be clear-eyed about the dangerous and sophisticated threat that we face from these adversaries on the other side. Rest assured, the cartels will not sit idly by while we increase manpower, technology, infrastructure, or adjust our strategy, and that will threaten their business model.

They will adapt. They will innovate like they always do, and just plain sometimes outsmart us if we do not leverage the full power of all of us together to focus on countering the cartel network.

I want to thank the witnesses for being here today this morning. I really look forward to your testimony and the discussion ahead.

Before I recognize the ranking member, I ask unanimous consent that the gentleman from New York, Mr. Katko, be permitted to participate in today's hearing. Without objection, so ordered.

The chair now recognizes the ranking member of the subcommittee, the gentleman from Texas, Mr. Vela, for a statement he may have.

VELA:

Thank you, Chairwoman, for calling this very important hearing.

As we've discussed, I think this is one area where many of us can agree that we're -- we're going to be able to work together to achieve our ultimate goal, which is to have as much -- do as much as we can to negative -- to impact the negative work that the cartels do in South America, Mexico and all throughout the United States and -- and, at the same time, do what we can to take drugs off our streets.

I would first like to welcome and introduce our newest members to the Subcommittee on Border and Maritime Security. Congressman Lou Correa represents California's 46th Congressional District and most recently served in the California State Senate.

Congresswoman Val Demings represents Florida's 10th Congressional District and previously served as the Chief of the Orlando Police Department, the first woman to hold that position.

Congresswoman Nanette Barragan, an experienced attorney, represents the 44th Congressional District, which includes the Port of Los Angeles.

I'd also like to recognize my colleague, Mr. Richmond, who's our senior member in the committee and has joined us on this subcommittee for the first time. I look forward to working with all of you in the coming months, because each of you bring a unique perspective and expertise regarding border and maritime security to this subcommittee.

The subject of our hearing today is one of particular interest to me given that, like Congresswoman McSally, I represent a border district, and mine is in the Rio Grande Valley of Texas. For years now, Tamaulipas, Mexico, the state across from my congressional district, has been coping with serious security issues due to cartel violence.

In fact, this coming Thursday, my Mexican colleagues at the federal level in -- in the state of Tamaulipas and I will be launching a social media effort to help promote the idea of bringing peace to the state of Tamaulipas.

As Mexican cartels have fought for control of smuggling corridors within Mexico and along our southern border, communities on the Mexican side have seen record levels of drug-related homicides and violence.

The threat is not confined to our southern border. Cartels use criminal networks within the United States to traffic illicit drugs, weapons and other contraband. The security and prosperity of all of our districts and so many communities across the nation depend in part on security and prosperity across the border.

I want to continue to be supportive of United States' efforts to that end. I am also appreciative of Secretary Kelly's recent comments respect -- with respect to what he would like to do to address the issue of demand in this country.

I hope to hear from you today about how the various components within DHS are coordinating with our counterparts in Central America and Mexico to combat transnational criminal organizations and enhance border security.

I would ask all of our witnesses to speak to the subcommittee about how the threat has evolved and changed over time, what you need to address this threat and what we as members of Congress can do to support all of your efforts. Border communities, like the ones that many of us represent, and our neighbors in Mexico are counting on us to get this right.

Madame Chairman, thank you for holding this hearing, and I appreciate our witnesses joining us today. I look forward to a productive Congress with you and all the members of the subcommittee. I yield back the balance of my time.

MCSALLY:

OK, thanks. Other members of the committee are reminded opening statements may be submitted for the record. We're pleased to be joined today by four distinguished witnesses to discuss this important topic.

Vice Admiral Charles Ray assumed duties as the Coast Guard deputy commandant for Operations in August 2016. In this role, Admiral Ray is responsible for the development of operational strategy, policy, guidance, and resources that address the Coast Guard's national priorities.

Admiral Ray has previously served as a specific -- Pacific area commander and in the Middle East as the director of Iraq Training and Advisory Mission for the Ministry of Interior.

Commander Paul Beeson is the commander of the Joint Task Force, West, Arizona and chief of the U.S. Border Patrol's Tucson sector. As Commander of JTF, West, Arizona, he is responsible for implementing strategic guidance from Joint Task Force, West, and commissioner of U.S. Customs and Border Protection, or CBP, through command, control and coordination of CBP operational functions within the state of Arizona.

In addition to those roles and responsibilities, Commander Beeson has oversight of the Tucson sector, encompassing the tactical and strategic operation of eight stations and approximately 420 personnel, many of which are in my district.

Mr. Matthew Allen is the assistant director of -- for Investigative Programs for Homeland Security Investigations within the U.S. Immigration and Customs Enforcement. Mr. Allen is responsible for programmatic oversight of HSI's strategic planning, national policy implementation, and the development and execution of operational initiatives.

Mr. Allen previously served as a special agent-in-charge of Homeland Security Investigations in Arizona, where he had oversight of the full spectrum of ICE investigative activities and led more than 500 personnel assigned to offices throughout the state.

And Ambassador Luis Arreaga, did I pronounce that correctly, was appointed deputy assistant secretary of State for the Bureau of International Narcotics and Law Enforcement Affairs in November 2013.

In this role, he is responsible for State Department programs combating illicit drugs and organized crime, as well as support for law enforcement and rule of law in the Western Hemisphere. Prior to this appointment, Ambassador Arreaga served as United States Ambassador to the Republic of Iceland from 2010 to 2013.

The witnesses' full written statements will appear in the record.

The chair now recognizes Admiral Ray for five minutes to testify.

RAY:

Good morning, Chairwoman McSally, Ranking Member Vela, members of the subcommittee. Thank you for the opportunity to testify on the Coast Guard's role in combating transnational criminal organizations and the continued threat it poses to the homeland.

I am particularly pleased to testify alongside three of our most important partners in the fight against transnational crime: CBP, ICE and the Department of State. And I'd like to thank Chief Beeson, Assistant Director Allen and Ambassador Arreaga for their leadership in this effort.

Before I continue, I'll just draw your attention to the exhibit over there of the North America, Central America and South America. When I talk about the transit zone, I'm generally speaking to that and the -- when we speak of the maritime transit zone, it's that area between South America, Central America and Southern Mexico.

We continue to face a significant threat from transnational criminal networks whose drug transit routes lead to the southern approach of the -- of the United States. The Coast Guard protects the maritime border not just here at home, but also off the coast of South and Central America as part of our layered security strategy.

As Secretary Kelly stated just a few days ago, the defense of the southwest border really starts about 1,500 miles south of there, when transnational criminal organizations -- or violent transnational criminal organizations harm economies and threaten governments and citizens throughout the hemisphere.

They're agnostic to borders, engage in all manners of illicit activity, and they actually destabilize Latin America. The widespread violence they employ has reached epidemic levels, is spreading, and drives the continued flow of migrants from Central America and Mexico who attempt to illegally enter the United States.

As one of the nation's five Armed Forces and the only one with broad law enforcement authority, the Coast Guard is uniquely positioned to attack these criminal networks where they are most vulnerable -- at sea.

In the offshore transit zones, the Coast Guard employs an interdiction package consisting of a cutter, an airborne use of force- capable helicopter, high-speed pursuit boats and, of course, highly trained boarding teams.

We seize multi-ton loads of drugs at sea before they are broken into small quantities, which are extremely difficult to detect and cause devastation at each step of their journey as they make their way to North America.

Beyond our own capabilities, we leverage only -- over 42 maritime law enforcement bilateral agreements, 29 of which are in the Western Hemisphere, to enable partner nation interdiction and prosecutions. And in many affected areas, we're the only maritime presence to enforce universal criminal statutes with our maritime neighbors.

Our Coast Guard personnel assets are effective. Coast Guard and partner agencies interdicted more cocaine at sea in 2016 than was interdicted in all the land and across our country by all federal, state and locals combined, because we did it in bulk quantities offshore, sometimes in the thousands of kilos. And by doing so, we pushed the border south, protect the nation and significantly impact the transnational criminal organizations.

Beyond demonstrating our effectiveness, these statistics indicate that cocaine and illicit trafficking of all kinds are, unfortunately, on the rise. However, resource constraints and the lack of capable surface assets allow the U.S. Coast Guard to only attack or target 30 percent of the known cases.

We have good intelligence, really high confidence intelligence. As a result of a lack of resources last year, we were prevented from getting after 580 known smuggling events, and those shipments made their way on north.

Unfortunately, the other significant national -- national security demands on our great Navy now preclude their participation in this area of operations. In his testimony before the committee, Secretary Kelly noted there hasn't been a significant sustained Navy presence in the Caribbean and Eastern Pacific for almost four years.

