

Hearing Transcript

Senate Appropriations Subcommittee on Homeland Security Hearing on President Obama's Fiscal 2017 Budget Proposal for U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement

March 8, 2016

HOEVEN:

I will now call this hearing of the Homeland Security Appropriations Committee together. I would like to thank ranking member Senator Shaheen for joining me, also Senator Tester. Senator Cassidy will be back shortly and I think there will be some others joining us as well.

But I would like to thank both deputy directors from Customs and Border Protection and ICE for being here today. Welcome, gentleman. We look forward to your testimony.

We'll have opening statements and then by the senators -- both senators that wish to make them and then I'll ask for your opening statements as well and then we'll proceed to five-minute rounds for questions.

I want to again welcome our witnesses, Kevin McAleenan, the deputy commissioner of Customs and Border Protection; and Daniel Ragsdale, the deputy director of Immigration and Customs Enforcement.

Last year, the subcommittee appropriated almost \$17 billion for CBP and ICE. Despite the many strategic investments we've made, the department still needs to do more so that we have the metrics, the metrics necessary to ensure the funds are being spent effectively to deliver mission results.

So that's first focus for me today. We'll discuss how your agencies are measuring performance and using metrics to inform the resources that you've requested. By some measures, your agencies are doing less with more. But we must look at the challenges of immigration and border protection in a broader context and work to improve existing programs.

In part -- due to the president's executive actions, ICE removed over 80,000 fewer aliens in 2015 than were removed in 2014, even as ICE's budget increased by more than \$700 million. Detention beds are a key tool in recruiting -- in facilitating removal, yet the 2017 request cuts the number of beds by 3,000 from the 34,000 beds funded in 2016. Yet your current average is over 33,000 beds, so how will that be adequate?

CBP apprehended 149,534 fewer people crossing the border illegally in 2015 even as the CBP budget increased by \$300 million. This could be a good news story of fewer aliens coming across. However, DHS hasn't been able to clearly tell the story and that is why good metrics are essential. We need to be able to measure our performance on the border.

If CBP catches people and ICE doesn't send them home, it undermines the existing law and sends the wrong message abroad. Instead of deterring illegal immigration, people will continue to try to come illegally.

Second, ICE and CBP have significant roles in vetting travelers to the United States and we hope to learn more about those activities today as well. These vetting operations have come a long way since 9/11, yet the threats we continue to face to make these programs an essential part of the nation's national security posture. We must constantly reassess and improve our processes.

As one example, I want to hear about progress being made in implementing recent changes to visa waiver program requirements.

Last year, our agencies played pivotal roles in facilitating legitimate trade and enforcing our nation's customs laws. Two weeks ago, the customs bill was signed into law. I worked to include a provision to ensure that our farmers, in this case our honey producers, receive the compensation they deserve from unfair trade practices by foreign competitors.

Today, I look forward to learning more about what -- when CBP will implement the changes in law including those that benefit these farmers and domestic companies and I hope you hear more as I say about your agency's efforts in the whole trade enforcement area.

In closing, I know that your officers and agents are working hard to carry out your important missions and I want to be sure that they have the resources they need. To make the department's 2017 budget work, we're going to be looking for savings where we can and we'll work with you as we move forward to write the best bill possible.

With that, I'd turn to Senator Shaheen for any opening remarks you might have.

SHAHEEN:

Thank you, Mr. Chairman. And let me add my welcome to Deputy Commission McAleenan. And he is the deputy commissioner of the Customs and Border Protection Agency as -- and I also want to welcome Deputy Director Ragsdale, who is the deputy director of the Immigration and Customs Enforcement Agency.

And I deliberately use the full names of those agencies because sometimes I think when we use the acronym so often we forget what they stand for.

Along with the Transportation Security Administration, CBP is really the face of Homeland Security and it's the agency with whom the American people interact on a daily basis. Its dual roles are to secure the border from entry and at the same time facilitate legitimate trade and travel. And something that I think is not well-known is that next to the IRS, the Internal Revenue Service, CBP is the largest revenue raiser for the American government because of the tariffs it charges and the duties it collects on legally traded goods and services.

ICE is the second largest investigative agency in the federal government and the Department of Homeland Security's primary investigative arm. Now, while most people envision detention and removal of undocumented aliens when they think of ICE, I think it's important to point out that ICE also plays a major role in protecting children from cyber exploitation, cracking down on human smuggling, trafficking, and money laundering, as well as preventing the export of dual use weapons technology to international bad actors-some very important responsibilities.

Over the past few years, both CBP and ICE have experienced difficulties in hiring that have resulted in more work being handled by fewer staff. For instance, CBP has had ambitious hiring goals for both its customs officers and Border Patrol agents but these goals have yet to be realized.

Similarly for ICE, this committee has provided additional funding to hire new investigators, but many of these positions remain unfilled years later. So, I look forward to hearing more about the challenges that both of your agencies face as you try and aggressively increase staffing at both agencies.

And before I close, I would be remiss if I didn't mention one of the things that I've been working on that is critical to the work that both of you do, and that has to do with interdicting the flow of illicit drugs that come across the border.

Senator Hoeven and I had a chance to go down to our southern border last spring and I remember very clearly being in Laredo, watching the CBP agents with their drug -- with their drug-sniffing dogs who were at the border interdicting drugs, and hearing from one of the agents that the drugs that come in to the United States are going up the interstates through the middle of the country, up Interstate 35 and up Interstate 95 and that's how they arrive in New Hampshire and Northern New England.

So, the work that you all do is very critical in that respect and making sure that you have the resources that you need is a priority of mine. So I look forward to hearing from both of you as you discuss the challenges and the budget that your agencies are presenting today.

Thank you, Mr. Chairman.

HOEVEN:

Thank you, Senator Shaheen.

And now, we'll turn to our witnesses for their opening comments. Deputy commissioner, if you'd like to start.

MCALEENAN:

Thank you, Mr. Chairman.

Chairman Hoeven, Ranking Member Shaheen, members of the subcommittee, that are coming back, thank you for the opportunity to appear before you today. It's an honor to represent U.S. Customs and Border Protection.

As America's unified border security agency, CBP protects the United States against terrorist threats and the illegal entry of inadmissible persons and contraband while facilitating lawful trade and travel. I'm extremely proud of CBP's dedicated front-line personnel who, over the past year, have advanced CBP situational awareness of the border environment, improved our ability to interdict threats, and who continue to fulfill this agency's critical mission including responding to humanitarian challenges with integrity and commitment.

The F.Y. 2017 budget request of \$13.9 billion enables CBP to continue our efforts to support our front-line personnel, implement new technologies, and expand our public/private partnerships, key components of our efforts to optimize resources, facilitate the flow of low risk lawful trade and travel, and free our officers and agents to focus on high risk cargo and illicit border crossers.

Thanks to the critical resources provided by this committee today, CBP continues to achieve greater situation awareness, greater mobility, and greater effectiveness in detecting and interdicting threats crossing and approaching our northern, southern, and coastal borders and ports of entry.

Countering the threat of foreign terrorist fighters traveling to United States is our highest priority and a focus of multiple recent security enhancements in our programs and targeting efforts. With support from this committee, CBP is expanding counter network operations and international targeting center. This capability advances our understanding of the increasingly sophisticated and diffuse networks that comprise terrorist groups and transnational criminal organizations, directly supporting our border security mission and enhancing information sharing within our agency and international partners.

We will focus this powerful approach on the greatest threats to our borders from terrorist travel and financing, the organizations harming our communities by trafficking heroine and other narcotics, to human smugglers preying upon children and families desperate to reach a safer place, to trade violators that would seek to undermine the American economy.

We're also expanding preclearance operations with a goal to preclear 33 percent of U.S.-bound air travel by 2024. Preclearance places our most valuable counterterrorist and assets, our trained law enforcement personnel, in a position to address threats before they board aircraft destined for United States while increasing capacity and facilitating travel to United States.

I would like to thank the subcommittee for the recent statutory changes that significantly improved the reimbursement mechanism to fund CBP's preclearance operations and allow CBP to expand preclearance without diverting appropriated resources.

We will continue our efforts to develop meaningful performance measures to demonstrate the significant improvements we've made in border security. We recognize this committee's focus on achieving agreed metrics that inform an outcome-based approach and believe that these metrics will enable more analytically sound decision making within CBP.

CBP is also making multiple institutional changes to increase CBP's operational agility, effectiveness, and accountability. Last fall, the commissioner announced that CBP would be realigning the agency's headquarters structure to better support our front-line personnel in fulfilling CBP's critical mission.

We look forward to working with this subcommittee on these changes which will emphasize effective and efficient decision making, improved resource management, and right-sizing the span of control for our senior leaders. The realignment is pragmatic and is focused on our organizational ability to support the front line, to identify requirements and acquire solutions, to hire and retain personnel, and to streamline process flows, and create efficiencies for the agency.

