

Hearing Transcript

Senate Homeland Security and Governmental Affairs Committee Hearing on President Obama's Fiscal 2017 Budget Request for the Homeland Security Department

March 8, 2016

R. JOHNSON:

Good morning, this hearing is called to order.

Let me first thank Secretary Jeh Johnson for coming before the committee, I know you've done this a few times and I know you've also -- did a little bit earlier than necessarily you wanted to, so I truly appreciate that. I also want to just thank you for your service. I can't imagine this is a real thank-filled position; it's a serious responsibility. I know you're a serious individual and you're trying to do everything you can to keep this nation safe and secure.

So, we really do appreciate your efforts working a difficult agency, difficult department. It's never easy to consolidate 22 different agencies, different cultures. It has taken some time to do it, but I think you've brought the right approach to the job here, so I truly appreciate your efforts. For own part here, I want to thank all the members of the committee for coming here, it's an important hearing.

When I became chairman, sat down with the former chairman, now my wingman, Senator Carper, and the first thing we did is -- because of my business background, I thought it was very helpful to have a mission statement. And so, we developed a mission statement for the committee, it's pretty simple; to enhance the economic and national security of America. You can't separate those two, they go hand-in-hand, and then based on that, on the homeland security side of the committee, we established five priorities.

Nothing really -- and I'm not saying these are the orders of the priorities; they're all top priorities -- but border security. And we've held 14 hearings on border security alone; we've taken trips down the border, to Central America. The border is not secure. Cyber-security -- as General Keith Alexander said, it's the greatest transfer of wealth in human history, these cyber attacks. And so, this committee working in a very bipartisan fashion passed the cyber-security -- the Federal Cyber-security Enhancement Act and married that up with the Senate Intel bill and we actually had that passed into law.

It's a first step, it's not a panacea, but it's a first step. The third priority, protecting our critical infrastructure, including our electrical grid. I'm appreciative that Ted Koppel has written a book, "Lights Out", talking about the vulnerabilities involved in that -- that is something's this committee has to do more work on.

And the fourth priority, what can we do as a committee, as a federal government, to counter Islamic terrorists and other violent extremists? And then the fifth priority, and it's really kind of the purpose of this hearing, from my standpoint was this committee, commit myself, to do everything we can to assist the secretary, as well as James Comey and Nick Rasmussen in succeeding in their missions in keeping this nation safe.

And so, what this hearing is all about is, you know, it's the budget hearing, this is providing the funds in what we consider a top priority of the government -- defense of this nation, the defense of this homeland, so I want to really have this hearing be focusing on those threats, you know, what we can do to keep this nation safe, secure, so that America can be prosperous. Because national security and economic security go hand-in-hand.

So I do ask consent that my written statement be entered in the record, but again, you know, Secretary Johnson, thank you for coming here, thank you for your service. And I'll turn it over to Senator Carper.

CARPER:

Thank you, thank you Mr. Chairman. Mr. Secretary, great to see you and I want to echo the chairman's comments on thanking you for your leadership. Some of your leadership team is here, and we've had a chance to spend time with them of late, and we're grateful for their service and the 220 people that you collectively lead at the Department of Homeland Security.

Thank you for joining us today to discuss the president's budget proposal for fiscal year 2017. As you know, the president has requested a little over \$40 billion dollars, \$40.6, to be exact, in discretionary funding for DHS; it's roughly a one percent decrease from the budget enacted this last year.

And while I am pleased that the many vital homeland security missions are funded in this budget request, I do have some concerns about several of the proposals and the impact that they may have on the department and on our ability to do our collective jobs.

I understand the need to do more with less as parts of our efforts to continue to bring down our nation's deficit and debt. Making additional progress is critical for the well-being of our nation and our economy.

But while doing so, we also need to make sure that the department has the funds that it needs to keep the American people safe against a constantly evolving and growing threats that we face as a nation. I am concerned, for example, by the proposal to cut funding for several Homeland Security grants. In fact, some grants would be cut by as much as 35 percent.

These funds are vital to helping our communities better prepare for major disasters and terrorist attacks.

In Boston, for example, we all recall that homeland security grants were critical in training first responders and preparing the community to respond as they did to the Boston Marathon bombings.

I also have questions about the fee increases proposed in the budget for aviation security. I know that raising these fees has not always been popular with some in the Congress, but I've also felt -- always felt that if something is worth having, it is worth paying for. And that's why I supported the reasonable fee increases that will help DHS carry out its missions.

However, if Congress doesn't raise these aviation fees, there will be roughly a \$900 million hole in the budget for TSA, \$900 million hole, and that is deeply concerning. I hope we can all come together and find a sensible solution to this challenge.

Despite these areas of concern, there are a number of positive items included in this budget request. I would mention a few of them. For example, there is a sizable investment, over \$1 billion in cyber- security. There is a 30 percent -- that is a 30 percent increase, I believe, over the last year for the budget.

And this new funding will help the department carry out several laws that this committee has worked hard to pass over the past several years, and I thank my colleagues here for all their work in doing that, over the -- really have been working with us over the last three years.

For instance, the budget request includes needed increases for EINSTEIN and for cyber-security tools to better secure our federal networks. They're also funding for additional cyber personnel, as well as for the information sharing portal that Congress called for creating at DHS. The proposed budget also continues our recent investments in border security. I was particularly pleased to see increases in funding for valuable force multipliers, equipment such as aerostats, airplanes, helicopters, vehicles, boats, surveillance hires, drones, fixed wing aircraft that can help our men and women on the ground be more effective along our border with Mexico.

I was also pleased to see that the budget request continues to make countering violent extremism here at home a high priority by funding the office of a community partnership.

Last month, this committee successfully marked up my legislation that would codify this office. I thank the chairman and others for their support; I think we passed it out of the committee unanimously. I look forward to working with you, Mr. Secretary, and director of the office, George Salem, as well as our colleagues to advance this important bill through the senate.

Finally, I've also been quite encouraged to see funding for the ongoing consolidation of the department's headquarters at Saint Elizabeth's, completing this project will ultimately save tax payers more than \$700 million over the next 30 years by cutting down the number of costly leases we used to house DHS personnel.

Mr. Secretary, let me close by recognizing that your leadership, along that of your deputy, Ale Mayorkas, as well as the efforts of your senior staff, some of whom are here today -- and over 200,000 ranked in file DHS employees in support in your unity of effort and initiative.

Along with the members of our committee staff, the chairman and I are working diligently to move legislation that would codify a number of your proposed reforms, and we look forward to hearing more today about how we can work together to ensure the department has the tools, the resources, the authorities it needs to grow stronger and to work even more effectively.

Again, thank you for joining us today. We look forward to your testimony and our conversation.

R. JOHNSON:

Thank you, Senator Carper, it is in tradition of this committee to swear in witnesses. So, if you would please rise and raise your right hand.

Do you swear the testimony you will give before this committee will be the truth, the whole truth, and nothing but the truth so help you God?