In that time, our Coast Guard has doubled down our presence in the region, and we are your armed force in the maritime approaches to the U.S. We continue to look for ways to increase our offshore cutter presence. And as I've said, we just don't have the assets to address all the intelligence that we have.

For that reason, recapitalizing our medium endurance cutter fleet with our offshore cutter patrol program is a must to enable the Coast Guard to meet mission demand. We appreciate the support thus far, and continued support from this Congress will be essential as we move on to commission our first offshore patrol cutter in 2021. These new assets will make us more effective.

Just like the other Armed Forces, we're also facing significant readiness challenges with our aging assets and infrastructure and a strained workforce. And like our fellow service chiefs, the commandant has said he believes it'll stay this way as long as the Budget Control Act is in effect.

We will continue to use risk-based approach to allocate our resources. We have an outstanding and dedicated group of professional women and men, as evidenced by the 201 metric tons of cocaine we seized in 2016. It's a Coast Guard record.

Thank you for the opportunity to testify before you today and for all you do for the women and men of the Coast Guard. I look forward to addressing your questions and concerns. Thank you.

MCSALLY:

Thank you, Admiral Ray.

The chair now recognizes Commander Beeson to testify for five minutes.

BEESON:

Good morning, Chairwoman McSally, Ranking Member Vela and the distinguished members of the subcommittee. Thank you for the opportunity to appear today on behalf of U.S. Customs and Border Protection to discuss the evolving drug smuggling tactics and techniques used by transnational criminal organizations and how CBP is working to address this threat and secure our nation's borders.

I began my career as a border patrol agent in 1985, and in my 32 years of service I have seen the border change from a barbed wire fence and a nationwide workforce of just a few thousand border patrol agents, to today, with over 600 miles of fencing and almost 20,000 border patrol agents on duty.

The border has changed and become more complex. Over the course of my career, I have seen the creation of the Department of Homeland Security, funding increases and decreases, and the committed evolution of criminals who seek to exploit our borders.

I have also seen CBP and the legacy offices that make up CBP work with Congress to improve the border environment. Personnel, resources, technology, and tactical infrastructure have shaped the border that we see today.

We have realized greater situational awareness and significant reductions in activity from a high of over 1.6 million arrests in fiscal year 2000 to just over 400,000 arrests last fiscal year. Throughout my career, I have seen TCOs demonstrate unending resolve in their intent to exploit the border for their own gain.

They have used nimble and innovative tactics to illegally cross our borders and smuggle both people and contraband. TCOs operate throughout the border environment, including at and between the ports of entry in the various domains such as land, air and sea.

CBP has met and combated these illegal activities, but TCOs continue in their intent to circumvent border security measures. Drug smuggling is a part of many TCO enterprises, and today these groups smuggle drugs by foot, vehicle, air, tunneling, and even through the use of projectile-type systems.

TCOs also rely on scouting and counter-surveillance, concealment and logistical support to further their illegal drug smuggling operations. While illegal drug smuggling still occurs, CBP continues to take steps in combatting their efforts.

In fiscal year 2016, CBP officers seized or disrupted more than 3.3 million pounds of narcotics. In addition to interdictions and seizures, CBP has also disrupted the manner in which TCOs attempt to smuggle drugs.

As an example, prior to fencing and technology deployments in the Tucson sector area of operations, over 1,000 vehicle drive-throughs were recorded in 2006, and last year, only 18 such

events recorded. And while ramping and drive-throughs still occur, the efforts of CBP have diminished their probability of success and shaped these illicit operations.

What I have seen in over 30 years of law enforcement is that TCOs remain persistent in their intent to engage in illegal cross-border activity. I have also seen CBP, through collaboration and coordination with law enforcement partners, make progress in improving the security of our borders.

This is the result of investments over the years in our border security, and in the blood, sweat and tears of the men and woman who are engaged in the daily battle to secure our borders. With continued support from Congress, CBP, in coordination with our partners, will continue to further refine and enhance the effectiveness of our detection and interdiction capabilities.

And while TCOs may be intent in their smuggling operations, CBP is no less determined to safeguard the borders of this great country with vigilance, service and integrity.

Chairwoman McSally, Ranking Member Vela and distinguished members of this subcommittee, thank you for the opportunity to testify today and I look forward to your questions.

MCSALLY:

Thank you, Commander Beeson.

The chair now recognizes Mr. Allen for five minutes.

ALLEN:

Good morning, Chairwoman McSally, Ranking Member Vela and distinguished members. Thank you for the opportunity to appear before you today to discuss the threats posed by transnational criminal organizations, and the efforts of the U.S. Immigration and Customs Enforcement to identify, target, investigate, and disrupt and dismantle these criminal elements.

Today I will provide ICE's perspective on the sophisticated smuggling threats that we face on our southwest border, the approaches that lead up to our border, and what we do to address TCOs and their smuggling activities before contraband arrives at our borders and even once it makes it to the interior of the United States.

I've brought with me today a troubling graphic that represents the interagency assessment of the areas of influence of the major Mexican transnational criminal organizations in the United States. And I want to thank the Drug Enforcement Administration for sharing that for -- and it -- and its use today.

The Mexican cartels, notably Sinaloa, Jalisco New Generation, Los Zetas, and the Gulf Cartels, stretch across and beyond the southwest border, operating through networks and loose affiliations with smaller organizations in cities across the United States.

As many of you know firsthand, the southwest border is a very diverse environment with vast maritime and land border areas where the cartels have adapted their methods and the cargo to the local environment.

From an operational point of view, this means that there is not a single strategy, tactic or technology that will succeed in eliminating the smuggling threat on every part of the southwest border.

To give you a sense of the variety of smuggling challenges that we collectively face, it is important to start by talking about the specific drug threats such as heroin, fentanyl, cocaine, methamphetamine, and marijuana.

Mexican-produced heroin has become the most significant drug consumed in the United States. The purity of Mexican-produced heroin makes it marketable because it can be smoked or snorted, as well as injected intravenously.

The Mexican cartels have also quickly added fentanyl to their inventory in response to the explosion of opioid abuse in the United States. The smugglers include fentanyl in contraband loads also containing heroin and our methamphetamine, reinforcing the poly-drug nature of the cartels.

Mexico is a transit country for South American sourced cocaine, which is most exclusively seized at the ports of entry in modified compartments of privately owned vehicles, or deeply concealed within commercial conveyance and cargo shipments.

The majority of methamphetamine consumed in the United States is now produced in Mexico using precursor chemicals that come from Asia. Methamphetamine is almost exclusively seized in modified compartments of personally owned vehicles. The second most common method of smuggling Methamphetamine is by pedestrians.

Lastly, marijuana which is cultivated by Mexican cartels, makes Mexico the largest foreign supplier of marijuana to the U.S. drug market. The majority of the marijuana seized by the DHS agencies is seized as it is being smuggled between the ports of entry.

When marijuana is seized at U.S. ports of entry it is most often found concealed among commercial cargo. Recognizing that the border in Southern California is different than the border in Arizona, New Mexico and Texas, the cartels adapt their smuggling methods to suit a specific area, blending into normal traffic in a given area in order to avoid law enforcement attention.

The cartels conduct surveillance on law enforcement operations along the border, principally focusing on U.S. Customs and Border Protection operations at and between the POEs.

As the Department changes its tactics and techniques or introduces new technology and infrastructure, the cartels adapt their operations to undermine our border security efforts.

One of the major factors allowing the cartels to sustain their existence and proliferate is public corruption in both Mexico and the United States. The cartels rely on corrupt Mexican and U.S. law enforcement officials to operate and avoid seizures and arrest.

In response to the smuggling threats along the southwest border, ICE has assigned more than 1,500 special agents and 150 intelligence research specialists to our southwest border offices. Additionally, ICE leads and participates in a number of task forces focusing on investigating this criminal element.

Our relationship with Mexico has also proven to be an important partnership in the fight against TCOs. For example, taking down the cartels' top leadership as, evidenced by the recent extradition of Joaquin Guzman Loera, aka El Chapo, demonstrates how binational cooperation can affect cartel leadership.

Thank you again for the opportunity to appear before you today and for your continued support of ICE and its law enforcement mission. ICE is committed to stemming cross-border criminal organizations through the various efforts I have discussed today, and I look forward to your questions.

MCSALLY:

Thank you Mr. Allen.

The Chair now recognizes Ambassador Arreaga for five minutes.

ARREAGA:

Thank you very much. Chairwoman McSally, Ranking Member Vela, distinguished members of the subcommittee, thank you for the opportunity to appear before you to discuss the Department of State's organize -- efforts to combat transnational organized crime in the Western Hemisphere.

With your permission, I have a formal statement which I'd like to submit for the record.