Improvements in these areas will not only benefit CBP and the department but will also provide the transparency and accountability that we have pledged to our employees, stakeholders, Congress, and the American people.

Thank you again for the opportunity to testify today and for your steadfast support of U.S. Customs and Border Protection. I'm happy to answer to your questions.

HOEVEN:

Thank you, deputy commissioner. Deputy director?

RAGSDALE:

Thank you, Chairman Hoeven and Ranking Member Shaheen, and distinguished members of the subcommittee. Thank you for the opportunity to appear before you today to present the president's fiscal year 2017 budget request for U.S. Immigration and Customs Enforcement.

First, I want to recognize the talented and hardworking women and men of ICE, both domestic and foreign. They are our greatest asset and I'm impressed and humbled by their work every day. I'm proud to represent them and thank you for your continued support.

I look forward to discussing our priorities for the upcoming fiscal year and highlighting our continued efforts as we make the most efficient and effective use of the resources you provide.

Because of the funding you provided in fiscal years 2015 and 2016, the agency has again been able to hire front-line law enforcement personnel and key support staff. Because of the full year appropriation in fiscal year '16, we are better positioned today to focus our energy on meeting the new and ever-growing challenges to national security, boarder security, and public safety.

The president's request includes \$6.23 billion in total funding. This level of funding will sustain our law enforcement efforts in 2016 and enables ICE to continue its efforts in the following core areas; immigration enforcement, criminal investigations including cyber crime, counterterrorism, and an investment in information technology needed to meet the needs of the 21st Century law enforcement agency.

To support DHS' border security mission, ICE continues to respond to the influx of families and unaccompanied children apprehended crossing our southwest border. We are attacking the transnational criminal organizations that prey on this vulnerable population from both the U.S. and abroad.

In Mexico and Central America, ICE's transnational criminal investigative units comprise the foreign police officers, customs and migration officers, and prosecutors are working to dismantle these organizations who mistakenly believe they're beyond our reach. Similarly, ICE officers stationed around the globe are building capacity with foreign partners to readily accept the return of their nationals.

To support DHS' public safety mission, ICE has worked to reestablish cooperation with the number of state and local law enforcement jurisdictions who began limiting or declining cooperation with ICE. Through the priority enforcement program, ICE's reengaged law enforcement agencies who decline to transfer removable convicted criminals or public safety threats to ICE.

Since last summer, 16 of the top 25 jurisdictions who received the largest number of detainees from ICE are now participating in PEP (ph). Further, the president's 2017 budget request includes an additional \$6.6 million for the criminal alien program. This funding will be used to hire additional 100 officers to support the expected increases and apprehensions from the expanded implementation of PEP (ph).

The president's request also seeks \$2.12 billion for ICE to support its current investigative efforts, as well as maintain additional special agents and investigative support staff.

In the last fiscal year, ICE investigations led to the disruption or dismantlement of over 239 criminal organizations and we made more than 33,000 criminal arrests including more than 3500 transnational gang members. We also seized more than 1 million pounds of narcotics including over 7500 pounds of heroin. We seized 5.1 -- 513 million in currency and monetary instruments.

Additionally, we identified and assisted more than 2300 crime victims including 384 trafficking victims, and more than a thousand victims of child exploitation.

To support DHS' counterterrorist mission, ICE has expanded the visa security program. This program maximizes the visa application process as an important counterterrorism tool to identify terrorists, criminals, and other aliens ineligible for a visa prior to their travel to the United States.

In 2015, we opened six new VSP posts, the largest single year expansion in the history of the program. The president's request includes \$32.5 million to sustain those expansions made in 2015 and maintain current operations.

Just as important as the resources we need to fulfill ICE's enforcement and investigative missions are the tools required to carry out the agency's mission support programs. The president's request includes \$43 million to fund the deployment and modernization of ICE's information technology

applications and systems infrastructure that support our front-line personnel and improves information sharing within DHS and with our partner organizations.

ICE will continue to play a critical role in fulfilling our national security, border security, cyber, counterterrorism, and public safety missions. To that end, this request ensures that ICE has the resources to support those efforts.

Thank you again for the opportunity to testify today and I look forward to answering your questions.

HOEVEN:

Thank you, director.

Okay. We'll start with the five-minute rounds of questioning. See, they allocated me 10, so I'm optimistic there but I think we'll go with five.

Commissioner McAleenan, I want to start out with measuring apprehensions on the border. So CBP has long measured the number of apprehensions you make each year, but how do you understand whether, from year to year, the changes reflect your ability to make sure that you're apprehending those trying to come across versus fewer people trying to come across if you only measure apprehension? So talk to me in terms of really understanding situational awareness on the border in terms of what's happening and whether you are in fact improving your apprehension rate.

MCALEENAN:

Thank you Mr. Chairman for the question and for your comments in your opening remarks.

I think getting this problem right is a huge priority for the secretary, for the commissioner, and certainly for me and the chief of the Border Patrol because we haven't achieved success in a set of agreed metrics that Congress and the American people have confidence in in how we're measuring our border security. And we'd like to be able to successfully convey the significant improvements we see through metrics that are peer reviewed that are acceptable to Congress and the public.

So, you're absolutely correct. Historically, we've reported and relied on metrics like apprehensions, which is an output measure that shows how traffic is changing. It's an important baseline for us. But I think what we've been engaged in the last five or six years is working toward a more sophisticated and telling set of metrics that really tries to get at the outcomes, identifying how many people are crossing and how many of those that we are catching or forcing to turn back.

So I think that starts with improvements in our situational awareness and really trying to convey what those improvement mean in a set of numbers that are agreed and acceptable. For instance, in our -- with the support of this committee, in our high traffic or urban areas, we've achieved a density of deployment of technology, sensors, cameras, fencing, agents that is giving us high confidence that we're seeing the vast majority of traffic there.

In our low traffic areas, we're using aerial detection techniques with our UAS, unmanned aerial systems, as well as other agency capability to really get a sense of what's not crossing in those low areas using change detection techniques. But what we need to get to, and I think what you're driving at, Mr. Chairman, is a more holistic view of the outcome.

What we're doing there in CBP with the data we control is using our interdiction effectiveness rate which takes the apprehensions and those people that we've turned back and that we've seen our agents deter from crossing over the known crossings, and we've really enhanced our methodology for identifying the total known crossings. So we know we're not catching everybody and our formula is very refined at this point in how we're capturing that data.

What we -- what this does though in the limitation that we want to continue to enhance is it identifies those known crossers. We would like to work with academics and outside peer review studies to help us identify the unknown crossing as well.

That's what the secretary has asked to do, we'll be briefing your staff later this month on the initial promising results from that effort. But I can tell you this, it supports our internal data in showing the significant trends, the reduction in total crossings, the increase in our effectiveness and identifying and interdicting those crossings, and the important games we've made in deterring those who would cross illegally by meeting out consequences to deter them from our future attempt.

So I think this is an area that you would have broad receptiveness at the department and CBP to continue to improve and we'd like to work with you and your committee staff on those issues.

HOEVEN:

Well, your apprehensions drop by 30 percent from '14 to '15 but we need to understand how that relates to the number of individuals who tried to cross, right, to make that a meaningful number. And, you know, we're deploying all these technology that ranking member and I were down there last year and saw, you know, all the new technologies like you said, you know, unmanned, you know, RPAs, UAS, some of the technology that's been brought from, you know, our efforts in -- the war effort in Afghanistan and Iraq.

So helicopters, FLIR (ph), night flies, all this should start to give you a pretty good ability to evaluate, you know, how many are trying to come in and then how many you're in fact interdicting, turning back, apprehending. So when are we going to see -- and obviously, this is very important information for the public to know, to understand what you're doing. When do you anticipate we're going to see these kind of metrics?

MCALEENAN:

So, we can provide you our internal numbers. Our State of the Border metrics that include those sort of outcome estimates or interdiction effecting this right now. It is challenging as you know to collate the results from all that surveillance technology, former agents who are working the line, and capturing the number of total entries that they see. We've done that. We set it up by policy and

we've captured it rigorously for the last three years and we're able to see changes over time and report those to you and your committee.

What we'd like to do is expand our data sources to include estimates of crossings that we might have missed, despite the significant deployment, despite our ability to patrol the remote areas with aerial technology. We'd like to get even better at it and more refined. And that's why we'd like to continue to work with your committee on.

HOEVEN:

And where are we in that timeline of getting to something that you think really tells us what's going on?

MCALEENAN:

I think there are some really promising analysis that's been done, most specifically in the area of illegal crossing between ports of entry. It doesn't have the same results as our internal numbers but it's very supportive of the same trend lines and makes sense of what we're seeing operationally. That's what I believe is going to be presented to your team later this month.

HOEVEN:

Very good. Thank you.

Ranking member.

SHAHEEN:

Thank you.