J. JOHNSON:

I do.

R. JOHNSON:

Please be seated.

Secretary Jeh Johnson is the fourth secretary of Homeland Security. Prior to joining DHS, Secretary Johnson served as general counsel for the Department of Defense, where he was part of the senior management team and led more than 10,000 military and civilian lawyers across the department.

Secretary's Johnson's career has included extensive service in national security, law enforcement, as an attorney in private and corporate law practice.

Secretary Johnson?

J. JOHNSON:

Every time I hear that, I keep thinking I have to re-write that bio; people think it's more impressive that I ran an organization of 10,000 lawyers versus an organization of 200,000 people.

Mr. Chairman, members of the committee, you have my written statement. This year's budget submission, as I think Senator Carper has accurately outlined, reflects hard and difficult choices to fit within the budget caps.

Because we had to make hard choices, there are some things that I wish we could have funded at higher levels that we do not in this budget request. Let me say that I appreciate very much the true partnership that I think we have had at DHS with the members of this committee, and what I believe to be a very effective, bipartisan working relationship with members of this committee. Just, since I've been secretary, I think together, we have accomplished a lot.

Going back to even before I was confirmed and I began courtesy calls with members of this committee, I took to heart the message I received from you about the importance of management reform -- reforming the way in which our department does business.

Overall, my goal as secretary for the remaining 319 days I'm in office is to leave the Department of Homeland Security in a better place than I found it. What that means is improving the efficiency and effectiveness by which we deliver homeland security to the American public. The centerpiece for that, as you know, has been our Unity of Effort Initiative, under which we have established joint task forces for border security on the southwest and southeast borders.

J. JOHNSON:

We have established a joint requirements council to improve our acquisition practices and efficiency; we have beefed up our Office of Immigration Statistics. We are, as many of you know, developing better border metrics for evaluating and measuring border security and total attempts to cross the border under the initiative that we started, called Border Stat.

I have appreciated the advice and input I have received from members of this committee. In this regard, we have initiated something called the Data Framework Initiative, to better integrate data that we collect within the departments, so that the data itself is not stovepiped, and is effectively utilized against all of our databases.

This committee can help us through the authorization of a number of activities so that they are cemented into law and institutionalized, and go beyond my job as secretary, and the time I have as secretary. I appreciate the effort and I have reviewed the legislative language of this committee to institutionalize our joint task forces, our joint requirements council, joint duty to elevate the Office of Policy within DHS, to the undersecretary level and to elevate the importance of that office of policy -- which, I think, is indispensable to our unity of effort initiatives.

Thank you, Senators, for passing out of this committee legislation to specifically authorize our office for community partnerships, which spearheads our CBE efforts. We also believe it is important to consolidate our DNDO in health affairs functions, more effectively and efficiently around our (inaudible) office, the Chemical Biological Radiological and Nuclear Defense Office, which is in pending legislation right now.

I also support the restructuring of NPPD -- The National Protection and Programs Directorate, into a more streamlined and effective and operational citizen -- cyber security and infrastructure protection agency.

I know that we've been working effectively with your staffs on authorizing a number of these things. I fully support this effort and hope that we can continue to work down this path in the future. Thank you very much, and I look forward to your questions.

R. JOHNSON:

Thank you, Mr. Secretary. I want to go to right to community partnerships, because you just mentioned that. In a briefing with FBI officials, I was struck by one of the comments that, when officials go into communities, Muslim communities, and talking about potentially youth that may be radicalized, oftentimes, members of the community think we've got perfect information; that we know exactly who could be prone to radicalization.

Nothing could be further from the truth -- can you speak a little bit about it, in terms of what you're trying to do in terms of engagement that way?

J. JOHNSON:

Yes, thank you for that question. Given the nature of the problem and the nature of the current threat, which in the homeland includes terrorist-inspired attacks, law enforcement, the U.S. government is not always in the position to know about someone who is self-radicalizing. It is the case, however, that in almost every instance I can think of -- of self-radicalized actor, somebody close to that person was in a position to know.

So, since I've been secretary, I have put a top priority on our CBE efforts, which I think are fundamental to the homeland security mission.

So goal number one, build bridges with communities, including Muslim communities. I have personally traveled to almost every major metropolitan area in this country that has a significant Muslim population. And when I go, I want to be sure that state and local law enforcement is with me, so simply building bridges with these communities to say, help us help you, and if you see something, say something.

Beyond that, the mandates that I've given our office for community partnerships is to engage the tech sector, so that the tech sector helps communities amplify the counter message to ISIL and engage philanthropies. How can philanthropies help and support a lot of community activities?

I'm pleased that in this year's budget, we have money for CBE efforts and in this year's budget submission for '17, we've also requested some money for our CBE efforts. But those are basically my three goals for our CBE efforts, and I believe they are as important as any other homeland security mission right now, given the nature of the threat we face.

R. JOHNSON:

OK. And again, I appreciate your efforts, I think it's probably one of the most important things we can do is engage those communities in a positive way. I do have to bring up unaccompanied children. I think we are at -- possibly beyond crisis proportions, here because largely, listen we went down the border. We are incredibly impressed with what your department did addressing in the crisis of 2014.

But we have gotten more efficient at apprehending, and processing and dispersing. And Senator Portman held a great hearing in PSI on the depredations of some of these children that had been processed and dispersed and we kind of lost track of them.

I want to just talk about the numbers. Through January of this year, we've had 16,438 unaccompanied children from Central America. That compares to 11,034 in F.Y. 2014. So, if we just did the math on that, just prorate that, in 2014, we had 51,705 unaccompanied children come in, this was the crisis year. If we maintain this pace, we'll have 77,000 in 2016. Now, we haven't gotten the February '14 numbers, that'd be my first question, what -- how many unaccompanied children were apprehended, and processed and probably dispersed in February?

J. JOHNSON:

Well, I want to compare numbers with you. I'm looking at my latest and best in terms of UAC numbers. The -- you're correct that in the fall of 2015, we saw an increase. F.Y. '14, we saw the spike in the summer of '14 that everybody knows about. F.Y. '15, after the things we put in place, we had a pretty good year. It was down significantly from F.Y. '14 in terms of total apprehensions on the southwest quarter. It was the second lowest number since 1972 in terms of total apprehensions.

In the fall, in October, November, December we saw an increase in UACs, and the number was 6,775 in the month of December. In January, the number went down by more than half after -- that's an interesting chart.

R. JOHNSON:

This is just the chart in terms of total, by fiscal year through 2015. So we had the spike in 2014, 51,000, last year. It went down to 28,000. But again, my point being just in the first four months where I had numbers on, if you annualize those numbers, we'd be up to 77,000 for fiscal year 2016.

J. JOHNSON:

Well, I was just getting to that. January, we saw a significant drop off to 3,111 -- February 2016, 3,113 in terms of UACs. The March number, so far, we're only seven or eight days into March, is pretty much at the same pace as February, slightly higher.