As this committee knows well, transnational crime undermines our border security, inflict harms in our communities and threatens the rule of law. The Department of State's Bureau of International Narcotics and Law Enforcement Affairs INL, which I have the honor to represent, leads our country's efforts to combat crime overseas.

We do this by supporting U.S. law enforcement agencies' efforts to strengthen the capacity of partner governments' criminal justice system. The fact is that we need strong and effective partners overseas to combat narcotics and production and trafficking.

We advance our efforts through four partnerships, the Merida Initiative, the Central America Regional Security Initiative, the Caribbean Basin Security Initiative and our longstanding partnership with Colombia.

Under the Merida Initiative, we are working to strengthen the capacity of Mexican institutions to identify, investigate and dismantle criminal networks to uphold the rule of law and to protect our shared border.

Since 2007, the United States has delivered nearly \$1.6 billion in assistance. This includes inspection and detection equipment, which is now deployed along Mexico's border, as well as training and equipping to enhance the capacity of Mexican officials to identify and dismantle clandestine drug laboratories and to carry out complex investigations of organized crime.

Our investments -- and I emphasize this -- have fostered unprecedented collaboration between American and Mexican law enforcement authorities. In Central America, violence from gangs and other drug trafficking criminal networks are driving citizens to leave their home in search of safety, opportunity and family living abroad.

Many travel through Mexico in an attempt to reach the United States. Our programs in Central America help governments strengthen border security and fight narcotraffickers, transnational gangs and human smugglers.

In 2016, Central American security units, many of which are supported by U.S. law enforcement agencies, reported seizing over 116 metric tons of cocaine. On the corruption front, Honduras fired nearly 2,000 corrupt police officers, while in Guatemala the attorney general is bringing corruption charges against former and current high level government officials.

In the Caribbean, approximately 10 percent of cocaine movement is destined for the United States transit region. Our program supports maritime interdiction by training and equipping law enforcement agencies in partner countries. In 2015, reported cocaine seizures in partner countries reached 24 metric tons, a 152 percent increase over the previous years.

Let me conclude with Colombia. Colombia remains the world's largest producer of cocaine and is the origin of approximately 90 percent of the amount seized in the United States.

In light of the troubling increase in coca cultivation since 2013, we know that we need to deepen our collaboration with our Colombian partners. The good news is that Colombia, with our support, has intensified their interdiction efforts. In fact, cocaine seizures increased 42 percent in 2016.

The Colombian government has been our steadfast partner in the fight against crime and narcotics since before the start of Plan Colombia in 1999. We are confident that this partnership will endure.

Let me close by reiterating our commitment to continue working with our partner governments to protect our homeland. But it must be said that achieving lasting change will be neither easy nor quick. We are encouraged however by results to-date and remain confident that a sustained investment will benefit the security of the United States.

Chairwoman McSally, Ranking Member Vela, again, thank you for the opportunity to appear before you today. And I look forward to your questions.

MCSALLY:

Thank you Ambassador Arreaga.

I now recognize myself for five minutes for questions and since we started late I'm going to start off by yielding to my vice chair, Mr. Hurd from Texas, and I'll go at the end of our colleagues.

HURD:

Thank you, Chairwoman. And to our -- our esteemed panelists, appreciate you all being here today and -- and for all the work that you and the men and women in your organizations do. I recognize the difficulty of the -- of the task.

Admiral Ray, my first question is to you. In -- in your opening remarks, you talked about how 30 percent of -- of the intelligence is action on this high confidence intelligence. What would you need to get that number to 100?

RAY:

Sir, thank you for the question. I don't know if we'll ever get it to 100, but to raise it to the levels that we'd like to see it, it's -- it's pretty straightforward. You need more Coast Guard cutters on the water and the package that goes with them, the airborne use of force helicopter, the overhead maritime patrol aircraft.

And when you raise that number -- right now, our current numbers down in that transition region are about 6.0 cutter presence and usually we have four airborne use of force helicopters. And so that's -- that's why we're able to action the 30 percent to raise it up.

You -- you double that and -- and you'd make a pretty good dent. That's why our offshore patrol cutter program which is a recapitalization is so important for that.

HURD:

Can you give us some context of how it would -- you know, let's say, you were able to get -- you were able to double your resources. How long would it take to actually make that operational?

RAY:

To -- well, once we put the resources in theater, sir -- the -- the long pole in the tent is building the ships out. The first offshore patrol cutters we've -- with the support of the Congress, we've got it on our budget -- or excuse me -- on contract, and she'll be commissioned in 2021. And that's a fleet of 25.

Now, there's more bills to pay on that, and that's why we appreciate your support in advance. And the -- soon as they're commissioned we put them down range. That's our highest priority mission area or one of our highest.

HURD:

And we -- and we have folks? We have the people?

RAY:

Well, they would come with the ships, sir. We would be recruiting those and building the forces as the ships came online.

HURD:

Good -- good. Copy. And my next question is to Chief Beeson and Mr. Allen. My sense is that when it comes to, let's call it the ground war, we're having the opposite issues that we have on the seas, where the level of intelligence that's coming out of the TCOs and the groups operating from in Mexico and the -- and the rest of Central America can be increased.

I've always said that when you look at the 19 criminal organizations that are operating in -- in Mexico alone, that we're not making them a national intelligence priority. Do you disagree with that assessment? Would you like to see more NSA collection, more CIA collection on the threat in order to drive your operations?

And Chief Beeson, I'll let you go first.

BEESON:

Thank you, Congressman. We do work with the intelligence community to get information. We're -- and so my experience most recently has -- has been as the chief of the Tucson sector and as the commander of that taskforce there in Tucson.

And we have been able to synthesize, if you will, if that's the -- the right word, the intelligence that we received from the intelligence community and then take action against it.

We work very closely with Homeland Security investigations. They have personnel assigned to our facility where we handle that type of information.

We're -- when there's an interdiction based on that type of information that we have been able to do parallel construction on and such, we will hand that off to them and they will, of course, take it to fruition with regard to the investigation.

We're always looking for ways to improve on our intelligence capabilities and that's something that we continue to work at is to get better and better at the intelligence.

HURD:

Mr. Allen, what would be helpful to improve the intelligence collection?

ALLEN:

I would, you know, echo Chief Beeson's comments. You know, we work on a daily basis with the intelligence community. I think -- and -- and no one's going to turn down any more assistance or more information.

I think our biggest challenge, and I think what we, you know, what we're seeing in our investigations that we have that I think the ICE could really help us with is what I would call network identification and -- and identifying the networks that are out there.

More and more, I think the challenges that we face is that -- the ability to kind of illuminate the network and figure out and -- and connect people and events in ways that we could use, you know, prosecution.

I think, you know, there's always been a challenge in turning intelligence into evidence because in the end, you know, our primary focus is criminal investigations and our goal is to present cases for prosecution.

And while it's great to know and -- and -- and there's a -- there's a not so fine line difference between intelligence and evidence. And -- and in our world we need to be able to turn intelligence into evidence.

HURD:

Good copy. Thank you.

I yield back.

MCSALLY:

Thanks. The chair now recognizes the Ranking Member Vela for five minutes.

VELA:

Thank you.

Admiral Ray, just want to point out that your personnel have been tremendous over the last four years, as I've been on this committee. There's nothing like seeing it for yourself, and they've consistently worked with our office and reached out to show us what they do.

And I would just, you know, let you know that with respect our newer members, to the extent that you can do the same thing in the regions that they represent, that it is a very helpful experience. And thanks for everything you do.

I think my first question is for Chief Beeson and -- and Mr. Arreaga, and if you could comment, you -- you referred to the eradication efforts in Colombia.

And if you could maybe go first Chief Beeson, just generally summarize where we are with respect to eradication efforts in Colombia and the other two South American countries where we see cocaine production? And then maybe briefly comment on that as it pertains to poppy production in Mexico.

BEESON:

So the -- the Border Patrol, Customs and Border Protection, we're really working on the capability. So what we're doing is working to interdict the narcotics, the contraband, things like that, that are being smuggled across the border.

We're not heavily involved in eradication and so...

VELA:

So maybe this is a better question...

BEESON:

... I'm going to punt to the State Department.

VELA:

Yeah, I was -- I was -- I was going to suggest that.

ARREAGA:

Yes. On the issue of -- of coca plantings in -- in Colombia, indeed there's been a doubling of the area cultivated since 2013. And this is the result of a number of factors. Number one, there was a -- a -- a WHO report which the Colombian courts used to ask for the end of aerial eradication. That's one reason.

Another very important reason is as our aerial eradication continues quite successfully, the -- the coca planters took countermeasures to cultivate in areas where aerial eradication was made difficult, to plant it in areas where aerial -- aerial eradication was not -- was not allowed. But for instance, some of the indigenous areas, some of the border areas, some of the mountain areas.