Last week, Deputy McAleenan, you were with Secretary Johnson in Turkey and you visited a refugee camp and signed two bilateral accords to codify mutual commitment to working together to combat terrorism. I wonder if you could talk a little bit about those discussions and how you discussed managing the flow of refugees fleeing ISIS and Assad and also what you -- to what extent you were able to assess Turkey's commitment to helping to address what's happening with the refugee crisis there?

MCALEENAN:

Certainly. Thank you, Ranking Member Shaheen.

It was a very enlightening trip. I think it's a truism to say that if you really want to understand what's happening, you've got to go there and see and listen to the people on the ground doing the work to get a real sense of how it's being managed. And I think the secretary, his senior team and I came away with the sense that there is a significant commitment from our Turkish counterparts.

They are under pressure from a number of different angles right now. Almost three million refugees estimated to be in Turkey and many of them in camps that are largely funded by Turkish government funding, a number of them living in their major cities and needing support from, you know, human services in those metropolitan areas. And from our perspective, they were doing a very good job at organizing the response with support from the United States, with support from Europe.

And what the secretary and the team was able to see was how our colleagues at U.S. citizenship and immigration services are working with the United Nations High Commissioner for Refugees and with NGOs that are -- that are contracted by the Department of State to really vet those individuals that might be resettled in the United States.

I was very impressed with the immigration officers there for CIS, the asylum refugee officers, their ability to interview and question the applicants. It reminded me of our CBP officers and Border Patrol agents in their interviewing techniques and their capabilities to identify aspects of a story that maybe didn't add up, and I thought they were really approaching their task with significant diligence, understanding the risk.

SHAHEEN:

So can I -- I just -- I'm sorry to interrupt but can I just clarify. So was much of the discussion there about those kinds of interviewing practices and how to determine which refugees might be able to relocate in the United States or other parts of the world and how much of it was around strengthen border security measures?

MCALEENAN:

So I think we had -- we had two priorities; to see the DHS personnel and assets carrying out their duties which is the first part of the question. The second part was to really engage with the Turkish government on how can we advance forward in our information sharing, in our counterterrorism efforts, regardless of whether the individual refugee might be settled in the U.S., how can we support Turkey and its ability to address its counterterrorist and threats from multiple groups, not just ISIS and Al Qaida affiliated groups but PKK, DHKPC which is a Marxist Leninist group in Turkey that's also attacked the U.S. Embassy.

We'd like to work with them across all of those threats. And I think the letters of intent, now one signed with the Minister of Interior, one with the Minister of Customs and Trade really show that commitment on both sides to exchange best practices. You know, Turkey's encountered more foreign fighters attempting to enter Syria than any other customs and immigration force, so they've got a lot of lessons learned from those encounters that we'd like to borrow from as we share our advanced analytical capabilities, targeting tools and technology.

SHAHEEN:

So can you talk a little bit about what the follow up to signing these agreements will be?

MCALEENAN:

Absolutely. We have a series of expert consultations and training that's on tap for the next coming months, hoping to start really this month to really get going on some of the initiatives. We're going to be taking the next step in our watch list and information sharing as well as our targeting techniques, going beyond just watch list checking and using some of the rules that we use at our National Targeting Center to support their analysis on potential foreign fighters coming in.

And ideally, we could -- we could work together to vet not only U.S. bound refugees but other populations that are coming in to Turkey where they would like to check an identity and see if the U.S. government has any information on that.

SHAHEEN:

And do you expect additional costs in the budget as the result of these activities?

MCALEENAN:

I think within our general collaboration with State Department on capacity building with multiple countries in Europe and elsewhere, we have funding identified for these efforts. If we develop significant additional information sharing on refugee populations, we might be seeking additional support in future years from the committee.

SHAHEEN:

Thank you.

Thank you, Mr. Chairman.

HOEVEN:

Senator Tester.

TESTER:

Thank you, Mr. Chairman.

I want to thank Senator Cassidy for his courtesy. Again, thank you very much.

I want to thank both of you for your service and thank the people that work with you for their service also. This morning, I brought up with Secretary Johnson Port of Entry, I'm sure you've been briefed on. They're going to cut the American side, at least there's a proposal to cut it from 24 to 18 hours. I've asked that they take input from the public community and you have, and I appreciate that.

I was told that for -- there's two reasons. I'll get in to the second one in a minute but the first one was is that it was too hard to get folks up there, Custom and Border Protection folks up there and it could save some money. This is not applicable but I mean I've heard this line from the Postal Service for example. They say we're going to close the processing centers, it end up costing more money and it cost them 66 million bucks and it was -- they did it to save money.

I only bring this up because the Port of Entry is just one issue. Border security is another. It's not like you can pull people off that border and have it secure and s I just -- I bring that up to let you know that Prime Minister Trudeau is in town this week. Canada is our largest creating partner and continues to be and I think any of those ports up there that are 24 hours in nature are important if we're going to maintain and increase our ability to do business with Canada. It's just a statement for the record and for you to hear to take it back to your folks.

I want to talk about staffing for a second. We were told you couldn't get folks to get up there. And in the question, this is in the northern border in Northeastern Montana. It is rural, it is frontier. The question I had is does Custom and Border Protection have a plan to hire folks and keep them up there? You're not going to hire somebody from Miami and put them on the northern border and expect them to stay there.

But as I told Jeh Johnson this morning, if the recruitment is for people, if you at least make an attempt in rural areas, there's rural areas in North Dakota and New Hampshire and in Montana. You might be able to get folks who really want that job. These are good jobs, yes? I mean, they are good jobs. And so do you guys have a plan to hire folks to staff the northern border, as concise as you can?

MCALEENAN:

Very concisely. Yes, senator, we do. You've identified some of the challenges we face. Our earlier attempts at the broad recruiting announcements which had multiple locations open, we were getting people applying for locations where we didn't have high priority hiring needs. We're now focused on the southern border locations where there's vast gaps and those hard to fill northern border locations to augment that.

TESTER:

That's good. My recommendation would be just as I would tell any agency is go to where those people are. I mean, go to the university systems in Montana, tell these folks you're looking for folks. The wages are good wages, man. They got good benefits. Better than most jobs in Montana. Probably better than most jobs in North Dakota and New Hampshire. So you got some recruiting tools there to use at your fingertips.

The chairman brought up honey. Are you aware of how much interest is owed to those honey producers? That's the first question.

MCALEENAN:

Yes. My team is well aware of it and tracking that carefully.

TESTER:

That's perfect. So can you tell me when you're going to start to distributing the dough?

MCALEENAN:

Yes, sir. By the end of this year is the plan for those settlement agreements centered into after October 2014 based on the new legislation.

TESTER:

So it'll be fully -- it'll be fully distributed by the end of this year? The money will be fully out in the producer's hand by the end of this year?

MCALEENAN:

I'm told our initial distributions will begin occurring this calendar year and we'll keep the pressure on until that's completed.

TESTER:

I would -- I would -- I would ask that you do it ASAP if you're -- no matter what business you're, in if money helps you stay in business, so this is money that's owed. We should try to get it to them.

I have a question about the visa program and the overstays. DHS, I do not believe has implemented the biometric entry and exit plan yet and your own data says about 480,000 individuals overstayed their visas last year. I mean, the immigration is a huge problem. We've got some folks that are unpapered. I don't know how many million we've got now, 12, 13, maybe more than that, million?

The question is is when is this program going to be implemented, number one. And number two, are you confident if you implement this program you're going to be able to suggest the folks to go home when their visas run out?

MCALEENAN:

So in number one, we have made significant advances in our biographic exit and we've reported that. I think it was a milestone to get a report covering about 87 percent of visitors this year and we're going to continue to improve that.

In terms of the biographic exit, the secretary has given us a challenge of initiating implementation in 2018 at top airports, and we're going to meet that challenge. We're aggressively piloting biometric technologies that can work within current processes with air carriers. We're hoping to

pilot significant new approaches this summer with air carriers and we have ongoing land border pilots in process.

TESTER:

Got you. What about everybody else? What about the folks coming across by land and sea?

MCALEENAN:

For the land border, the idea is to target those crossing where we have significant people that are what we call in- scope third country nationals subject to the exit requirement to start identifying how we can use our facilities to route those folks through, just like we did frankly with NCIRS (ph) not so long ago with the aftermath of 9/11. That's our first step. It's very challenging as you know with the infrastructure on outbound lanes. So we've got a significant number of things that we need to work on in that set.

TESTER:

Well, I just, look, you guys are, I mean you do, you do a good job, OK? But the bottom line is if, I think this is really important. I mean we're having a, we've had an immigration agreement since I got here nine years ago and part of that immigration agreement is overstays on visas. And so if you can help us help you, please allow us to do that.

Mr. Chairman, thank you very much for your generosity and time.

HOEVEN:

Yes, 40 percent of the problem is visa overstays. So you're on something very important there, sir.

Senator Cassidy?