As I think everybody here knows, in early January, we began a series of public, concerted efforts in interior enforcement that focused on families, but we've also focused on just about every other population that has entered this country, recently. Those apprehended at the border are our top priority. We've focused more recently on those who came into the country as children or adults, and those people are in removal proceedings.

The total number of those sent back to Central America this fiscal year is just over 28,000. The total number sent back, either by CVP or ICE this fiscal year to Mexico is around 128,000. So those are pretty significant numbers. And so, we -- I -- are sending a very public message that if you come here illegally, and you do not have a valid claim for asylum and you've been ordered deported by an immigration port, we will send you back.

And I have been very public about that.

R. JOHNSON:

But again, the point being, again -- in February of 2014, I didn't have the numbers for 2016 to compare -- there were about 3,400 unaccompanied children coming in from Central America. So, you're saying in February of 2016 it was about 3,100?

J. JOHNSON:

The February 2014 number is 4,843.

(CROSSTALK)

R. JOHNSON:

So, again, one of the reasons I want border metrics is so we are talking the same.

J. JOHNSON:

I'm happy to share this.

R. JOHNSON:

OK, and we will take a look at that.

J. JOHNSON:

The February number is lower.

R. JOHNSON:

But the bottom line is, we're pretty darn close, and you annualize where we are for fiscal 2016, we'd be looking at 77,000 this year versus 51,000 in the crisis year of 2015.

I mean, that's just -- we can massage the numbers a little bit but it's pretty darn close.

J. JOHNSON:

I don't think that's accurate, sir.

R. JOHNSON:

What do you have -- what do you have year-to-date, through February, unaccompanied children from -- not by month, year- to-date?

J. JOHNSON:

Year-to-date, UACs this fiscal year, 23,553.

R. JOHNSON:

So four months, we're up to 28,000, already?

J. JOHNSON:

Twenty-three, five, five...

R. JOHNSON:

From 23,000, so that's just four months.

J. JOHNSON:

Five months.

R. JOHNSON:

OK, that's through five months, we're still at a pretty high pace. We'll compare those figures.

(CROSSTALK)

J. JOHNSON:

The numbers are high, definitely the numbers are high, they're higher than I would like them to be, but they are -- I haven't done the math. And I'm not sure they are at the same February '14 pace. But again, I'm happy to share these with you sir.

R. JOHNSON:

Yeah. We'll look at that, but again, my point being is, 2014 was a crisis, right now I think we're running ahead of 2014 levels, from the numbers I'm getting.

J. JOHNSON:

I don't believe that's true.

R. JOHNSON:

Well, we'll compare notes, because I'm just talking about from Central America. I've run out of time, Senator Carper?

CARPER:

I just ran the numbers real quickly, just for short hand back in the envelope numbers. February, 24,000 for the first five months that would, I think equate to an annual number -- if it holds for the next seven months, we'd looking at about 57,000 -- 57,000, I think that's how it works out.

J. JOHNSON:

I think where the difference here may be, Senator, is you're looking at Central America numbers; I'm looking at the total numbers. That may be the difference.

CARPER:

OK. OK. Let's just stick with Central America for just a moment. I want to applaud the administration for deciding to -- not just to support force multipliers on the border, that's important. We need to invest not just in border patrol officers, but we need to invest in fixed wing aircraft, we need unmanned aircraft, we need to address helicopters, boats, motion detectors, all of the above.

And the administration's budget actually calls for a very small reduction, I think, by maybe 300 out of maybe 21, 22 border patrol officers. But a significant investment, too, in technology that will enable those border patrol officers that we do have deployed to be more effective, and I applaud that.

My colleagues have heard me say more than a few times, with respect to Central America and the flow of unaccompanied children and families, they're not coming from Mexico. As we know now, there are more Mexicans going back into Mexico from the U.S. than coming from Mexico into the U.S. And for the most part, the flow of these numbers, actually represent people, but most of them are coming in from Honduras, Guatemala, and El Salvador.

We have spent over the last decade a quarter of a trillion dollars -- a quarter of a trillion dollars -- to strengthen our border with Mexico. In the same 10 years, we've spent less than one percent of that quarter of a trillion dollars, to address the root causes for why all of these folks are trying to get out of Honduras, Guatemala and El Salvador to make it to our country.

Chairman, I have been down there, others have been down there, and they lack hope, they lack economic opportunity, there's rapid violence, and it's actually a situation that we're complicit with, because we buy drugs. We're addicted to those drugs; they flow through those countries. And we send money and guns down to those countries and -- to make life miserable for people who live there.

They want to leave, and they want to come here. And rather than just build a -- build our fences and wall and so forth, we need to also, while it's important to voice -- it's hugely important, we also need to address the underlining, the root causes. They've come up with their plan. It's like the plan Colombia that was very successful in turning Colombia around, the plan in Central America is among the three countries of Honduras, Guatemala and El Salvador. It's called the Alliance for Prosperity; focuses on governance, the ability to govern, number two, security, rule of law, number three, economic developments.

And the idea is not for us to literally turn over American tax dollars to those governments, to focus on these issues. They have to raise their own money, and what we do is we provide funding that goes through our own efforts, through a non-profit organization. I think it's a very smart strategy. And we need to be able to walk and chew gum, and I think with the administration's proposal we'll do that, and I applaud that.

CARPER:

We've -- the chairman has already touched with you on the unaccompanied minor surge. If the -- let me just say, the numbers for the first three months of the fiscal year were very concerning, the month numbers for the months of January and February are much better, and I think you sent a message. I think maybe that message has been received by the folks down there that would otherwise try to come up here.

I want to focus on the last minute or two that I have on the impact of DHS fees and their impact on the Department of Homeland Security and the public. Mr. Secretary, could you just talk a little bit about why we need to increase some of these -- I think two of them, that is the CVP and TSA collects, what will be the impact on the average American if those or these are increased slightly? What would be the impact on the Department Of Homeland Security? And if we don't support the fee increases that the administration has requested?

J. JOHNSON:

Let me begin by saying that the budget request, as I said before, does reflect hard choices to stay within the caps. Part of our request is a request for authorization of the fee increase with respect to air passengers and the airline fee increase. The proposed increase would restore revenue fees from the airlines. I believe the amount is \$470 million.

R. JOHNSON:

Is that about a dollar a ticket?

J. JOHNSON:

Well, that -- that's to the airlines. The passenger fee proposed increase I believe is about \$5.60 to \$6.60, that's a dollar increase. the underlying rationale for the proposed fee increase is that it goes to pay for aviation security and border entry at airports and that those who use the system as opposed to taxpayers, generally should help a little more in paying for those things and paying for those services for aviation security.

My recollection is that these two proposals would generate about \$900 million in revenue for the department. If these are not increased, we are going to have a real problem finding where to pay for aviation security. Aviation security, right now, given the world environment in my judgment, is critical for the Congress to support. I was very pleased by this year's budget and next year's budget request. We have held the line on TSO's; we're not reducing them anymore and Administrator Neff (ph) and I are making a number of other investments in aviation security. We need help to pay for that, right now I believe aviation security is critical, given the world situation.