And then the third factor is that we believe the FARC actually encourage farmers to plant, anticipating that perhaps there was going to be a peace process where -- where plant -- where coca farmers would be compensated for eradicating their crops. So those are the main reasons as to why -- why there was an increase.

Nonetheless, the Colombian authorities are very much committed to eradicate manually, to -- to eradicate voluntarily. And we are in very intense conversations with them to figure out how we can support those efforts.

There's also the interdiction part, but that refers mostly to the actual action to -- to produce cocaine.

VELA:

Well, and in the future, I think what I'd like to do is explore that issue and -- and compare eradication efforts in the other countries and, for example, pocket production in Mexico.

But I'll go ahead and move to my next question for Mr. Allen, but I think this is something perhaps probably deserving of a hearing in and of itself.

But Mr. Allen, my question for you is how would you, with respect to our cooperative efforts in Mexico and -- and with law enforcement in Mexico and the United States, how would you describe the state of that cooperative effort today? And what would you like to see in the future?

ALLEN:

I think the one word answer is "good," and I would expand on it by say "growing." You know, I - I talked earlier about, you know, our -- our goal being criminal investigations and criminal prosecutions.

Our -- the largest HSI presence outside the United States is actually in Mexico. We had -- that's where we have the largest number of agents deployed internationally.

And I -- I think if we're going to become more effective and -- and impact the TCOs and the cartels in particular, we need to grow that presence and the relationships that we have with the Mexican federal police, with Mexican customs, with the Mexican military, and ANOME (ph) in Mexico that focuses on migration through Mexico to the United States.

So I -- you know, the -- we have a good relationship, but we -- we need to continue to work to grow it.

VELA:

Real quickly Chief Beeson, on the trends on the TCO chart of the influence of Mexican TCOs across the United States, I know this -- it looks like the Sinaloa Cartel has quite a presence along the East Coast. Can you tell us about that or -- how -- how do they extend that deeply?

BEESON:

I've got to remember the button. It's through the use of networks. They're -- they're leveraging their networks, the transportation infrastructure.

MCSALLY:

OK.

The chair will now recognize other members of the subcommittee for questions they have for the witnesses. In accordance with the committee rules and practice, the plan will recognize a member present at the start of the hearing by seniority on the subcommittee. Those coming in later will be recognized in order of arrival.

The chair now recognizes Mr. Rutherford from Florida.

RUTHERFORD:

Thank you, Madam Chair, and -- and thank you panel for being here today. And thank you for all the service that -- that you have provided in the past and well in the future to -- to keep our -- our country safe.

I want to shift the focus just a little bit though if I -- if I could? Admiral -- Admiral Ray, you know, we've talked a lot about the drugs and -- and the harm that that brings to -- to our country. But also, the United States Coast Guard interdicted several migrants from former Eastern Bloc countries in fiscal year '15 and '16.

Could you please discuss how it's not just South and Central Americans that these cartels are smuggling into the United States, but also people from other countries.

And -- and -- and in addition to that, could you address the potential of foreign terrorists utilizing these cartels to utilize the maritime domain to gain entry to the U.S. and do us harm?

RAY:

Thank you, Congressman Rutherford. Thank you for your years in law enforcement service, sir.

RUTHERFORD:

Thank you.

RAY:

It's an honor to take a question from you. I -- the -- the Coast Guard last year, we interdicted over 6,000 primarily Cubans at sea and -- and they were in the straits of Florida and -- and certainly in the eastern approaches to Florida. And a few, a handful over on the West Coast, which was a big year. The biggest year since 1994.

And like I say, it's primarily Cubans. With regards to what we call special interest aliens, those from countries associated with terrorism, small numbers in the maritime approaches right now.

You know, less than 20 over the course each year of the last couple of years. So not a great threat vector there at present.

However, to address your -- your -- kind of the real question is, are these transnational criminal organizations capable and -- and would they? There's no doubt in my mind.

They're sophisticated smuggling organizations, which start in the southern reaches of our hemisphere, and as the chief addressed in the graphics addressed, go all the way to New York City. And they do -- they work for profit, and I don't think they check passports before they pick people up. So I think they will -- they'll do anything for a profit.

We have not seen evidence of terrorist connections right now, Congressman. But I -- I don't think anybody is -- we must maintain vigilance on that. And -- and so with that.

We -- and -- and with regards to people from other nations that are not special interest, sir, we get them. Just last week, we had a boat seized off of the Bahamas in route to the United States that had a dozen Chinese people onboard.

RUTHERFORD:

Well.

RAY:

So the tales of these migrants that come from all over the world trying to get to America, there's plenty of them.

RUTHERFORD:

See, and I -- and I think the potential, Admiral, highlights the -- the -- the fact that Mr. Hurd brought up earlier about the gap that's created between our -- our abilities now and -- and the recapitalization of the fleet and your capabilities down the road. We -- we have -- we certainly have a gap there.

And that's one reason I want to salute, Madam Chairman, the United States Navy who made the decision just yesterday to locate the MQ4C Triton Program in Jacksonville at the Mayport Naval Station, which will give us that unmanned aerial vehicle capability that -- that I hope will certainly be used to fill some of that gap that was created when the Navy did away with their frigate program which, you know, certainly increased the gap.

And -- and so, I -- I bring that up to -- to also ask, kind of following up on -- on -- on Mr. Hurd's question, I -- I -- I know that the president has made it clear that one of his top priorities will be rebuilding the Navy to 350-plus ships and -- and -- but I believe this effort also should include the U.S. Coast Guard. And that's why I -- I -- I think you're here today.

And as Secretary Kelly told us during the full committee hearing, many of your ships are very, very old. In fact the Valiant in Jacksonville, I think, is 50 years old. But one of those ships -- can -- can you give us your -- I -- I know you talked about this a little earlier but, you -- you -- how long will it be before we get those 25? Is that -- that wasn't the 2019 you were talking about, correct?

RAY:

Yes, sir. Well, thanks for the question. The offshore patrol cutter, we've got them under contract now, and it's a multiyear contract. The first one is supposed to be commissioned in 2021.

So we are maintaining our medium endurance cutters. As you said, some of them -- in fact, almost all of them are older than the parents of the young men and women that are serving on them. And -- and that's just kind of a data point.

And so we've got other medium endurance cutters that are averaging in the 35-year length. We'll be able to stretch those out for another 15 years 'til we get onboard. That's why our offshore patrol cutter is so important to get back in service -- or to get in service.

RUTHERFORD:

Thank you. And I -- I certainly hope that the Triton program will -- will be of great assistance to you as well.

Thank you Madam Chair, and I yield back.

MCSALLY:

This chair now recognizes Mr. Correa from California for five minutes.

CORREA:

Thank you, Madam Chair. First of all, gentleman, I appreciate your being here today. I represent Southern California. I'm a father of four children. So to me, drugs and keeping that poison away from our children is -- is top priority. I've been blessed. My children have avoided those scourges, but a lot of my neighbors have not.

You know, drugs, something we can all agree on, stopping them from getting to our communities. Yet as I look at our Mexican border, when I was state senator I chaired the California Mexico Select Committee. You begin to realize the tremendous, huge trading partnership that we have with Mexico, our biggest or second biggest trading partner that we have in the world.

That border's the most traveled cross-border in the world. And I've always advocated for smart borders, meaning you can check folks, you can check merchandise before it gets to the border so we can make sure things flow smoothly, effectively and we stop the negativity.

Vice Admiral Ray, you said something that really bothered me, and that is that you had intelligence on 500 events -- 500 events -- and you did not have the assets to stop them from possibly reaching our shores. So I'm gonna repeat the same question that's been asked of you is, what do you need and where?

As I look at that chart on the side, I look at those red lines. Given that Colombia is now at peace with FARC, I think those red lines are going to get thicker in the very near future. So where do you need those assets? Do you need them in the U.S. or do you need them somewhere in Latin America to stop all of that cocaine production from coming in to our shores?

RAY:

Thank you, sir. Those assets would be based in the United States, hopefully in one of your districts, and they would sail from there and -- and go anywhere we need them. But primarily right now where we need them and where they could be most effective is in that -- that area between South America and Central America.

And -- and, you know, that's a -- that's a huge area. It's as big as the continental United States. And so the -- covering that is -- is -- is difficult. However, with the intelligence we have now that's what -- that's what let us know who's out there.

We know on a given morning, and we do this on a 24-hour cycle and we create these packages, and we know who's there, who we can get after. And of those, we literally had to let 580 of them -- we couldn't take a pass at them because we didn't have sufficient assets.