CASSIDY:

Sorry. I'm in strong support of the Jones Act and see it is important for many reasons not just domestic security but also the economy of our country. And I've worked with CBP and our Offshore Marine Service Association on meetings regarding this.

Now, what I am told by the OMSA committee, by the OMSA folks, is that although on the shelf there is enforcement of Jones Act, off the shelf there is not. Of course, this has economic consequences.

Here's a slide that I'll submit for the record, but it speaks of a U.S.-owned Jones Act compliant ship which pays a tax rate of 36.5 percent, 100 percent U.S. crew with U.S. compliance culture and here's a Norwegian-owned non-Jones Act compliant which has a tax rate of 0 to 15 percent with an entirely foreign crew and a non-U.S. compliance culture. So if only for the tax rate, this

becomes an important consideration. Obviously, if one's paying tax and the other is not, it is a competitive cost advantage for the ship that is not.

So the OMSA folks say that in the last few years they have given 13 different episodes which they have documented of violations of the Jones Act. I've seen some of these videos. They have a video of a foreign flagship with the number, dated, picking up goods being moved by a lift on to the ship and that ship's followed and that good is seen to be offloaded in the OCS, Outer Continental Shelf.

Again, they say that 13 of such incidences have been brought to your attention. Only one has actually been taken to the penalties being assessed and 90 percent of those penalties were mitigated. So their feeling is right now if you're a company that wishes to violate the Jones Act, it's just the cost of doing business because you have less than 8 percent chance of actually being busted. And if you get busted, then 90 percent of your penalty is going to be mitigated. So let me first kind of run that by you, get your, you know, kind of opinion of what I just said and then I'll have some follow-ups.

MCALEENAN:

Thank you, Senator. And the Jones Act, as you identified, is a very, very important tool, security and economy, something we work to enforce vigorously. A lot of complexity involved both with the type of movement, the type of vessel and the type of commodity or equipment that's being moved.

Appreciate your reference to the Offshore Marine Services Association. Commissioner Kerlikowske recently met with them and got a good sense of their concerns. It's something that we're engaging our interagency partners both at MIRAD as well as the U.S. Trade representative to see if there are options for kind of reviewing prior rulings and updating some of our findings going back to 2009.

In terms of complaints, we should be following up on all complaints. And we've also heard the concerns on the penalty mitigation that we're going to take very seriously. So I think it's an important issue. I know the commissioner has followed up I believe with recommendations from your office. And we'll continue to engage on this with our interagency partners.

CASSIDY:

Now, would it be fair to say then to the folks who've expressed concerns about this, again, kind of as I am told kind of a blind eye being cast to these violations that that blind eye will not continue to be cast and that penalties will be assessed in compliance with the law but of the nature in order to persuade others not violate the law? Is that a commitment?

MCALEENAN:

That is absolutely a commitment. There will be no blind eye and penalties will be commensurate with the violation. We can't always promise complete agreement on the assessment of the

stakeholders in the actual issue, but we'll work together to be transparent and communicate how we're approaching.

CASSIDY:

OK. Well, thank you for that answer and I yield back.

HOEVEN:

Thank you, Senator.

My next question is for Deputy Director Ragsdale and that relates to ICE removal operations. The number of individuals removed declined from 2014 to 2015. And so my question is for ICE removal operations, how are you, why is that and how are you prioritizing your operations and your activities?

RAGSDALE:

Thank you, Chairman, for that question. First of all, as you know and you've heard from Secretary Johnson, he issued a prioritization for the apprehension and detention removal of aliens for DHS in November of last year. ICE, of course, follows that guidance.

And if we look at our detained population now and over several snapshots over the last year, over 95 percent of the folks in our detention meet the secretary's priorities. So we are, we are following very closely a prioritization in the, in the descending order that have recent border crossers and criminal aliens the focus of our efforts.

As you've heard from the deputy commissioner, illegal crossings are down. We are obviously a responsive organization to the front-line work of CBP in terms of not only the number of people in our detention beds but overall removal numbers.

We also, as I mentioned, have worked over the last year to make sure that as many state and local jurisdictions who are incarcerating people who are foreign-born and removable are transferred to ICE.

We have over the last year had an accelerating challenge of having what we call to make street arrests. It is a much more labor intensive, officer time intensive occupation to go and find someone as opposed to having custody transfer from one institution to ICE.

So what I would suggest is while the number of removals may be down over the course of the last couple of years, the overall crossings were down and we do think that's a driver. And we also would say that the prioritization for public safety of the removal of criminal aliens and recent border entrants are our number one and two priorities and that also is driving not so much of the volume but the effectiveness and the impact of the focus on removal.

HOEVEN:

What are your bottlenecks?

RAGSDALE:

Well, the one very important driver here, ICE can only remove individuals that we have a final order of removal. ICE is not the decision-maker. DHS is not the decision-maker. We are a customer of the Department of Justice's Office of Immigration Review.

I would suggest that if you look at the scope of the DHS enforcement capability along the border and in the interior and the capability of EOIR to make decisions in a timely way, there is a disconnect.

You know, we have seen, for example, in our Newark office that if we file a removal charge and document the notice to appear in Newark, it may be a thousand days before that case becomes ready for an initial hearing. That is, that is a challenge for EOIR and it is a challenge for an enforcement agency such as ICE to get decisions quickly.

We certainly want to give people due process. There is, you know, many, many reasons to honor the rule of law. And certainly as we hold ourselves out in the global communities as responsible adjudicators of immigration benefits, we certainly want to be clear about. But I would suggest the process is slow and that is definitely a bottleneck.

HOEVEN:

Is it a shortage of judges? What is the...

RAGSDALE:

So I certainly don't want to speak for them. What I will just tell you from our experience that the size of that agency and the core of immigration judges has not materially increased in terms of onboard strength over the last probably decade.

I know they have hiring challenges as well and certainly know that their director's, you know, heavily engaged in this discussion. But in terms of overall throughput and there are number of cases that are pending, it's my understanding that their overall case docket in terms of pending cases has gone up.

HOEVEN:

How about, how are you dealing with your immigration fugitive backlog? Do you have a backlog of immigration fugitives? How are you dealing with that?

RAGSDALE:

So we have a facility up in Vermont that is our targeting center for fugitives and other at large criminals. We are using all law enforcement databases including information that is available in the public domain to find those folks. We're obviously prioritizing them based on the counterterrorism threat, based on criminal history. So we are working very heavily on those, on those folks. So they are absolutely part of our priorities.

HOEVEN:

So same issue that Senator Tester brought up in regard to CBP filling slots, I mean you have funding and authority for more customs and Border Patrol agents than you have hired. And he asked a question what are you doing to fill that backlog, what are you doing to hire and retain. Same question for you deputy director with ICE.

RAGSDALE:

So

HOEVEN:

What are you doing to get people in those slots so you can cover the backlog?

RAGSDALE:

A couple of things. First of all, at the

HOEVEN:

Keep those people, too.

RAGSDALE:

We love our folks. We know they're our greatest asset and we certainly want to keep them. We put a lot of investment in them and we want, certainly want to keep them.

We've done a couple of things. First of all, in the spring of last year, we knew we had about 1,800 people that the Congress gave us funding to hire and by the end of the fiscal year we had brought almost all of those 1,800 onboard. We have kept that pace into this fiscal year and done a couple of things.

We know we have two bottlenecks, to use your term, in terms of having a pool of medically cleared, interviewed folks in which to draw from and that is a function of our Human Capital Program.

We also have to make sure that we are doing appropriately a background screening in terms of suitability decisions to bring those people onboard. We have looked at sort of the throughput of

both of those two organizations. We are going to make some investments to the staffing and contract support in both of those two areas.

We have also kicked off hiring fairs, essentially a one-stop-shop particularly for our ERO law enforcement where the interview, the medical and the screening begins, so we are not waiting for this transaction back and forth between the potential employee and the agency.

So we are looking very, very hard at every single one of those cycle times. I have a meeting on it every week to make sure we are going to meet our hiring goals. I understand off the top of my head that we are supposed to reach 21,067 by the end of this fiscal year and we're going to do everything we can to hit that goal.

HOEVEN:

And Deputy Commissioner, one of the big concerns with your workforce is overtime, because you don't have all those slots filled and you're having trouble hiring and retaining. What are you going to do this year to address that?

MCALEENAN:

Mr. Chairman, thank you. There's really no area of our mission support efforts that's getting greater focus from the commissioner and from myself. Like Deputy Director Ragsdale, I meet weekly with our hiring team and have been, we've been really trying to drive this process forward.

I have various levels of detail I can go into. You know, I'll stay on the upper level and certainly can talk about any aspects you'd like to hear further. But we've confronted some significant challenges, one, our Border Patrol attrition has gone up significantly from a historical rate of about 3 percent and last year we saw 5.5 percent of attrition driven by primarily two factors, agents leaving for other jobs within CBP and with other agencies, primarily to get to other locations and for other agencies it's for pay, they wanted to maintain their AUO.