R. JOHNSON:

I agree, thank you so much. Senator Portman?

PORTMAN:

Thank you Mr. Chairman and Secretary Johnson, good to have you before the committee, again I've got so many questions for you, I don't know where to begin. But I'm going to -- if I could, try to get some rapid responses to four issues.

First, is an issue, as you know, we are dealing with right now on the floor of the United States Senate, which is this epidemic of prescription drug and heroin addiction and overdoses; we will lose probably about 25 people -- however this week, 100 people in America today to overdoses. We understand that this is heroin is primarily coming from Mexico over the border and we had testimony in the house judiciary committee from the Texas Director Of Public Safety, recently saying his porous (ph) border with Mexico creates -- provides cartels with reliable means to infiltrate this country line and to smuggle and traffic drugs and the people of the United States and talks about some of the cartels and what they engage in.

Can you give us a sense of what we could be doing better to interdict these drugs, to keep them from coming to the United States and specifically, tell us -- if you could -- what percent of the heroin coming in is apprehended and stopped at the border or what percent is coming into our communities?

J. JOHNSON:

A couple of things: one, most of the heroin that is brought into the country is over by land not by sea. The coast guard is focused on this, but most of it is smuggled by land. I do know that the percentage of heroin interdicted by CBP, that was smuggled, those numbers -- that volume -- has been going up between last year and the year before. And that has been going up because of our sustained and enhanced efforts.

This is an effort that our joint-task forces have undertaken, it's an effort that CBP has undertaken, and it's an effort that homeland security investigations have undertaken, as well.

I don't have, sitting here, an estimate of what percentage is interdicted versus what percentage gets through. If we have that number, I will see if I can provide it for you.

(CROSSTALK)

PORTMAN:

the number that you hear commonly is nine out of 10 of these packages of heroin that are killing our constituents and the people who represent are getting through.

J. JOHNSON:

I do know that the volume of seizures by CBP, by homeland security investigations -- has been going up, lately.

PORTMAN:

I'd love to follow up with you on that and figure out how we can do a better job, I mean this legislation called CARA (ph) before the Senate today focuses more on prevention treatment, recovery, helping law enforcement and so on. But one of the issues obviously that many of my colleagues and I are concerned about is how do you stem this flow and therefore increase the price, because of the issues is prescription drugs are being replaced by heroin and because the price is so low and its flooding our communities.

On this unaccompanied children issue, as you know, we held a hearing at the permanent subcommittee investigations (ph) on this issue; this is where unaccompanied children come in, we talked about the numbers, it looks like as you said the numbers are going to be high again this year, although you made some progress in the last couple of months.

The fact is we've got thousands of these kids in detention with HHS, you don't detain the, HHS does and HHS provides these children to adults, who are called sponsors -- the idea is they go to these sponsors before they can come to an immigration hearing. Sadly, what we found out in our investigation was that some of these children were actually placed -- not with sponsors, who were family members or surrogates of family members -- but actual traffickers. And in cases of Ohio, we had kids from Guatemala ended up in an egg (ph) farm being exploited, working six, seven days a week, 12 hours a day, taking their paychecks away from them by traffickers.

These traffickers got these kids from the Department of Health and Human Services. My question to you is very simple this morning; are you aware of this, one, and two are you working with HHS to come up with a way to actually implement legislation that is currently in place which would prohibit these children being placed with traffickers?

J. JOHNSON:

I am aware of these very unfortunate situations, including the one in Ohio, sir. I know that Secretary Burwell is focused on the placement of the children. It is her legal obligation and together we've been working on ensuring adequate placement consistent with the law.

PORTMAN:

You do have a role here, as you know we have -- in our report -- indicated that HHS can work better with DHS to try and address this issue. Final question I have more of a -- it's just this issue

of social media terrorism. We saw with regard to the Bernardino attacks, that Tashfeen Malik, the female shooter was on social media talking about her jihadi agenda. In fact, she went so as to have an anti-American remark beside a photo of a plane crashing into the World Trade Center and yet she went through several screenings. And none of that was picked up. Can you tell us briefly what you're doing to be sure that this social media is something that is looked at as people are screened? Not just for the uses (ph) or finances (ph), but for all users (ph)?

J. JOHNSON:

Well, two things, one as the FBI director has commented, Ms. Malik's social media was not public prior to her entry into the United States. Notwithstanding that, we have, over the last two years enhanced our use of social media in connection with immigration benefits; we have a number of pilot programs going on now. There was a social media task force that recently gave a report to me. I directed the department to go even further in our use of social media.

We use it now for something like 30 different investigative intelligence purposes across the department, but we are enhancing the use of social media in connection with immigration benefits, both refugee betting (ph) and K-1 (ph) review.

PORTMAN:

Thank you Mr. Chairman.

R. JOHNSON:

Senator Tester?

TESTER:

Thank you Mr. Chairman, thank you Ranking Member, thank you Jeh for your job that you've done as secretary. You and your team need to be commended on that, it's a tough job, thank you.

I want to just talk a little bit about the border ramon (ph) we visited about a little off-schedule outside the door, there's a recommendation to reduce it from 24 to 18 hours. First of all, thank you for taking public input, I hope you continue to take public input on that border crossing with the folks that live in that region because it's important.

I think from a security and an economic standpoint, I know you're going to look at both and I think it's really, really important. I think that as we try to continue to grow our trade with Canada, and I think it's just very, very important we take a look at that ramon (ph) and look at it from that perspective. That's all I'm going to say on that point, we will follow-up off-line on that. As long as TSA was brought up and fees were brought up, I want to talk just a little bit about

full-body scanners, because Administrator Neff (ph) was in front of our subcommittee on appropriations last week and we had a number of them in Montana. He said there are a percentage of folks who do not have the full-body scanners available. Is that because of a lack of money?

J. JOHNSON:

I'm not sure; I'm not sure whether it's lack of money or if we believe some other technology is better. I do know that we are doubling down on our use of technology at airports for aviation security in reaction to the IG's test results last summer. I gave the administrator a very aggressive ten-point plan to reevaluate our technology and I know he's doing that.

TESTER:

i would say that I agree with you when we talk about air travel and I can tell you that in a lot of these, they're bigger airports for Montana, but there are also smaller airports once you compare them to Dulles and places like that. I think it's critically important that they have the same -- which we put forth the same effort of security and if you could kind of look after that, I would sure appreciate it.

I want to also talk about community partnerships. this administration's proposing a \$560 million in cuts to FEMA propitious (ph) grants which includes operation stone guard and funding, which impacts our Indian communities in a big, big way. It's pretty steep; can you tell me why you're doing it this year, last year I think they were held pretty harmless. I support the President's budget. The President's budget request reflects hard choices to live within our caps. Having said that, I have seen firsthand the importance and the effectiveness of our FEMA grant money, that is delivered to state and local law enforcement, to communities for such things as active shooter training, over time for police and fire, grants are important, very important.