So as I've mentioned to Congressman Rutherford earlier, or -- or Congressman Hurd about doubling down on the amount of assets in that transit zone, that's how you get after them. That's how you affect them.

CORREA:

So that would be your priority, sir, in terms of investment.

Mr. Allen, I -- you also mentioned that you have a tremendous working relationship or a better working relationship with the Mexican government.

A number of years ago I had the opportunity to go down to Mexico City and look at one of their central intelligence monitoring stations where they were looking at almost every vehicle coming across their southern border. That information would be digitalized, sent to Mexico City, and I presume that was sent eventually to Langley, Virginia.

And my question is what else do you need? What is it that we need to do to increase, enhance our partnership with Mexico to make sure that these drugs don't reach our shores and our borders?

ALLEN:

Well, as I said, and I think, you know, building the capacity of Mexican agencies and, you know, increasing the rule of law in Mexico is a key part of that. Our role is a liaison role and -- and increasing our footprint in Mexico and making sure that we can have good, productive relationships with our Mexican...

CORREA:

So what do you need from us to do that?

ALLEN:

More people. You know, one of the things we haven't talked about today is the, you know, the president's executive orders which calls for 10,000 more ICE employees. Some of those, I think, if the secretary gets his way, will be special agents. And we would -- our plan would be to deploy some of those outside the United States.

And so coming up...

CORREA:

Outside the United States and in -- within Mexico and other countries as well?

ALLEN:

Absolutely, yes, sir.

CORREA:

Final question to Chief Benson (sic). In terms of folks, people of interest, do you have a number of how many of those have been apprehended crossing the southern border versus the northern border?

BEESON:

So when we talk about -- we would -- we would use the term "special interest alien." We're -- we're looking at folks and -- and their travel patterns, where they have been, that -- that would lead us to have some concern about -- about those individuals.

So that is information that we do keep. I do not have it with me here today, so I would have to take that back for the record.

CORREA:

Thank you.

Madam Chair?

MCSALLY:

OK. The chair now recognizes myself for questions. Chief Beeson, Director Allen, I mentioned in my opening statement a sophisticated drive-through operation that was recently broken up in Cochise County, Arizona.

According to press accounts anyway, looks like they successfully smuggled large quantities of drugs through Arizona for years, not -- not days or weeks or months, but for years before they were actually caught.

And these drive-through operations are something that I hear from my constituents and border residents often about. We've seen encrypted communication, you know, special code words, other tactics to avoid detection.

The last breach that I personally saw on the border was where they used pretty sophisticated blowtorch and, you know, welding equipment to be able to cut through, basically, a gate in the barrier with hinges.

So they were able to prep that in advance through their spotters and scouts. They knew when they weren't gonna be detected or where they weren't gonna be detected.

If you actually went by it, you wouldn't be able to see the breach. But then at the time and place of their choosing, they open it up, put the ramp, drive through, shut it and -- and go through essentially undetected.

So just giving that case study of them being able to conduct these operations for years in Cochise County, do you think this is the level of sophistication is like the new, you know, the new par for -- this is the new normal for cartel operations?

Are there additional tools or authorities that we need to give you in order to detect and interdict these types of operations so they don't go on for years before they're detected?

And I congratulate them being rolled up and a number are being prosecuted right now, but, you know, what could we learn from it and -- and -- and do you need any additional tools or authorities?

Chief?

BEESON:

So we do have this phenomenon, if you will, of the drug trafficking organizations and their -- their smuggling. And they certainly are very sophisticated in their approaches.

They have the benefit of time. And so they -- they -- they've got plenty of time to wait and seek the right opportunity to engage in their illegal activity.

They use scouting networks, as you have mentioned. They utilize encrypted communications. They're utilizing, of course, these vehicles, sometimes very rudimentary vehicle. It looks like a car carrier, and then they just use it to ramp over the fence.

For us to combat that, we are continuing to work on situational awareness, making sure that we are improving our detection capabilities along the southwest border.

Very critical for us to continue to engage with our law enforcement partners, certainly with Homeland Security Investigations to -- to make sure that we are all sharing the same information, know about who the networks are, who's operating in the area.

And then, of course, getting information from the intelligence community that's gonna provide us with the pre-event intel so that we can take action against these folks as they're...

MCSALLY:

And are there any, and I -- I know we've been out there visiting. Are there any additional tools specifically related to or authorities related to intercepting or cracking the encrypted comms? Or you know, we had -- we introduced a bill last Congress related to the scouts, that oftentimes, when you roll them up, you can't prosecute them for anything unless you can tie them to a specific drug load.

So we made that a federal crime. It didn't -- it didn't make it into law, but we're gonna keep pushing that issue. But are there any additional tools or authorities you'd need in order to get out in front of their -- their decision loop and their techniques?

BEESON:

So we have had some success against scouts. As you mentioned, there -- there's a -- a -- we have been able to prosecute some of them. It does require some effort, right? I mean, good solid police work to sit there and investigate and -- and do that. And we're certainly happy to do that and do that very well, I think.

And -- and we've been having what I think is a really good relationship with the U.S. Attorney's Office in terms of being able to present these cases and for them to take a prosecution on individuals that really don't have any narcotics with them but they're still able to prove conspiracy and -- and take those cases.

We're gonna continue to -- to plug away on technology, certainly on the tactical infrastructure, the barriers, and we need to keep applying those things to really improve the situational awareness that we need along the border.

MCSALLY:

Mr. Allen?

ALLEN:

You know, the one thing I would add to Chief Beeson's picture there is the foreign piece. There - there was a very good example last year, just south of your district, or in your district but on the Mexican side where by having a -- a good relationship with our Mexican counterparts we were able to make sure that the border was not actually a barrier.

And when we had information about a failed drive-through or a drive-through that had been thwarted, we were able to cue Mexican law enforcement to go and take law enforcement action on -- on the Mexican side.

And I think that's another piece that we need to continue to work on to make sure that, you know, when we do develop intelligence about a drive-through, you know, we can -- if we can't action that on the U.S. side of the border we can action it on the Mexican -- Mexican side.

MCSALLY:

Great. Can I follow up on that? In all of your testimony, most of your testimonies, you talked about better coordination with authorities in Mexico, yet endemic corruption, you know, through their government and law enforcement.

How do you balance those two and cooperating but not tipping them off related to the elements of corruption that would be involved in your partner agencies?

ALLEN:

I'll -- I'll start on that. And some of it, you know, first of all, you have to go in with your eyes wide open. And you have to, you know, acknowledge right up front that corruption is a challenge. But some of it comes down to who you talk to and where and at what level of government.

Our -- our best relationships are often in Mexico City away from the border. And as an example, to kind of demonstrate how important that can be, last year HSI and CBP and state and local law enforcement authorities in Arizona did a somewhat unprecedented operation in which we identified targets in northern Sonora that we had -- or indictments on in the United States and we wanted to go get.

We enlisted the support of the Mexican Federal Police and got them to send more than a hundred law enforcement officers and stage on the U.S. side of the boarder, in -- in Arizona and conduct, frankly, an air mobile assault into Mexico from the United States, fully armed, coordinated -- coordinated amongst all the U.S. agencies from the State Department through all law enforcement very successfully.

And it was not compromised because we worked with, you know, U.S.-trained, U.S.-vetted law enforcement units that made that possible. And I think that's -- that's the -- the -- the way we wanna continue to move.

MCSALLY:

Great, thanks. I'll have another round of questions, but my time's expired.

So the chair now recognizes Ms. Barragan from California for five minutes.

BARRAGAN:

Thank you.

Gentlemen, thank you for your service, and thank you for being here today.

I wanna start with you, Vice Admiral Ray. There's been a lot of talk of building a wall on the southern border and investing \$25 billion or so in it. If that's done, do you think that's gonna increase and shift more focus onto the seas and our maritime ports of entry?

RAY:

I think there's a highly likelihood of that, ma'am. You know, the -- when determined -- we found that when determined, illegal traffickers -- or meet a hard barrier on the land then they -- there's a percentage of them that will go to sea and try their -- their hand there.

We see it on both sides of the -- of the country when it comes to illegal smuggling and when it comes to human trafficking. So I think there's a reasonable potential for that.

BARRAGAN:

And you also testified about if you had resources it may be a good place to put it in the seas between, I guess, the U.S. and -- and Central and South America.

What about -- do you foresee any increased threats coming into the west side of the U.S. coast? Or is that -- is there a greater need down in that area...

BEESON:

Well...

BARRAGAN:

... that you mentioned?

BEESON:

We would do both, ma'am, in -- in answer to your question. We have an ongoing operation just south of L.A. between -- well, from San Diego north, called Baja Tempestad, where we work with our partner agencies.