We also went through the data breaches with OPM and USIS which really delayed us two months in background investigations a year and a half ago and then had to get our new contractors onboard with new agreements.

We have low polygraph clear rates and a lack of full polygraph capacity, not enough federally certified polygraphers to keep pace with the requirement which we think is very valuable in assuring the integrity of our front-line personnel.

We're also dealing with a big change in unemployment from 9 percent to 5 percent between our last hiring surge efforts and competition with other agencies that are now aggressively hiring as well. We also had some internal challenges which, like Dan, we're aggressively working and fixing on recruiting and targeted recruiting and efficiency with handoffs.

So real quickly, the key techniques we're employing are hiring hubs. Instead of having our 11-step process take place sequentially across multiple offices, we're trying to condense the core of that

effort into a focused multi-day session in a location where we can do the interview, the polygraph, the suitability clearance and the medical together with our applicants. That's taken an average time to hire from over a year and a half down to about 160 days on average for our hiring hub applicants. We're going to continue to press that.

Enhanced recruiting both with our veterans and with universities as Senator Tester was referencing. That's increased the viability. We're getting a better candidate out of that process and also targeting those locations where we need them.

So, for instance, our Border Patrol agents, we used to need 240 agents for one successful onboarding, 240 applicants for one successful onboarding. We're now down to 195 to one and our CBP officers we've gotten under 100 to one and we'll continue with that effort.

Been to over 400 events with DOD trying to transition the veterans directly to our workforce, see if we can have reciprocity for their medical and several steps in their process. over 30 percent of our front-line hiring is driven by veterans transitioning and we intended to ramp up those efforts. We have more recruiting events in the first half of this year by 100 percent than we had in the first half of last year and we want to continue that effort.

So a ton of work going into this. It's a big challenge. There's some societal prevailing winds, if you will, in the environment vis-a- vis law enforcement and the overall strength of the economy outside of federal employment. But we're going to keep at it and try to improve aggressively.

HOEVEN:

Yes. And very important issue for the morale of your workforce as well so it does need your full time and attention. And you mentioned the focus on reaching out to veterans and I think that's a good initiative and I strongly urge you to continue to do that.

Ranking Member Shaheen?

SHAHEEN:

Thank you.

And I appreciate the details of what you're talking about, the efforts to hire more. But given past history and given some of the challenges, do you think it's realistic to think you're going to be able to hire the number of employees that are proposed in the budget request?

MCALEENAN:

In the, in the '17 budget request, I think so. We've tried working with your staff, with OMB to come up with a realistic estimate based on the pace of our hiring. We're getting very close to our targets with CBP officers. By the end of the year we think we'll be within a few hundred officers of our authorized - with the Border Patrol agents, we're trying to arrest the attrition that's causing the decline and get that going in the right direction.

And so our '17 request reflects modest success in doing that, not our full target and goal which we're still pursuing. So we try to calibrate that right. We're looking forward to hearing your team's reaction to whether we got the number right, but that is a high priority for us.

SHAHEEN:

I guess I would say much as I support and appreciate the efforts underway, I still have reservations about whether you're going to reach the numbers. And given that, what would be the, what would be the priorities for those funds if you can't reach the numbers that you're hoping to? And why should we not take those dollars and use them some place else in the budget from DHS?

MCALEENAN:

I would offer, Senator, that we would have critical priorities that could advance our capability for border security and not necessarily achieve it with personnel but achieve it with technology, for instance, the surveillance technology investments we're making.

You may have also seen in the '17 request we have made an explicit tradeoff between 300 Border Patrol agents and the vehicles and radios we need to keep them safe and make them effective in carrying out their duties. That was a challenging analysis for us.

But we believe given the state of our hiring and given the need to avoid having personnel with no equipment that we needed to make that investment. We have several other targeted investments we could make on the core technology and mobility equipment as well as the surveillance for agents. The other place is the targeting which extends our capability for our officers extensively.

SHAHEEN:

I did see the nightly news program that showed the use of forces on the southern border. That was a very positive view of CBP and its efforts to be creative so I do applaud that.

I guess I would say the same thing, Deputy Assistant Director Ragsdale, about ICE and the concerns that I have about your ability to hire. And I know that we're encouraged by some of the gains that you've made so far this fiscal year, but my calculations are that you're approximately 2,000 people down in terms of outstanding vacancies. So what's the plan to replace those folks? And what are you looking at if you can't do that?

RAGSDALE:

So we made a real press, as I said, last year and hired about 1,800 people from March through the end of September and we've kept that pace going. So I think the...

SHAHEEN:

Can I ask though? It's my understanding that some of those, a good percentage of those people were from CBP that were hired.

RAGSDALE:

So without doing violence to my partner here, it's true that when we put out both announcements for both our ERO officers and our HSI special agents, we do draw out from other partners in the department. I'm happy that they stay in the family in some ways, but...

SHAHEEN:

Sure, but it doesn't get us to the bottom line that we're trying to achieve.

RAGSDALE:

It does present a challenge to my colleague, I agree. So we have a range of announcements obviously both within DHS and now we also rely heavily on our, on veterans. We have several programs, our Hero program, Wounded Warriors that are also, you know, in those streams.

You know, we have prioritized this. We have a smaller overall numerical challenge than CBP does. I am optimistic particularly as I said earlier that the men and women of ICE are our number one asset and we know we can't get the work done without them, that this will be priority.

In terms of, you know, what will we, what will we do with the money, you know, hopefully that would be a very small amount. You know, we, in terms of the ERO piece, you know, the largest piece of our spending ERO is detention beds and that will ebb and flow so we will certainly see what the apprehension with demand is. And then for HSI, those either go into investments to, again, train and equip our folks. So all of those things are in the service in which you've appropriated them.

SHAHEEN:

So I know that the unemployment rate has gone down and, we all I think would agree that that's a good thing. But we still have significant number of people who are no longer looking for work who don't have the job skills that are needed. So what's the issue here in terms of, I know the process is challenging because of everything that's involved, the drug testing, the, all of the other testing that's involved in getting people onboard. But are we not paying enough? Is it that people don't know enough about the agencies to have an interest in joining? I mean I know that we have lots of people in New Hampshire anyway who are interested in going to the police academy and joining law enforcement and so why can't we get the number of people that we need to hire to fill these positions?

RAGSDALE:

So I'll just take one stab at that. You know, it is not a volume question of us getting applicants. If we put out street level announcements, we have thousands of thousands of thousands, even tens of thousands of applicants.

Suitability is an issue and we obviously want the right people with integrity in law enforcement jobs, the solemn oath and we certainly make, you know, we take very seriously the screening process.

The challenge I think will be fair to say is also sort of retention piece. At ICE, I mean particularly in our, in our enforced removal operations, we do an overtime issue with uncontrollable overtime that is an antiquated system. It is, it is a morale problem. It is a retention problem. It is a real challenge. We look that, you know, for the modern system that, you know, Border Patrol has and we see we're an outlier without it. That does not help not only keep folks that I'd say fully happy about their jobs, but also it doesn't sort of represent a modern 21st century position when the law enforcement overtime is not a modern system.

So, you know, the attrition piece is much of a challenge. I think the entry level folks can be a managed problem, but we want to keep the folks we've invested so much in.

SHAHEEN:

Would you agree?

MCALEENAN:

I would agree with all those points. And also, to your direction, I mean, it's a tremendous career. I think we need to do a better job of explaining the opportunities and the excitement around this. We have officers and agents in all 50 states, in 75 locations in 60 countries doing all sorts of interesting, meaningful, and mission-related work and that's actually the feedback. We continue to get the positive side of our surveys.

I think as Dan alluded to, the standards are very high. We are seeing applicants with a higher degree of recreational drug use than in prior years. That's a challenge for our standards as well as the polygraph clearance. The other piece for CBP is the locations. We need people in remote border locations, southern and northern, and we're competing with agencies that are hiring in Fairfax, Virginia or New York City or Nashua, New Hampshire.

So, it's not as straightforward. We do need to tell our story better. I think when we did the surge for the Border Patrol, really aggressive recruiting campaign out there in the media, got a lot of excitement around the career and the interest. I think we've got to look at some of those techniques and really push the recruiting side, tell the story.

SHAHEEN:

I would say though -- I would echo what Senator Tester said because in Northern New Hampshire where we have the -- a point of entry, those jobs, there's a lot of interest in those jobs. In Northern

New Hampshire, it's very difficult to find jobs that are that good, that pay that well, that have those kinds of benefits. And so, there's a great deal of interest.

So, I would hope that we are encouraging the local population where there are job openings available to apply and looking very hard in how we can accept them in those positions.

Thank you, Mr. Chairman.

HOEVEN:

Senator Cassidy?

CASSIDY:

I'm sorry.