TESTER:

I think that they're critically important and often time I wonder if the administration does not cut programs that are really, really good programs, just figuring we're going to bump them up. And I hope that's not the case here, I hope that's not the case anywhere in the budget but we're going to have to do something about that because quite frankly, I feel the same as you they're very important.

I want to talk about border staffing real quick. According to the 2017 budget request, the DHS is a target of 300 fewer border agents than from last year. Tell me -- and that's on the northern border. Tell me how that going to work because quite frankly I thought you were undermanned at this point that you are looking for more agents. If we're going to cut an additional 300, it looks to me like we're putting something at risk, here; maybe I'm not seeing something you are.

J. JOHNSON:

Well, I believe that the allocation that you see reflects a judgment about where the risk is and where the vulnerabilities are. As you know, Senator, we have a pretty active southern border right now. I also know that we're not doing as good a job as I would like to see us do in terms of hiring. Hiring up to the levels that congress has authorized and appropriated and the commissioner of CDP has very aggressively taken steps to recruit, to get people through the vetting (ph) process. In terms of the allocation at the northern border, it is something that I insist that we look carefully at, every year we make these judgments, but I do believe it probably reflects a judgment about where the vulnerability and the needs are, sir.

TESTER:

OK I'll wrap it really quick, because my time is out. I just think that when we're talking about drugs coming across the border, they all come across the southern border and if I think that if we have a northern border problem with hiring, there are some things we can do. Places where Heidi (ph) and I live are pretty Rural; you probably not going to get somebody from Chicago to move out to Plentywood (ph), Montana, but you would get somebody from Scoley (ph) to do that. And so I think it's important that we start building bridges with our university systems in those states because they can help you out a lot.

TESTER:

With that, I will leave you with these words; do not forget about the northern border. It's damn important, I live 70 miles south of it and if we take our eye off of that, you know they will go to where the weakest link is.

Thank you, Secretary Johnson.

R. JOHNSON:

Senator Baldwin?

BALDWIN:

Thank you Mr. Chairman and Ranking Member. I want to thank Secretary Johnson; I have a -- the first question relates to a question that Senator Tester just asked with regard to state grant programs, FEMA, preparedness grant programs.

I have a strong concern about the proposed cuts and their impact potential for impact in the state of Wisconsin. The Homeland Security Grant Program which is -- I think budgeted at 600 or sorry, \$267 million less than the fiscal year of 2016 enacted level. This funding has been critical in my home state. recently, these funds have been -- have provided equipment and training to our Fusion Center in Milwaukee, which I might just add that where a terrorist attack was thwarted, just a couple of months back.

I-- I -- let me ask a question about that and then before you answer, put an additional question related to the FEMA preparedness program. I'd like to see or hear the justification for the state proposed cuts to this program and are there other efforts that we should be aware of that may supplement the critical work of these programs? Switching to the cuts in the FEMA preparedness programs, particularly a 63 percent cut to the National Domestic Preparedness Consortium; I also want to point out the impact in the state of Wisconsin there.

The transportation technology center uses funding for its crude oil by rail program. Over the past five or so years, Wisconsin has seen a huge escalation in the number of oil trains that are coming through (inaudible) to points west and south. Because of this, it's so important that our first responders have the opportunity to receive training in the horrible instance of a train derailment, we've had several, by the way, in state, and fortunately we have not seen any explosions. But in your assessment, can you explain why the President's request for the National Domestic Preparedness Consortium was more than \$60 million less than fiscal year 2016 and to what extent does DHS prioritize funding for proactive programs that prepare local first responders to respond to natural or human disasters?

J. JOHNSON:

Well, let me begin with the last part of your question first. We place top priority on programs that proactively get at preparedness, prevention, which is why at various different levels; we are funding state and local law enforcement, first responders, emergency responders, paramedic equipment, even. Having said that, as I remarked before, this budget does reflect hard choices. The budget deal that was made by Congress and the President for 2016 and 2017 provides for greater levels in 2016 than it does in 2017, so regrettably, the proposal you received has the cut in the various different grants.

Congress will ultimately do what you believe is necessary and appropriate by way of funding, but that is where we believe we needed to make some reductions. But as I said before, I do believe these grants are very important.

BALDWIN:

I'm going to stop you there because I want to fit in one quick, additional question, but we'll certainly be following up on that. Last November, I wrote a letter to the Commissioner Kurkowski (ph) along with congressman from my state, Reed Rebel (ph), about an issue at the

Austin Straubel International Airport in Green Bay. This airport, which is a port of entry serving northeastern Wisconsin, has hosted the CBP's Green Bay port office for over 20 years.

However, in July of 2011, the CBP informed the airport that the current port office did not meet its needs and that a general aviation facility would be necessary for CBP to remain at the airport. The airport subsequently worked with CPB to construct a general aviation facility and spent over three million dollars to meet CBP's specifications.

Unfortunately, in July of last year, the CBP reversed course and informed the airport that it would no longer occupy the facility. Let me emphasize that this was after the airport paid more than three million dollars on construction of the facility. This was after the airport worked with the CBP on the design of the general aviation facility and after CBP signed off on the facility.

This is unacceptable; as I made clear in my letter, there are no laws or rules that we can find that prevent CBP from occupying the next the general aviation facility as it has claimed. So it's been over four months since we wrote that letter and I raised the issue with the commissioner, I have yet to receive a response to the letter. So I want to ask you today and raise this to your attention, will you commit to looking into this issue and responding to my constituents concerns?

J. JOHNSON:

Yes, I am aware of the issues and I am already looking into it and I will ensure that you receive a prompt response and I will be interested in the response.

BALDWIN:

OK and when can I expect a response?

J. JOHNSON:

How about within the next week?

BALWDIN:

That would be great, thank you.

J. JOHNSON:

I don't know what the status of the response is, but i will ensure that you get a response within the next week.

BALWDIN:

Thank you.

R. JOHNSON:

Senator Heitkamp?

HEITKAMP:

Thank you Secretary for the great work that you do on behalf of the people of this country. I want to just reiterate what Senator Tester began, which is -- those of us on the northern border believe that we are entitled to a level of protection and a level of border security that we don't always see and we measure the open positions, the ones that your folks have already said, this is what we need to protect the northern border, but yet we have a huge vacancies. Recognizing the challenges that you have in recruitment in places like Portal, North Dakota, I want to just reiterate, the absolute critical importance of getting more attention to the northern border.

With that said, a couple of things, number one: one of the things I frequently hear from the folks down on the southern border is that there isn't really a plan, that the last kind of organized plan or strategic plan for the southern border is a 1990's plan, and that there isn't a sense of -- kind of -- coordination. What's your response?