And -- and we've had a big effect and -- and quite a few seizures of -- of marijuana trafficking going along there and illegal smuggling. And we've been doing that ongoing for the last four years.

So that's an ongoing right at our border, operation. When I talk about the down-range, further down closer to Central America, that's where we have the effect because that cocaine is bound for Central America where it causes all the unrest and criminal activity.

And it's just fuel for the fire there in those violent countries. And that's what drives the young people out of there. And that's why they show up on our border. So it's both of those.

BARRAGAN:

Great. And the last question I have is for everybody. We've been hearing a lot from -- all the panelists talk about the importance of the U.S.-Mexico relationship, the importance of the role they play in helping us address and deal with the drug cartels and the criminal organizations.

Yet we've been hearing from this administration lots of talk about building a wall, about having Mexico pay for the wall, even about talks about possible tariff of 20 percent on Mexico. One of my concerns is all this talk is going to weaken the cooperation between the U.S. and Mexico, having us become more of a -- less of a partner, I should say, between the two.

Can you comment on what would be the impact if we had that? If we had the U.S. and Mexico weaken the cooperation, what that will do on the impact to the drug cartels and us having the ability to fight that threat?

BEESON:

So -- so I will just say that, you know, I -- I've been doing this job for a long time now, you know, over 30 years. And -- and it's certainly we have enjoyed throughout the course of that time what I think is a good relationship with the government of Mexico. And that relationship has gotten better and better and better throughout the years.

We've -- a number of operations, as the ones that Director Allen mentioned, we engage with local authorities on a regular basis to address border violence, to address cross-border communication so that we both understand what the threat is that's operating in that area because we both want a secure border.

We look forward to continued relationship with the government of Mexico. It's important for us. And -- and what we're doing from a law enforcement perspective is paying dividends on -- on the border security front.

BARRAGAN:

Chief, so just so I could -- wanna make sure you answer my question, and that is, what will the impact be if there's less cooperation with the U.S. and Mexico? Because I understand what you're saying. I completely agree with you.

My concern is that a lot of the rhetoric we're hearing from this administration only leads to less cooperation. And I wanna know what the harm will be on less cooperation to this fight, this very important fight, against the drug cartels and the criminal organization. Can you address what that impact might be?

ALLEN:

You know, I think the short answer is that it would hurt it. But I think, as Chief Beeson has mentioned, and I think our -- our experience would illustrate as well, you know, we have weathered similar storms before in our relationships. And fortunately we deal very well, law enforcement to law enforcement, with our Mexican counterparts.

And so we have not seen any degradation in our relationship. And -- and I think we will be able to soldier on and -- and make our way through it.

ARREAGA:

I -- I agree with my fellow panelists. We have not detected any deterioration, but naturally we work on the basis that partner governments want to work with us. Without it, we couldn't accomplish much.

MCSALLY:

OK. The gentlewoman's time's expired.

The chair now recognizes Ms. Demings from Florida.

DEMINGS:

Thank you very much, Chairwoman.

And to all of you, thank you so much for your service, but not just to you, but to the men and women who also serve with you.

Mr. Allen, we've heard quite a bit of talk, and I do believe we have a very strong relationship with Mexico. I'm thankful for that. But what about our working relationship with your counterparts in Central America? Could you talk a little bit about that?

ALLEN:

Absolutely. While we definitely have focused a lot on our relationship with Mexico, you know, HSI has attache offices throughout Central America and into South America. And a lot of the same

relationships that we enjoy with our Mexican law enforcement counterparts we also share with our Central American and South American counterparts.

In my written testimony one of the things we talk about are our transnational criminal investigative units where we work cooperatively with U.S.-trained investigators from host countries that allow us to project our priorities and our authorities into the areas that provide that -- that land bridge to the United States, whether it's drug trafficking or illegal migration.

And we see those relationships as just as important as our relationships with our Mexican counterparts because, in the end, the further we can push out that border and identify bad things or bad people that are coming to the United States, the -- the better off that we are by pushing out that border.

DEMINGS:

What do you think can be done to better improve or enhance that relationship? You talked about the number of agents that you have on the ground in Mexico. What could be done to enhance that relationship in Central and South America?

ALLEN:

I would say continuing to help them build their capacity, you know, working with the Department of State, in particular INL, who often funds a lot of our relationships and that the U.S. training that we provide to our foreign counterparts is often funded through INL.

And so increasing that, the ability to help them improve their capabilities which, in turn, helps us protect our border is a key part of that relationship.

DEMINGS:

OK.

Chief Beeson, in previous years, many agents have complained or requested communication systems that would allow them to better communicate and share information with their law enforcement partners. Is this still a challenge for you? And if so, what can be done to improve communications, intercommunications between those partners?

BEESON:

We work, I think, very hard at improving relationships with our law enforcement partners. I mean, this is really, for us, we look at it as a whole of government approach. We want to make sure that law enforcement agencies that are able to work with us on these border security issues, that we've got good communication.

We will engage in task force operations with them. Oftentimes, those task forces are led by Homeland Security Investigations. We will -- of course we do have car-to-car communications,

you know, assuming that our radios are compatible. There are still from time to time, some challenges with compatibility on radios.

Oftentimes we're able to overcome that now, especially nowadays with the advent of cellphones and -- and things like that. Always working on ways to improve communication.

We enjoy what I think is a very good relationship with the law enforcement community and something that we look forward to continuing in the years to come.

DEMINGS:

Have you had any challenges with the security of the communications?

BEESON:

So our -- our -- our communications are encrypted and so we are continually assessing the -- the viability of the encryption and looking forward to, you know, we wanna make sure that they -- they remain that way.

We do lose radios from time to time or they get stolen. And generally when that happens we're able to replace the radios and as long as we -- we're aware that that's happened and so -- but that's something that we're always looking at.

DEMINGS:

OK. Thank you.

I yield back.

MCSALLY:

The gentlelady yields back.

The chair now recognizes Mr. Katko from New York for five minutes.

KATKO:

And I appreciate the chair for allowing me to come in and ask a few questions here.

And I wanna thank the panel for being here. And I started out my career as a federal organized crime prosecutor in El Paso, Texas. And I saw firsthand on the border the profound problems that we confront. And I finished my -- my 20-year career on -- on the northern border.

And my concern, at times, is that, well, there's not enough attention being paid to the northern -- northern border. And there's been some recent articles to that effect, that everyone's focusing on

the southern border and no one's really paying attention to the northern border, at least from our standpoint. I'm not saying law enforcement -- from our standpoint.

And I can tell you, the northern border is largely a sieve. We have an -- an -- and Indian reservation in the -- in the northern district of New York that straddles both sides of the border and -- and is about a hundred -- hundreds of millions of dollars a year, at a minimum, in cocaine -- in -- in cocaine -- in cocaine and marijuana trafficking and smuggling of aliens.

And -- and many people view the northern border as far more vulnerable to a terrorist infiltration than the southern border.

With that being said, I would just ask that at some point that the chairman maybe schedule a hearing so we can dedicate an entire hearing to the northern border issues, because they are profoundly different than the southern border. But they do merit more attention.

I'm a chair of the Homeland Security Subcommittee for Aviation -- or -- or Transportation Security. And as we saw this week, there are still gaping holes in the drug trafficking components at our airports.

We saw the -- a -- a case in Puerto Rico of that was now -- has spanned more than a decade, and they smuggled more than 20 tons of cocaine onto aircraft from -- from Colombia through Puerto Rico into the U.S. And that, to me, is a profound problem, and -- and that's another border-type issue.

So for Director Allen, as you're well aware of this instance, I'd like to hear from HSI as to whether you have enough resources to fund these types of investigations at our nation's airports. It's -- that's not the first time we've had this at the airports with HSI, and I'm concerned about that.

And secondly, how can TSA or the FBI or other state and local partners better support your efforts? And -- and -- and I don't want FBI to be at odds with you, running separate investigations at airports. I want you to coordinate better with -- with Homeland Security. So if you could answer that, I'd appreciate it.

ALLEN:

Sure. Well -- well, I -- well, we'll probably not talk about the Puerto Rico investigation since it's a pending prosecution. I'm -- I'm happy to talk about what we often refer to as internal conspiracies, whether they be at airports or seaports and -- and looking at that insider threat.

And -- and you are correct. They -- they present a tremendous challenge for law enforcement and from a -- everything from a counterterrorism point of view, the ability to get a firearm or other explosive device onto an aircraft by using an insider threat is certainly -- falls well within the scope of our counterterrorism responsibilities at the department.

But from a drug trafficking point of view as well, we're well aware that -- that drug trafficking organizations want to use that interstate ability to move by -- commercially to get their products from point A to point B.