If there is someone who has committed a crime, who's here illegally, commits a crime, it goes into and/or as an ICE detainee or as otherwise a ward of the state or the Federal Government. I gather that when they're released from detention even if they've committed a crime, if they've done their time, they're not automatically deported rather that they enter back into society. Is that correct?

RAGSDALE:

So, thank you for that question.

Folks that ICE detains, we only release if we can't remove them. So, we are not doing anything in terms of releases when we can in fact take that person with a trial (ph) document, with the final order of removal, and remove them to their country of nationality.

CASSIDY:

Now, if for example they're arrested by the State of New Hampshire and they've committed a crime and they do six months in a New Hampshire jail or prison. They're here illegally. They're released. They're not released and deported rather, even if they're detained, you would need a document to deport them, correct?

RAGSDALE:

So, that's exactly right, Senator.

So, again, ICE is not the decision-maker of that context.

CASSIDY:

I get that. You all made that point very well and that's been very helpful to me.

My concern is that there's a class of offenders whose record remains with them specifically sex offenders and that's Adam Walsh (ph) and a lot of other laws. So, let's assume that either ICE releases someone from ICE detention or a jail or prison releases someone and ICE is aware that they're here illegally, but you have no papers to deport.

What is your mechanism of notifying law enforcement wherever that person plans to reside that a sex offender is coming into their community?

RAGSDALE:

So, we have over the last fiscal year implemented a system we call LENS, the Law Enforcement Notification System and we have implemented that in all 50 states. And when ICE releases a person from our detention capability to a state and local jurisdiction, we notify that state's criminal justice agency of that person being released in their community.

CASSIDY:

Now, let me ask. So, my staff though tells me that LENS only speaks with the state and not with local law enforcement. So, if they're moving to my hometown of Baton Rouge, it isn't that the East Baton Rouge Perry (ph) Sheriff wouldn't be notified or the BRPD rather the state would and you'll rely upon the state to filter that information down. Is that fair?

RAGSDALE:

Sir, that's exactly right. However, just based on sort of the sharing of what I'll say is criminal information history and other biometrics, it's done at what I'll say is the architecture you've described. But we are working hopefully by the end of this fiscal year, early into next fiscal year to have the LENS system speak directly to the Baton Rouge sheriff that you've described.

So, in other words, we will sort of eliminate one level of that processing that there is direct connectivity between the LENS system and the state and local jurisdiction.

CASSIDY:

And that was my concern because as I gather, not every state has a sex offender registry which presumably means that every state does not necessarily have the seamless communication like that. The local police department is notified that (ph) of which the state knows. And so, by this, you're saying you'll communicate on multiple levels simultaneously.

RAGSDALE:

So, that's correct. And the aperture is much broader than just sex offenders. These are people with criminal records that run a range of offenses. So, the principle is really quite simple which is, you know, to the extent we have to release people and there are some law, court decision, or the fact that we can't remove them, we have to do that. We obviously want to share as much information with our partners as we can.

CASSIDY:

Now, let me ask -- let me go back to the basis -- the beginning basis of this against the statistic I have from the Center for Immigration Studies is that there is about 36,000 convicted criminal aliens freed from ICE custody in the previous year. Many have multiple convictions.

Of this 36,000, there are nearly 8,000 convictions. Why is it so hard to deport someone who's got in some cases multiple offenses? Knowing that you're not the decision maker, can you tell me why -- what is the hold up of a judge saying "Boom. You're out of here. You committed...", you see what I'm saying?

RAGSDALE:

I surely do. What I can tell you is that number fell to under 20,000 for fiscal year '15. It was a little over 19,000 releases. So, we have certainly tightened our internal processes in terms of folks that we will attempt to detain.

But, you know, whether it's the ninth circuit, the first circuit, the third circuit, there have been federal court decisions. There have been challenges in habeas corpus court proceedings essentially challenging immigration detention. The authority we have to detain folks is intended to removal. So, if there's not a removal order from an immigration judge...

CASSIDY:

That's not what I'm asking -- almost seems like Kafka's here. I mean, we got somebody who we know have committed a crime, who's here illegally, but somehow there's not the coordination between the -- let's assume that they are incarcerated in a local jail or prison -- a state prison, it just seems like six months before they are to be released, you would begin proceedings in order to deport them.

RAGSDALE:

So, we absolutely do that, sir. We've had -- for decades, we've had that program. And in fact, the -- we've also -- what I'll say is expanded our relationship with the Bureau of Prisons that every single person who comes out of the Bureau of Prisons who is a criminal alien comes to ICE and we screen them to make sure that the removal process should not -- what I'll say is take precedence over what could be an old criminal charge where there's a warrant that's pending. So, we solved that problem.

All I can say is, as I said earlier, I think there is a throughput challenge with the (inaudible) dealing with the immigration courts and as a non-decision maker in this process, I certainly would argue on their behalf that speedier adjudications and on the folks and the population you've described in particular would be time and effort well spent.

CASSIDY:

You've been incredibly diplomatic. I feel like there's another story we could have if it was off the record. So, I'll buy you a beer one time. We'll have a conversation. I'll buy you a six-pack -- two six-packs.

I yield back. Thank you.

HOEVEN:

I want to talk about detention beds. You're reducing the number -- and so, I'll direct this to Director Ragsdale. You're reducing the average -- or the total number of detention beds. Now, for -- you just got done I'm talking about the PEP enforcement program, but for that work you need to have those beds.

And so, given that you're actually reducing below your current census, how are you going to manage that and how are you going to make PEP work as well as, you know, these other programs you've been talking about for your removal operations?

RAGSDALE:

Well, so thank you for the question, Mr. Chairman.

A couple of things which would -- first of all, you know, we know that, again, with the length of time it takes for immigration judges to make decisions, there is essentially an increased throughput in our detention beds. In other words, the number of folks who go through immigration proceedings while in detention is roughly about 10 percent of the active cases.

So, we are trying to calculate what we need in terms of detention based on flows across our border, releases from jails and institutions, and some level of seasonality. So, you noted earlier that the number had been higher earlier in the year, but then, by mid January, the number was back down to around 31,000. We expect to see that number fall as the weather gets warmer in the southwest and the yearly average to be essentially in line with the past.

As I said, you know, in the ninth circuit in particular, with the Rodriguez decision, we have presumptive period of holding someone for six months regardless of whether or not they're subject to a type of detention that's considered mandatory. In fact, once that we hit that 188th day, the burden shifts to the government to try to hold on to that person despite what could be a rather egregious criminal record.

So, we are trying to use our detention beds in the smartest way possible both for adults and families, and that is a number that is flexible and were just not prescribed to be one type or the other. So, we have some ability to be nimble there. But I will also tell you that particularly as it relates to detention beds, the return on investment for our international operations where we have our investigative units in the Caribbean, the Dominican Republic, I was just there, in Honduras, El Salvador, and Panama, and Guatemala where we have local prosecutors, local police officers dismantling the smuggling organizations.

That is far better -- a far better service to the taxpayer that keeps those people from coming here to begin with as opposed to putting detention beds only for having a bond decision while they wait for a hearing that may be many years away.

HOEVEN:

The cost for one of those agents is three times the cost for your domestic agents. So, are you -- do you have the statistics to back that up because to make that case, you're going to have to show the benefits in these other costs.

RAGSDALE:

So, sir, we are working very diligently on that. And here's what I'll suggest. Our international program is absolutely an important part in in-service of our domestic investigations. So, we are a smuggling investigative agency. We know there is border nexus in almost all of the cases we investigate.

But from a homeland security perspective, stopping the flows of contraband and people who are not authorized to come to the United States at these various choke points whether in Central America, whether in South America or around the globe and Europe is a far better outcome than sort of waiting for folks to get here and then trying to detain them.

HOEVEN:

And that makes sense, but how are you evaluating the effectiveness of those people so that we can compare the cost and the benefits relative to your domestic operations?

RAGSDALE:

We will be happy to work with your staff on those metrics.

HOEVEN:

It does make a lot of sense. But you've got to be able to track it and demonstrate it, you know? So, prevention - ounce of prevention pound of cure, I mean, it does makes sense.

RAGSDALE:

That's correct.

HOEVEN:

But you still have to be able to track that effectiveness and quantify it somehow.

RAGSDALE:

That's exactly right.

HOEVEN:

Same thing for customs border protection.

RAGSDALE:

It is essentially, you know, a version of pushing the border out that just operates in many effective ways and we certainly want to work with you on that.

HOEVEN:

Right. And I think that's a good case to make, but we have to make it effectively. So, when we're putting this budget together, we can say, "Yes, that's the right resource allocation."

RAGSDALE:

Yes, sir.

HOEVEN:

Technology, I'd say for both of you, in terms of technology, where are you relative to where you want to be with getting the right technology and having the right -- you know, adequate technology and the right mix of technology with your people?

RAGSDALE:

So, we've had a couple of, what I'll say, success stories at ICE. We have modernized for our general counsel program, their case management system. We did that with a commercial off-the-shelf system, a very small in the relative scheme of things, but certainly something that has made the lawyers much more effective and in terms of the litigation processes.