J. JOHNSON:

My response is that two years ago, we created joint task forces for the southern border where a joint task force director is responsible for coordinating all of the DHS assets and resources devoted port border security in the southwest, in the south east; part of that responsibility is that every year, they have to submit to me a plan for border security, which includes, not just people but also other prohibited items, illegal narcotics and so forth.

We do have strategic plans for how we intend to secure the border in place.

HEITKAMP:

Why do you think that the other law enforcement agencies believe there isn't an overall strategic plan?

J. JOHNSON:

I'm not sure; other law enforcement agencies are certainly aware of our task forces and help support them.

HEITKAMP:

I just -- I say this, not by way of criticism, but that communication seems to be a gap here in what you say you have and what people on the border -- whether it is people who are living on the border or people who are charged with the responsibility of protecting people on the southern border believe there is. And so increased communication and understanding, especially making sure that the people who work for your agency actually understand what that plan is, and that it's not some document that's on a shelf in Washington, D.C.

The second thing, as we were talking about movement of narcotics across the border, movement of marijuana, I think that we'd all agree is basically carried across, but one of the concerns that I have with narcotics is that they're typically tunneled across. So we've been talking to your staff about tunnel detection, about technologies; I guess my question to you is do you believe you have a tunnel detection strategy on the southern border and are you deploying the best equipment?

And if you can't answer that in kind of an open-session, I think it would be good to do some kind of secured briefing on tunnel detection.

J. JOHNSON:

I'd be happy to give you a secure briefing on that, we do have a tunnel detection capability and we have a very focused effort on this.

(CROSSTALK)

BALDWIN:

In this budget do you believe there has been enough allocated to that kind of technology?

J. JOHNSON:

within the confines of the caps we have to live with, yes, but I could always use more in the absence of budget restraints.

BALDWIN:

Well, I'm very interested in -- we had an opportunity to see some of this in Israel as it relates to securing their border and I'm very interested in what kind of tunnel detection you have, whether we are deploying the number of resources that would reflect our concern about what it is that's moving through those tunnels.

Finally, I'd just like to talk about first responder grants. I think we've been very concerned about preparedness for first responders, whether it is trains, whether it is in fact terrorism activity, and yet we see a decrease in that kind of funding for first responders. I'm going to run out of time but I want to impress upon you that those folks are on the front line. There isn't enough federal agents, there aren't enough federal personnel to protect this country.

They're asking a very minimal amount of investment in helping secure that mission, and the last place we should be cutting is, in my opinion, first responders, whether it is a train or whether in fact it is responding to terrorism and being prepared to respond. Just a note; when in fact we had a very high-profile incident of a train exploding, the single thing that the fire chief told me is that the command control incident training that he received at FEMA was absolutely critical.

So it's deployed every day, you do brake training, let's not lose sight of our partnerships with the local folks.

R. JOHNSON:

Senator Booker?

BOOKER:

Thank you very much and again, I just want to echo the words that were said and really complement you on your work and your dedication -- I just appreciate your leadership, especially during these difficult times. I just want to jump right in with regards to CBE.

I was happy that this committee has past two by (ph) and bills have made it very much a priority. We passed authorization for the Office Of Community and Partnerships, I really am grateful for the leadership of Senator Carper and Senator Johnson in helping this community to come together around these issues and I'm pleased to see that the funding that was in this bill and the DHS let to the work really becoming a part of the President's budget which is something, again, I'm very grateful.

Forty nine million dollars has been requested for the DHS's CBP efforts; if you look closely, unfortunately, at least I seem to see it that way, we see \$10 billion requested in grant funds for CBE related activities at the local level and \$39 million for activities targeted at preventing and preparing for, this is how it reads, responding to complex coordinated terrorist attacks. And so my concern with this language is that the majority of this money would be spent on preparing for a law enforcement response, which CBE is intended to create partnerships for community groups

to do work to prevent radicalization really before law enforcement gets involved. So it seems almost as if this funding is not really targeted towards the idea of CBE in the first place.

And so, how do you really envision this money being spent and how can we ensure that we're really bolstering some of the efforts that we are already starting to see some signs that they can be very fruitful in general, as opposed to the law enforcement response that sort of ignores, to me, community organization, universities, educators, tech folks and others.

J. JOHNSON:

The language you read is for '16, right?

BOOKER:

Yes.

J. JOHNSON:

Yes, to be candid, I had the same reaction you have. We learned we had \$50 million for CBE, but then upon closer examination, \$39 million of that is for terrorist attack preparedness, which is important but it leaves just \$10 million for our CBE efforts. As I explained earlier, CBE is a huge priority; one of the things I heard repeatedly when I'd go to these communities, in Minneapolis or elsewhere is we need resources, we need help supporting our efforts at the local level. My recollection, Senator, from the language you read is there was some line in there that gave me some flexibility in terms of how we allocate that, but I could be wrong.

BOOKER:

And I'll just say, just to get to my next questioning is that you know, you and I both know budgets reflect priorities. We can say that this is a priority but really the (possibility) of investment being made in what I found from being a local leader, and I know you know this better than I do, is that creating these partnerships, creating these relationships, is incredibly valuable. Not just in CBE efforts, but also in helping to detect a radicalization in the first place. So I would just really talk about the importance of that and one thing I want to say is I'm curious if your folks can get back to me about -- there's a lot of concerns coming from the Muslim community that all of this is focused just on the Muslim community, when we know there's a radicalization in say, Neo-Nazi groups and others -- and hate groups that have perpetrated violence and terroristic activities within our committees and I'm hoping that some of the CBE efforts is focused there as well. Just real quick, being that you and I have this kinship in the love in the state of New Jersey, I just want to bring to your attention...

J. JOHNSON:

The love of taxes I pay there, too.

BOOKER:

Yes, we appreciate the taxes you pay, sir, even though you spend so much of your time here, but I really need you to comment on something that I get so much anger and frustration from people that live in our metropolitan area, which is the lines at Newark Airport, which are just outrageous. The holiday season, I'm sure you perhaps you do know, it was reported that we had such long lines that led to delays exceeding an hour at some of these that led -- as one single airline reported about 200 passengers missing a flight. I believe that we have to do something to create more efficiency. I get people coming, screaming at me on social media and the like, just so frustrated about this particular airport being worse than others in our country.

And so my question is with the plus up in funding for TSA and the Presidents budget, what flexibility do you have on focusing on where the problem is -- I fly in to other airports in our region and I just don't see it as bad as what people are experiencing.

We now have spring and summer travel season's approaching, can't we do something to alleviate this outrageous problem that rightfully is angering people at the Newark Airport?

J. JOHNSON:

A couple of things, first part of the increase in wait times is due to increased buying of air travel; that is a fact, part of it is due to the increase buying of air travel. Part of it is also due to the re-emphasis that the administrator and I have put on airport screening of those in the longer lines. So one of the things you could say to your constituent senator is join TSA pre-check for the shorter line. That is one way to get through faster. with respect to the budget, it is the case that in '16 and '17, we have reversed a steady decrease in the number of TSO's for this reason.