In -- in terms of your -- to your question about resources and our ability to -- to work on that challenge, the vehicle that we use for that is the Border Enforcement Security Task Forces. We've been expanding the BESTs, as we refer to them. We've now...

KATKO:

Yeah, I helped stand one up on Massena, New York before I left.

ALLEN:

Exactly, yeah. So we now have four airport-focused BESTs, one of them in Puerto Rico, that will -- that is -- are chartered to focus on that internal conspiracy threat.

Our goal would be to expand them and increase the number of BESTs we have around the United States that can focus both on the physical land border, but also on other chokepoints, in -- in -- in this case in -- in airports and seaports.

KATKO:

And what -- what about -- I know FBI, for example, the FBI's headed up some major operations nationwide. For -- the example was the Dallas-Fort Worth case where -- that was a multi-airport case there. How -- how -- how do you -- how do you -- how would you, kind of, make FBI's efforts jibe with yours better, if you could?

ALLEN:

I think, for us, that -- that all comes down to, you know, coordination and deconfliction. And I think one of the things that I've seen change in my career, certainly accelerated after 9/11 and -- and a -- a huge transformation in federal law enforcement, is the -- the willingness and openness of -- of agencies to coordinate and -- and deconflict investigations.

And I think as long as all of us are doing that and we know that someone is working an issue and that if resources are needed from the Bureau or the Bureau needs resources from any of the DHS components, that we're standing by to do that. And as long as we're talking and coordinating and deconflicting our investigations, we're on the right track.

KATKO:

Thank you. And very quickly -- I have 20 seconds so I can't help it, but I'm going to have to ask a northern border question of the Vice Admiral, and that is the Shiprider Program which you use up on the northern border has been, I think, a very good success.

And you -- you marry the Canadian law enforcement with American law enforcement. And I think it's a good way to patrol the Great Lakes and the -- and the St. Lawrence as best you can. How is that program doing? And is there any -- any discussions about possibly expanding it?

RAY:

As you stated, sir, that program's doing great. They've done about 900 boardings since that's been stood up, several arrests. And it's a great -- it closes seams on the border with a row of Canadian Mounted Police who are real proud of it: St. Lawrence, Great Lakes and also out in Puget Sound.

And -- and what it needs is more people and -- and that's really what it -- you know, operations and maintenance money. There's not a -- it's -- it's -- it's -- boarding team members, carrying a gun, being trained, and operating with the Canadians, and that's what we're short of.

KATKO:

I -- I appreciate that, and hopefully we can have another hearing on this if -- if the -- if the chairman is so inclined.

I just wanted to note two things for the record here. There's a -- two reports on FBI -- two articles, one recently, titled "FBI Reports Show Terror Suspects Coming from Canada While Trump Stares at Mexico."

And the other one is from The Daily Caller, another article about illegal refugees are now streaming across the Quebec/New York border. That was recently done this week. I ask both of them be entered into the record.

MCSALLY:

Without objection.

KATKO:

Thank you.

MCSALLY:

I look forward to working through -- working with you on -- and the potential for future discussions on the northern border.

OK. We're going into round two here. Vice Admiral Ray, as much as you can in an open setting, can you share some perspectives on increased sophistication of cartel activities in the maritime domain?

We've heard about them armoring their engines to avoid being shot out, or using infrared technology, night vision devices, sub- submersibles, those types of things. Can you share some other examples of what you've seen of their evolving tactics and sophisticated technology?

RAY:

Yes, ma'am. And I'll have to think my way through what I can talk about in this setting, but there -- without a doubt, as all the panel members have said, they are an innovative, adaptive, agile organization. And -- and as you said in your opening statement, it's sophisticated operations.

And they -- and if you can buy it in the open market, they've got the funds to buy it. And if it's anything that has to do with locating illicit goods, communicating via satellite, they're doing it and -- and they get that.

When it comes to their ingenuity on the maritime, it -- it's really impressive that they can build in a -- in a ditch in the jungle in Ecuador a -- a craft capable of sailing about the distances going from Florida to Washington State and carrying about 7,000 or 8,000 pounds of cocaine. I mean, that -- that's pretty impressive.

With -- so incredibly innovative, incredibly resourceful, and -- and so, that -- that's what makes the problem so tough, and they're adaptable.

MCSALLY:

Great, thanks.

Chief Beeson, we talk a lot about situational awareness and operational control. So on the land border, there's been much discussion today about pushing the border south and disrupting the networks, and I -- that's all an important part of the strategy.

But as any sort of breaches come to the border, whether it's going to go over, through or under or around, you know, we've gotta make sure we've got the situational awareness that those breaches are happening and then the ability to have operational control to -- to intercept those breaches as close to the border as possible. We've had many discussions about this.

In a previous hearing last Congress, Acting Chief Vitiello said that the situational awareness on the 2,000-mile southern border, if something breaches, if it moves, being able to see it real-time is -- is a little over 50 percent, 56 percent.

Do you agree with that number? Has any of that changed? And what do we need to do in order to increase situational awareness so that if something move, you see it?

BEESON:

So Chief Vitiello, I think, was referring to deployment density, and that encompasses situational awareness among other things, how you're, you know, putting down your resources and things like that.

I -- from my perspective, that has gotten better. We have implemented integrated fixed towers in Nogales. As you know, we've got a system coming online in your district any day now, should becoming operational in Douglas.

We have another system that will be going operational in Sonoyta in the very near future. And then let's not forget the value of men and women in the Border Patrol, and certainly within Customs and Border Protection of the field office as well, being on the line and being able to observe and report what they're seeing.

You know, the barriers that -- that we've deployed and that we'll continue to deploy, the technology that we've deployed. All of that has to have a response element built into it, and that's the -- the men and women.

So we need to make sure that we're continuing to deploy personnel, and -- and certainly our objective is to get them down as close to the border as possible.

Obviously, we want to push it south. We would like to get the traffic before it ever gets to us. Absent our ability to do that, we want to get it at the border.

But then we do not want the border to become a single point of failure, and so we do need to be able to respond appropriately should something get past us on the line.

MCSALLY:

Thanks, Chief. Additionally, we have talked a lot about the strategy of defense in-depth in the rural areas, like my community, where we have fixed check points which still -- no real measurements of effectiveness there, but just really allowing the cartels to traffic through communities for hours, days, miles, you know, before they're potentially intercepted, which is a public safety threat.

As we're coming with a, you know, new leadership, is -- is there going to be a fresh look at that strategy and trying to, you know, push closer to the border as opposed to where we've had, you know, over -- almost 50 percent of the interceptions in the Tucson sector, as you know, are north of five miles from the border. And there's a lot of people who live in that area. And that's a -- a continuous public safety concern.

BEESON:

So we are constantly assessing our strategy and looking for ways to improve upon it. As -- as I mentioned, our objective, really, we want to work and push the border south as far as -- as we can.

I think we've had some pretty good success stories, a couple of which Director Allen mentioned here today. Working with the government of Mexico to -- to really get some of these bad things before they are even crossed into the U.S.

We're continuing to deploy the men and women down to the border with the objective that we're going to make the arrests as close to the border as possible. And on the whole, when you look at it, that -- that's occurring in -- in a wide number of areas.

There are some areas where we still have challenges with access to the border. You know, there's some -- some environmentally sensitive areas. There are areas where there are no roads. And so those are areas where that -- that's a challenge for us, and -- and so we're continuing to work.

Really, we want it as close to the border. We want to prevent it from -- in the first place. And then, of course, absent our ability to do that, which does happen, then we want to make sure that we do not allow the border to become that single point of failure. We want to make sure that we've got the capability to interdict anything that does make it across.

MCSALLY:

Thanks, Chief. So let's talk barriers for a minute. There's the 2,000-mile southern border. Seven hundred miles is land and about 1,300 is water. And we've got some level of barriers in 654 miles.

Secretary Kelly testified last week that he'd be listening to you and the troops on the ground to hear in different sectors where barriers need to be replaced or added. In your assessment, where do we need additional barriers or different types of barriers?

And I will tell you, even some of the replacements going on in my district are causing some -- some responses from local residents who are living on the border and their concerns.

So could you -- could you just comment on your perspective, which Secretary Kelly said he would be listening to on -- on what we actually need?

BEESON:

Secretary Kelly did come down to the border. He's been to my sector. He has also been to the San Diego sector. Subsequent to the visit with us, he went to San Diego and -- and did receive briefings from us on -- on what our current laydown is, and some of the areas where we would look to -- to enhance that when given the opportunity.

Customs and Border Protection and -- and the Border Patrol, we have a process. The acronym for it is -- because we love acronyms -- the CGAP analysis.