We're on the verge of modernizing our investigative case management system used by our criminal investigators and partnership with CBP. We're going to have, what I'll say, is a modern case file that will replace a green screen that the agency use now. There's certainly some irony to sending somebody who was born in the 1990s to look at a computer with the green screen. So, that is something that will disappear this year.

For our ERO program, that is where we are working and have worked closely with your staff to get a modern system. We have a system that was actually released not that long ago in the scheme of things, in the mid 2000s, but it does not capture all the information about the folks encountered by ERO that we are so often queried about. It is an encounter-based system. It is based on sort of transactions that officers update often manually with narrative fields.

It does not well -- particularly integrate well with sort of the criminal justice information and geographic information and sort of release information which is often what our stakeholders and overseers want to work and get information on. So, we are working to modernize that system. You've given us what I'll say is a money to start that analysis. We will certainly work with you to come back as we sort of formulate the proper requirements.

HOEVEN:

How about on the CBP side?

MCALEENAN:

So, I'll cover a couple of different areas quickly and can drill done.

HOEVEN:

Priorities on technology and where you feel you are in terms of having the technology need to do your job.

MCALEENAN:

Absolutely. So, on the targeting and analysis side, with this committee's support, we've made significant advances on the analytics for evaluating risk. The key area we're continuing to develop is to how to interface our low-side information, our unclassified information with classified data to get a broader picture on threats. That will be a continued effort, so, doing well on class, more effort on the high side.

With our trade environment -- the automated commercial environment is making tremendous progress. We are working to get everybody into this single window by the end of this calendar year. That core technology is near completion and going well.

On the border security side, I think we got the right plan on surveillance. With the integrated fixed towers, with the mobile surveillance capabilities, we need to keep implementing it. The next frontier and challenge is tunnels which we'd like to restart in '17 with your support after our pilot efforts with SNT (ph).

Biometrics, entry exit, the pilots we're doing, the ability to do iris, to do better facial recognition, biometrics on the move -- that's going to enable us to get to that exit system that we all want to achieve. And the challenges we see coming forward are the recapitalization on technology that's been hugely valuable to us -- non entries of inspection, the gamma imaging devices, the radiation detection, portal (ph) monitors. That's going to be a challenge in the years ahead, to sustain that capability and we're looking for ways to do it cheaply to extend life and to handle that mission.

HOEVEN:

Senator Shaheen?

SHAHEEN:

Assistant Director Ragsdale, ICE has created a number of anti-trafficking coordination teams at locations around the country. Unfortunately, no team has been created on the East Coast, north of Atlanta. And I know that we've put in some language to study and report back to us on the feasibility of creating additional teams.

Obviously, this is an issue that we have a great deal of concern about in the northeast because trafficking is a very big issue. So, I wonder if you could tell us what the status of the study is and when we should expect it and if it's going to make any recommendations that might suggest that we have reason to believe that we would get some additional resources to help us with this issue.

RAGSDALE:

So, thank you for that question. I mean, human smuggling is one of the crimes that calls out across every person who is acquainted with just the violence and the treatment of another human being as something that certainly requires our great attention.

You know, we have worked both within DHS for the Blue Campaign, our own internal footprint working with DOJ and their agencies to make sure that the enforcement of human trafficking laws makes sense.

I know we're looking at teams in the northeast. We'll obviously work with our partners in the U.S. attorney's offices to make sure that we have the resources in the right place. So, I will get back to your staff with a recommendation on what we see in the northeast. But our office in Boston, our office in New York which covers -- and New Jersey, I should say, and Philadelphia for the higher northeast, covers human trafficking as one of their critical components.

Every major sporting event, you know, those types of things that where we see increased demand for vulnerable people, we are bringing our investigative capabilities to bear.

SHAHEEN:

And so, is there actually a study underway based on what we put into language that we put in that we should expect to see at some point?

RAGSDALE:

Yes.

SHAHEEN:

Do we know when?

RAGSDALE:

I will have to get back to you on the when.

SHAHEEN:

OK. Thank you. I appreciate that.

I want to go back to my initial comments in my opening statement about the challenge that states throughout the country are facing with respect to the heroin crisis and it's really been driven in large part in much of the country, I think, by the addition of opioids which have turned out to be very addictive and people -- at least what we're seeing in New Hampshire is that people get addicted to opioids and then they switch to heroin because it's cheaper and easier to get.

And what we've seen in 2014 is 47,000 Americans died from opioid and heroin overdoses. And as I look at the ICE efforts to address this, I see that in 2015, you seized about 7,500 pounds of heroin and so far this year, about 1,600 pounds which sounds like a lot, but the question that I have is if you had more resources, could you do better? And in those figures, does that include what is seized by the Coast Guard as they're doing drug interdiction efforts offshore?

RAGSDALE:

Narcotics investigations are still our largest investigative discipline at ICE. In fact, it's almost 25 percent of our investigative hours. So, there's no question. It remains a critical effort.

In our strategic plan from 2016 to 2020, organizations that smuggle heroin, synthetic drugs, opioids, meth, are absolutely a focus. We've opened in the last five years about 950 investigations involving organizations that smuggle heroin. In that same period, we've probably seized about 24,000 pounds of heroin. The seizure number is a good news story, but it also demonstrates the volume of heroin that in fact is...

SHAHEEN:

Right.

RAGSDALE:

... out there to seize. We have 16 -- what we call our significant case report, these are either (inaudible) targets that are agreed upon by an interagency group to be targets of by volume of narcotics being moved. In the last five years, we've dismantled and disrupted in a material way eight of those 16 organizations. So, we are certainly putting our efforts on the heroin problem. You know that the administration has put efforts...

SHAHEEN:

Right.

RAGSDALE:

... into both supply and demand and the law enforcement is one critical piece of that and any organization that smuggles heroin across our border as well as, again, the TCIUs I mentioned are also focusing on organizations that smuggle heroin as a critical piece.

You know, the law enforcement responds and the interagency with OCDETF with the attorney generals taskforce, we are material supportive of those and we are heavily invested in. I can't say that more agents would not let us do more work. Of course it would, but I'll just note that solving the problem probably is a little broader than just law enforcement.

SHAHEEN:

Do you want to speak to that, too?

MCALEENAN:

Yes, briefly. We're really concerned and focused on this threat to our communities as well and have unique perspective working for the former Office in National Drug Control Policy leader in this effort.

For CBP, it's two main pieces -- interdiction at the border which you saw on the radar with our K-9s, with our X-ray equipment, supported by targeting. I should note that I mentioned they were making progress in response to the Chairman's question on our sophisticated analytic techniques. We are using those against the narcotics threat most effectively both in cargo, as well as passenger vehicles. About 30 percent of our seizures of hard narcotics and especially heroin are driven by those advances in targeting.

Last year, we had 2,744 kilograms, not pounds, seized which is up about 70 percent from five years ago. So, it's a main focus for us. I agree with Dan's comments on the interdiction's not going to get us there alone. And that's why the second piece of our effort is support to investigative taskforces using our targeting and counter network capabilities.

The Joint Taskforce West that the secretary established has identified 19 priority transnational criminal organizations threatening our southwest border and that's where most of the heroin is coming on our land border, about 70 percent of it. Three of the top five of those 19 and one-third of the priority networks are involved in trafficking heroin. And so, I can tell you that if we're looking at what investments can make an impact, it's in that interagency investigative taskforce model and applying CBP's insight into the data to support eliminating those networks. And that's part of what the 40 additional targeting center personnel we requested in 1'7 would go towards is enhancing our counter network support.

SHAHEEN:

So, there've been a number of news reports that have talked about the engagement of ISIS and other terrorist groups in drug trafficking and smuggling as part of financing their operations. Are we seeing that as, you know, the kind of analysis that you're talking about?

MCALEENAN:

I think we are. And I defer to Dan as well as the comment but I think there's a recent significant operation in France and with tentacles into multiple nations. It was DEA led but supported by CBP's counter network efforts in identifying the members of this group. I can send the information to your team. It was very significant and impactful coordinated with funding for international terrorism.

SHAHEEN:

You want to comment?

RAGSDALE:

This is probably not the full and appropriate place to have this discussion.

SHAHEEN:

No.

RAGSDALE:

However, what I think the lesson is that whether it's ISIS or any other criminal group or terrorist organization, they will do whatever they can say -- to make money. We've seen smuggling of cultural antiquities, smuggling of people and smuggling drugs.

So we certainly can offer a more detailed briefing but I believe my colleague that, you know, it is only a question of dismantling organizations from a global perspective that we really bring some, I think, impact here.

SHAHEEN:

And, so, you're working with the Justice Department, obviously with DEA. Are you also working with our military as you're looking at those kinds of networks in trying to disrupt those?