So this budget submission reflects holding steady on it with an emphasis on technology so that we're not focused solely on risk based strategies that lead to a decrease in personnel. We've reversed that trend to deal with wait times and the like, the increased volume is also contributing to this, without a doubt.

BOOKER:

So can somebody just get back to me -- I understand the pre-check warning, but I mean we tell people to show up an hour before their flight and it seems like we should be telling them two hours before their flight. Could somebody get back to me with a plan to reduce wait times, if there is one?

J. JOHNSON:

Sure. As you know Senator, a lot of it depends on whether you are in terminal A or terminal C.

(CROSSTALK)

R. JOHNSON:

Senator Peters?

PETERS:

Thank you Mr. Chairman and I want to thank Secretary Johnson for your testimony today and I also want to thank you for your recent visit to Michigan to meet with members of the Arab American and Muslim community. As you know, they have expressed a number of issues and concerns to you and they appreciated your hands-on approach to come out and talk directly and to listen to the community.

And I want to say I look forward to working with you and your staff, as you work through the number of issues that you heard at that meeting...

J. JOHNSON:

That was a good visit to Dearborn.

PETERS:

It was, it was really wonderful and folks are still talking about it, so thank you, thank you for that. But today, I'd like to discuss the Blue Water Bridge in Port Huron, Michigan; as you know, Canada is our largest trading partner and the land ports connecting Detroit Windsor and Port Huron to Sarnia are absolutely critical to our nation's trade and commerce. In fact, in terms of freight measured by the value of shipments that goes through those ports of entry, Detroit and Port Huron ranked number two and number three in the country; respectively, moving over \$200 billion worth of trade over those crossings.

And I know you know that firsthand as well, because I appreciated that earlier visit in 2014 when you came out and I accompanied you in Detroit and you went to Port Huron to see firsthand what was happening at those border crossings. Last year at this committee hearing on the fiscal year 2016 budget, you testified that the case for expanding customs capability at the Blue Water Bridge was clearly there and its response to a letter I sent along with senator Stavanov (ph) and

Representative Miller; customs of border protection Commissioner Kurowkoski (ph) responded that the Blue Water Bridge remains -- and I quote them, "a top priority".

But delay in the modernization of the customs plaza at the Blue Water Bridge has become a real burden for the city of Port Huron and Saint Claire County, generally. Which continues to lose out on potential revenue as the land that was required for the expansion actually sits vacant, as you're well aware. Over 100 properties were demolished to prepare for this expansion. Folks believed it was moving forward, there's a large area of just vacant land which doesn't do much for the tax base of the city that also has other issues that it has to deal with.

And new revenue from the construction and operation of that customs plaza would help offset that. Not to mention, again, very critical for our nation, because I want to -- obviously efficient border crossings is going to be critical for us as an economic issue given that Canada is the top export destination for 35 states and nearly nine million U.S. jobs depend on trade and investment with Canada. So it is a strategic issue for the United States, which was identified as well in the blue water bridge specifically, as a priority in the 2011 Beyond the Border Action Plan Agreement with Canada. And that's why I'm disappointed the project hasn't received funding so far and you've heard those concerns before.

There is the need, the local community is ready, and the project is ready to go. So I would just hope if you could explain why the department did not include funding for the Blue Water Bridge in the budget submission.

J. JOHNSON:

Senator, as you noted, I have been to the Blue Water Bridge, I have seen the backup of tractor trailers on the bridge, trying to get into the United States, myself. And as I said last year, I think the case is there. I can report to you that after those projects currently underway or soon to be under construction, the expansion of the customs capability at the Blue Water Bridge is the highest priority, after the projects currently underway are soon to be underway.

As I said, I think the case is there, it is not just a top priority it is the highest priority on the list of future projects.

PETERS:

Yes, any sort of timeline you're willing to offer with that?

J. JOHNSON:

I don't have one sitting here, but I'm sure that customs at border protection can give you that, sir.

PETERS:

Well, I appreciate that, and I know there are also some issues -- or at least the potential to have a public-private partnership that could be formed as well, perhaps to accelerate that. It's my understanding that Commissioner Kurkowski (ph) said that some of these alternative financing projects may even speed that up as you concur that might even be another way for us to accelerate the time line.

J. JOHNSON:

In my experience, over the last two years, great minds can think of some pretty creative ways to come together and solve these problems.

(CROSSTALK)

PETERS:

Well, I appreciate that, that's a great -- and I appreciate that it's gone from a high priority to the highest priority, so that's encouraging to hear.

J. JOHNSON:

That's what I have on this piece of paper right here.

(LAUGHTER)

PETERS:

Well, if it's on paper, it must be true so thank you Mr. Secretary I appreciate it, thank you.

J. JOHNSON (?):

And I personally also believe in the case too, having seen it myself.

R. JOHNSON:

Senator Ayotte?

AYOTTE:

Thank you chairman, I want to thank you Mr. Secretary for your leadership and service. You've got a very important job. I wanted to follow up on what both senators, Heitkamp and Tester talked about on the northern border.

Actually Senator Heitkamp and I; this committee passed out a bill called the Northern Border Security Review Act and essentially would it would do it make an assessment of the current state of the border between Canada and the United States. And to me, that makes sense, as we look at resources, is that something you think would be sensible?

R. JOHNSON:

Sounds right, yes ma'am.

AYOTTE:

Great, thank you. I hope we can get that to the -- I know it's heading to the floor and I appreciate the chairman getting that out and hopefully we can get that passed and get that to you. I also wanted to follow-up on the question's that Senator Portman asked you about obviously the heroin interdiction over the southern border and I think it would be really helpful for us to understand sort of what has been the trend because other committees that I serve on, the testimony that I've heard is that we have seen a significant increase in production of heroin and also -- I think it would be helpful for us to understand as we look at what is happening on the southern border.

How much is being interdicted and how much is coming through because New Hampshire, the price on our streets is so cheap right now. And anything we can do obviously to drive up that price and stop its flow is going to help what our first responders are doing on our streets to keep it away and obviously to protect people.

I wanted to ask about the issue of Fentanyl; are we seeing an increase in Fentanyl, which is of course -- could be as much as 50 times more powerful than heroin and it is a huge driver of what is killing people in New Hampshire and the increase in our drug death.

R. JOHNSON:

I believe we -- I have the numbers here for heroin, and heroin seizures, which have increased from 15 over 14. Fentanyl I don't have off-hand, but I can certainly get you that, ma'am.

AYOTTE:

Well, that would be excellent because we've seen that combination as you know, some one I know who is in recovery and is an amazing young man Fentanyl it as a serial killer because it is a much so much more powerful than heroin.