And -- and so what we're doing with that is looking at what our -- our critical needs are, where there are gaps, and then making sure that we have the -- the -- the plans moving forward on -- on where we want to put these -- these things. And so we can, I think, provide you with another briefing...

MCSALLY:

Great.

BEESON:

... to, kind of, give you a better idea of where exactly we would like to -- to put up barriers.

MCSALLY:

I appreciate that.

All right, the chair now recognizes Mr. Correa for five minutes.

CORREA:

Thank you, Madam Chair. Very quickly, gentlemen, wanted to say that, you know, the -- during the Obama administration, we had a record number of deportations, I believe, under Obama. Deportations were more than the last few presidents combined.

And so my question to all of you is it's my understanding that the folks migrating north from Mexico has really slowed down tremendously. Assuming that's the case, how much of that is due to a growing Mexican economy, growing middle class, growing number of jobs in Mexico that provide for folks to stay and -- and essentially find a living in Mexico?

ALLEN:

That's -- for me, that's more of an economics question. A little outside my area of expertise. So I -
- I pass on that one.

CORREA:

Everybody pass on that one?

RAY:

Well, I...

CORREA:

It's a -- it's an economics question, but I think it's a relevant one when we're looking at possibly putting tariffs on imports. That -- that's really a -- a monetary policy that could reduce economic growth south of the border.

But the other question I had, one is -- is -- is a sensitive one which is on the issue of corruption on our side. Do we have any reports? I know we've had some newspaper articles in the past about some of our border agents, unfortunately, you know, looking the other way. Any update on that? Any status on the corruption on our side of the border?

ALLEN:

I don't have any numbers, and -- and I referred to it both in my written and my oral statement. You know, the reality is that U.S. law enforcement is not immune to corruption.

And while I think anecdotally it's certainly at a much lower level in the United States than it is in Mexico, you know, back to the question about internal conspiracies in the air environment, that we -- we face that same challenge, that insider threat challenge, on our borders as well.

And it's ICE is not immune. CBP is not immune. State and local law enforcement in the United States is not immune. And it's something that we have to focus on and acknowledge.

CORREA:

And I say that because there's so much money involved in this business of -- of drugs that nobody's immune. At the same time, let me take the opportunity to thank all of the men and women in uniform who do protect our borders, who do protect our citizens, because you do a darn good job.

My final question is really kind of a comment. Got a chance to go into Mexico about four or five months ago. I went through some of the small villages, and the issue of public safety is a big one. Folks won't go out of their homes after the sun goes down because they fear for their lives.

And it was very interesting. A few days before I got there, the Mexican marines came in and swept up the whole area. It's my understanding, unofficially, about 40 casualties. Forty of the bad guys were actually taken out.

But I want to encourage you to continue to cooperate with the Mexican authorities because you notice when Mexican marines go in with U.S. leadership they do make a difference when it comes to folks living in those small villages throughout Mexico. So please continue to do a good job.

MCSALLY:

The gentleman yields back.

The chair now recognizes Mr. Rutherford from Florida for a second round. No? OK. Great. Just a -- a few more questions.

Admiral Ray, have you seen -- can you -- can you share any changes in trends from the change to the wet foot, dry foot policy as far as Cubans trying to head north?

RAY:

Yes, ma'am. As I said, last year was a -- a record year in terms of growth of Cuban immigration, illegal immigration, since '94, the biggest year we'd had. And after the wet foot, dry foot was repealed last month, we saw a -- a -- a dramatic downturn.

And now some of this -- this is not really the season, right, this time of year when the weather and other things. So we're not -- we're not -- certainly not letting our guard down now because there's always the threat.

And certainly the -- the conditions in Cuba and the conditions in America haven't changed. So we -- we see the threat is still out there, but the -- the facts on the water as of right now since that was repealed, there's a lot less attempts that we've seen thus far.

MCSALLY:

Great, thanks. Can any of you comment on we've had a number of states in the country that are now legalizing marijuana, and whether that's impacting the business model of the cartels and changing from marijuana to other drugs or human trafficking related to the -- the supply and demand issue?

ALLEN:

I think that might fall into, you know, what we could call the intelligence gap. But, you know -- and -- and -- and we talked earlier about heroin. There's no -- in my mind, there's no mistaking the explosive -- the, you know, growth in the -- in the cultivation of poppies in -- in Mexico and the transition to, you know, heroin as -- as one of their primary drugs that they're exporting to the United States.

MCSALLY:

So, I mean, correlation doesn't mean causality, so there's...

ALLEN:

Correct.

MCSALLY:

... probably a couple of different elements in -- in that to include the increased demand and the opioid addictions...

ALLEN:

Absolutely.

MCSALLY:

... in the country. And I do -- I do want to talk about that. Despite all the amazing efforts that you gentlemen represented today and -- and all the individuals that are -- are doing the -- the job every single day in order to defeat these networks and intercept the activity, we still have a drug epidemic going on in our country.

And the price of drugs is still, unfortunately, affordable for people to be ruining their lives. So that has not changed. The hard drugs coming through the ports of entry, primarily, most of you have testified to.

Mr. Allen, what else do we need to do at the ports of entry related to these hard drugs that are -- are making their way through? There's pretty innovative techniques, as you've testified to and many of you have testified to.

ALLEN:

Well, I think, you know, CBP has done a tremendous job in -- in refining and improving how they target, you know, at the ports of entry.

I think focusing more, you know, resources on that problem set. You know, the reality is that CBPOs who are on the border have a very, very short time to make a decision about whether they should admit somebody or refer a vehicle or a person to secondary for further inspection.

So I think, you know, giving them the -- the resources and the capabilities to target as effectively as they can, both in the, you know, kind of -- the personally owned vehicle and pedestrian environment, and then in commercial cargo, is key to that. And -- and that's certainly an interagency problem.

We could -- you know, ICE and HSI contribute, you know, information that helps refine targeting. But, you know, giving them as -- as much good information to use to target is where we want to go.

MCSALLY:

Is there additional technologies that are needed or technologies that have been proven that are not deployed to each of the ports of entry?

ALLEN:

I -- I'd defer to Chief Beeson on that.

MCSALLY:

Chief?

BEESON:

And I will have to take that back, for the record.

MCSALLY:

OK.

BEESON:

I'll have to ask my...

MCSALLY:

OK.

BEESON:

... field ops, Congresswoman.

MCSALLY:

Great, thanks. And I'll say I agree with many of the comments made by my colleagues here today that, you know, we've got to make sure that the legitimate economic activity that comes north and south continues to be able to flow while we're intercepting the illegitimate activity and the drugs and the human smuggling and -- and what's been talked about today that happens both between the ports of entry and at the ports of entry.

And if we're talking about border security, we've got to look at that in its completeness: the maritime domain, the air domain, the -- the land domain, but then at the ports of entry. And so we've seen in my community, the Douglas port of entry, just as an example, is one that is old, is not capable for addressing the commerce.

But also it's a security issue, right? Because they need upgrades to be able to address the illegitimate activity that's coming through the ports of entry. My hope would be -- we had a hearing on this last time but, you know, upgrades to the ports of entry have been somehow -- they're involved in other federal buildings and priorities related to GSA.

I think we need to look at this more holistically as a security issue. When we're talking about infrastructure in this Congress and with the administration, I think we need to be focused at our ports of entry both for economic drivers and for security drivers, and I don't think that should be lost.

So that's more of a statement. I don't know if anybody has a comment on -- on that, but I think somehow we talk -- you know, often just talk about between the ports of entry, but the security at the ports of entry is just as critical. All right.

My -- the chair now recognizes my colleague for any last statements.

CORREA:

Thank you very much. And again, I want to thank everybody for being here today, and -- and I also concur with our chairperson that -- very good discussion. Learned a lot today.

I just wanted to leave, again, focusing what our Madam Chairperson has said, ports of entry, inland ports. This is a concept I picked up from my -- my -- my colleagues in Texas, that checking our cargo, checking those things that are about to cross the border a few miles before they get to the border be sealed.

And so that once you get to the border, your jobs is a whole lot easier than they are now. Has there been any further thought about working on those inland ports of entry?

BEESON:

So CBP has engaged in several different pilot programs. The one that I think you're referring to was in California. Most recently in Arizona they have a program, a joint customs program, with Mexican customs that has been working quite well for them. They speak very highly of it. And so it's something that, you know, they continue -- we continue to assess.

MCSALLY:

Great. I want to thank the witnesses for their valuable testimony and the dialogue and the questions and answers today. And I thank the members for their questions as well.

The members of the committee may have some additional questions for the witnesses. I would ask you to respond to these in writing. Pursuant to Committee Rule 7-E, the hearing record will be open for 10 days. And without objection, the committee stands adjourned.