RAGSDALE:

So, certainly in Central America and, you know, downrange, absolutely. We are also working with Department of State's International Narcotics Law Enforcement. They have been a huge help. We'd be nowhere near where we are in our investigative efforts without their help. So it is certainly the -- again, the (inaudible) agency.

SHAHEEN:

Thank you. Thank you. Mr. Chairman.

HOEVEN:

All right. I just have a few questions here and then -- that will take care of questions that I have for today and Senator Shaheen, certainly I offer an opportunity and others if you may have. First one relates to the national targeting center. It looks to me, like, between \$35 and \$40 million increase for the national targeting center.

Commissioner, if you could touch on why you need that, what we're accomplishing with it, how are we doing with the targeting center?

MCALEENAN:

Absolutely. So, the targeting center's development from a local phenomenon prior to 9/11 to what it is today as an interagency center of excellence supporting multiple missions for DHS and our partners in the counterterrorism, counternarcotics, and intelligence space has been, I think a real success story in the Department of Homeland Security.

And it's built on the unique aspects of CBP, because of our position at the border, our regulatory abilities, we have information on the global travel cycle and global supply chain that other agencies simply don't have access to. And we have the authorities that we can wield in support of the analysis of that data to inspect cargo, to stop, detain and question individuals without a warrant, so it's a unique combination.

Additionally, we've been working on risk management concepts really for 225 years. Since the founding in trying to pick out those people and cargo shipments that might present a risk as they're crossing our boarder. And then fourth is the power of the partnerships.

Because CBP doesn't have investigators that are doing, making arrests and supporting prosecutions, we're very neutral, we have our number one investigative partner in HSI but we were able to support FBI's counterterrorism mission, DEA's counterdrug mission, Treasury's seizure of assets using the information and the Counter Network Analysis ability that we have.

So it's -- and we support Coast Guard in its passenger analysis, support Department of State in its visa work, support TSA in its aviation security. So these are all capabilities that have been built around those four fundamental aspects; the data, the authorities, the risk analysis and the partnerships.

So what these additional officers are going to enable is we've worked very hard especially post-the Christmas Day bomber on 2009 to really move our threat analysis prior to departure toward the US for passengers. We had already done that for cargo in the aftermath of 9/11. That's created significant transactional work to process potential matches, to analyze rules hits, to make

judgments on whether a traveler might present a risk before they board. So that has kind of taken the full capacity of the NTC.

What we'd like to do using the increased analytical capability of our systems that you've supported is augment with additional officers to go after these networks, heroin smuggling, trade violations as well as our priority that we're -- they're fully resourcing on foreign terrorist fighters.

So it's really extending a capability that's unique in the interagency, that's proven dramatically effective and has supported many of our partners primarily starting with HSI and their investment with agents at national targeting center.

HOEVEN:

The inspector general issued a report in January. It was critical DHS as well as HHS. In regard to the implementation of the Ebola screening process, with the Zika virus, what have you done to make sure that we don't have some of the same problems?

MCALEENAN:

Absolutely. We'll have to rigorously watch that. You know, I reviewed the report carefully and appreciative of the I.G. noting that we responded very quickly to a new crisis. And actually, some of the concerns they cited were actually reviewed before the travelers were released. We managed to screen 42,000 travelers at ports of entry around the country focused on five priority airports.

Ebola is a disease where the Centers for Disease Control advised us that we had an opportunity to potentially identify affected people during their border crossing. If they were symptomatic, if they had a high temperature, we could identify them. Additionally, the key value there was tracking folks from Ebola-affected countries in the addresses and destinations they were going to.

If they became infected, that would support disease analysis by CDC. For Zika, we've gotten different advice, given the lack of symptoms that 80 percent of people infected demonstrate, border screening itself is not very -- is not supported by the symptomatology of the disease.

So what we're looking at is ensuring that around our facilities where we detain people that we have good mosquito suppression capabilities, that we're giving the right information to our personnel that work in Puerto Rico and the US Virgin Islands and other places where there has been Zika transmission.

And certainly, if we're called on to support our Health and Human Services partners in a response if the disease changes its manifestations we would absolutely jump on that.

HOEVEN:

Last question, in regard to the honey producers, do you have an inventory of what's owed, what's been collected and what they can anticipate in terms of distributions and when?

MCALEENAN:

Yes, we're tracking all the cases that have been settled to date as well as those outstanding in doing the calculations of both the fundamental principal and the interest. That's been the key advance and the change in the statute. So, there's a team in of our Office of Trade that's working those issues.

Additionally, Chairman, you've raised that the changes in the new customs bill of you will, it's our shorthand for the Trade Facilitation and Trade Enforcement Act. A lot of focus on the threat of dumping to our domestic honey producers and we're tracking closely the need to have the right personnel dedicated to that mission.

The database of the individual characteristics of honey depending on the country of origin so that we can have our labs and scientific services work with the FDA to make sure we're tracking that effectively. And then we owe you a report, I believe in less than six months now on how we responded to the guidance in that bill and we're working that aggressively today.

HOEVEN:

Okay. What have I not asked you, Commissioner McAleenan, or you, Deputy Ragsdale, that you would like to bring up? And that -- is there anything you want to make sure we cover that we have not?

RAGSDALE:

I would thank you just for your support and just, you know, to note that the attrition piece is really a challenge. I'll just add one more exclamation point on that. The overtime issue for our workforce folks is going to be a challenge until we get a change in legislation.

And I just feel that it's worth noting how important that is for our workforce whether it terms of morale and retention. So I appreciate you've already asked the question but I'll just take this opportunity to put that one more exclamation point on that. Thank you.

HOEVEN:

Commissioner, your concern, anything else?

MCALEENAN:

My staff might question my sanity for taking you up on that opportunity, Mr. Chairman. But I think there's one area we haven't talked about. It's our transformation in our processes to welcome travelers at our international airports. It's been really a hallmark of CBP's efforts for the last several years.

In the last three years, traffic has gone up almost 11 percent at our major international gateways and our wait times have gone down over 15 percent with enhance security and that's been a

function of technology. Expanding global entry, using automated passport control kiosks, using mobile passport control, and really partnering with the private sector with the authorities this committee has given us to do reimbursable services agreements so we can have targeted CBP officers exactly when the airports need it to provide better service.

So, the results are supported in the traveler surveys. In 2012, only 63 percent of travelers felt like they waited less than 15 minutes, now that number is 88 percent, 93 percent felt welcomed because enjoy interacting with the technology, being part of the process. And so I think that's -- your committee's support has really push us forward in this area and it's been an important success for the department in CBP.

HOEVEN:

I've seen that as a traveler. And then when we were down in the border last year, we went to the international airport in Houston and the technology you had in regard to the international travelers as well as just the systems and the personnel. It was impressive with what you've done there.

And, so, yeah, I think it gives us a glimpse of what we can do with the right mix of people, technology, and process to get this right, one way to go with that good exemplar of something you've done very well. Appreciate it.

SHAHEEN:

I just have one last issue that I want to raise because this came up at a hearing last month before the Senate Special Committee on Aging. And one of the things that I've tried to do over my time as a senator is to help educate particularly seniors in New Hampshire about some of the scams that are out there that trying to fraud seniors because they are very giving and want to be helpful when someone calls and says this is the problem.

And I know that one of these scams has US citizens who are unwittingly coerced to act as drug mules. And, so, I just want wonder if, Mr. Ragsdale, if you could talk about some of the efforts that you have underway to break up those kinds of scams and to educate people about what's out there.

RAGSDALE:

Thank you, Senator. A couple of thoughts; first, you know, we've worked with the Committee on Aging and our international partners sort of the telemarketing fraud. We know that it's very easy to fish for information over the phone. There are certain demographics that are more likely to give information remotely.

So we've worked our Cyber Crime Center that we've recently expanded to support what I'll say is an outreach effort. You know, we've done that both in terms of children being safe online. We've also expanded that to seniors. You know, we've worked with your international attache offices in the Caribbean and around the United -- or domestics around United States to push some of that message.

You know, being safe online, being safe when folks call and having sort of a smart behavior is part of our outreach campaign and we will just continue to do that. And likewise, we would also continue, you know, the financial investigations that we, you know, it's our second largest investigative area, it's a big part and, you know, protecting our vulnerable senior citizens and children online and sort of over the phone is absolutely a priority for us.

SHAHEEN:

Well, I would applaud those efforts. I think those are the kinds of efforts that the agency does that the public doesn't often recognize and, so, it's important to provide that kind of protection. So thank you all.

RAGSDALE:

Thank you.

SHAHEEN:

And thank you both very much for your testimony today.

HOEVEN:

All right. With that, that will conclude our hearing today. And, again, I want to thank both of you for being here today and for the important work that you and everyone at your agency does.

The hearing record will remain open for two weeks from today. Senators may submit written questions for the record. We have some witness respond to them within a reasonable length of time.

And with that, this subcommittee will stand in recess.