So, I think it would be helpful for us to understand the Fentanyl numbers too and whether those have increased as well as heroin. I also wanted to follow-up -- I understand you just came back from a trip from Turkey and the issue of first of all, the foreign fighter flow to get your perspective on where we stand with regard to the foreign fighter flow, with regard to ISIS and in addition to that, recently, before the senate armed services committee, we had General Breedlove, who I'm sure you know, a European Commander comes before our committee and I asked him about the refugee issue.

And he told me he is concerned that in fact, criminality, terrorist and returning foreign fighters are clearly a daily part of the refugee flow now. So could you give me an update on your sort of meeting to Turkey, what you see with the fighter flow issue and how much ISIS -- according to General Breedlove, he sees this as one of their strategies, how much is this -- from a Homeland Security perspective something that you're focusing on?

R. JOHNSON:

Yes, all good questions. I was in Turkey last week, I met with my counterpart, the Minister (inaudible) there and we are making good progress in terms of information sharing with the Turkish government that is something that they are interested in doing with us and we're interested in doing with them.

I signed several MOU's with that government to enhance information sharing, both with respect to cargo inspection and in people. We agreed to further discussions in further areas that I'd be happy to brief you on in private. Overall, I think it was a very, very productive visit. We know from prior experiences that members of ISIL have left that area posing as refugees. That is a fact; in terms of refugee, I agree with General Breedlove's comments in so far as the worldwide refugee problem is something that poses a risk to us in terms of what ISIL is trying to do.

R. JOHNSON:

In terms of refugee resettlement in the united states, as I'm sure you know, we have a very thorough, multilayered process before somebody has resettled that takes something like 18 to 24 months to complete for each refugee.

And we've recently added further enhancements to the security of that process, just in the last several months, which will most likely add to delays. But we're also adding resources and personnel to satisfy our undertaking.

But we have -- we do have a very thorough process right now, and we're adding more on and we're always looking at whether more is necessary in terms of our own U.S. refugee vetting.

AYOTTE:

Do you think that process can eliminate all risk?

R. JOHNSON:

The way I like to say it is that in a free and open and democratic society, that has a tradition of humanitarian goodwill and obligations when it comes to refugees, and an immigration heritage, we should, you know, we should -- we should welcome with open arms people who are in need, who are vulnerable. But we should do so carefully.

And I believe -- I think the American people understand that in a free and open society, we cannot erase all risk. But we should do our best at security, while maintaining our values.

AYOTTE:

Thank you, Secretary Johnson.

To me, this is a really, as I look at -- I fully support ensuring that we're a country -- a vibrant country of immigrants. It's something that I've been supportive of, including productive immigration reform and border security. But I respectfully disagree with you on the risk factor, as I hear what our intelligence officials have been saying with the risks, and a strategy from ISIS to actually try to purposefully infiltrate these -- the flow of refugees.

So I want to thank you for your work, and thank you for all those -- those that serve underneath you. I mean, we all travel so much, and very appreciative of those who serve underneath you because they do very important work for our nation.

R. JOHNSON:

Senator Ernst?

ERNST:

Thank you, Mr. Chair.

Thank you, Secretary, for being with us today. And I just want to mention that I do certainly appreciate the work that you and your employees have done as well. I think you provide such a valuable service to all of us.

I would like to take a minute just to discuss an issue that has arisen in Iowa. And it's affecting many of our levee districts across the Missouri River as it relates to accreditation under the National Flood Insurance Program.

And as you may know, accreditation and certification of river levee is very desirable for communities and property near the river because it ultimately affects the affordability of their flood insurance rates. And I understand that FEMA's involvement in this process is to review and accept certification provided by a party that is seeking accreditation on a levee on a flood insurance rate map, as providing 100-year protection. But the cost of the certification is really creating havoc for a number of these communities in my state.

So my questions on this is, number one, in FEMA's eyes, how is a rural community with almost no tax base -- in my particular area of southwest Iowa, we have just a handful of families that live and farm in these levee districts. And they're supposed to pay for, at a minimum, a \$1 million evaluation by a professional engineer.

This is not -- this is not good news for a number of these families. And I don't know how they can reasonably accomplish accreditation when it is so costly for these families. And so I'm not sure if you have ideas on how these rural communities can pay for those.

And number two, why is it that FEMA has different levee certification standards than the Army Corps of Engineers when it comes to reviewing the effectiveness of a levee?

And I will stop right there and see if you have any thoughts on that, but there seems to be some inconsistency between FEMA and the Corps of Engineers. There's a memorandum from 2014 that -- that lays out how they are supposed to work together, but from what I understand in the exchanges of e-mails, this communication process isn't -- isn't happening or isn't working.

So, one, it's a big shock, the cost of levee certification, and your thoughts on that, please.

J. JOHNSON:

Senator, my overall view of our flood insurance program, the overall view, is that it should be solvent, but also affordable. I don't have a -- I can't comment specifically on the cost of certification and its affordability particularly with regard to the rural communities you spoke of in Iowa. But I'm happy to look into that and get back to you specifically on your question.

I don't have an explanation for you in terms of the different methodology that may exist between FEMA and the Army Corps of Engineers, but I'm happy to look into it.

ERNST:

OK. I think that would be important because it's -- it's not just in rural Iowa where this is happening. This is all across the United States. And flood mapping is a big deal. And what we're running across in some of these areas even is what I've heard from some of my constituents. And I know this is true of other places as well, is that the cost of their flood insurance, their premiums, monthly premiums are starting to edge up towards what their monthly home mortgage costs are.

And you have to remember that we have very economically challenged areas and it's all they can do to pay their mortgage. And then to double that with flood insurance costs, they -- some of them are simply walking away from their homes. And this is a very sad situation.

So if you could provide us information about that, it would be helpful; or a way that we can do better and find alternatives for these -- for these families.

Next question. According to a recent article in Bloomberg, DHS suffered over 100 spills of classified information last year. And while I understand that a spill is not quite the same thing as a leak, both forms of mishandling information in the federal government really do concern me.

So, what are your feelings on this? And what are we doing to address these types of situations?

J. JOHNSON:

My view is that DHS, given our cybersecurity mission, should be a model for other federal agencies and departments. I am familiar with that article. I know that our cybersecurity experts and our intelligence and analysis directorate are focused on addressing spills. My recollection is that the article was not accurate in all respects, though. And I'd be happy to identify that for you.

ERNST:

Yes, if you can clarify, that would be -- that would great.

J. JOHNSON:

OK.

ERNST:

I appreciate it.

Now, I do appreciate it, and again thank you for your -- for your very good work out there and all your employees as well.

Thank you, Mr. Chair.

R. JOHNSON:

Thank you, Senator Ernst.

I've been cranking through some numbers here. I got your sheet on unaccompanied children.

J. JOHNSON:

Yes.

R. JOHNSON:

The big difference here is you're including all unaccompanied children, including from Mexico. And I was talking about unaccompanied children from Central America, which is the big problem.

So, let's just kind of step through this, because it's important. This affects your budget. In your budget, you are basically budgeting for 75,000 unaccompanied children from all sources. Correct?

J. JOHNSON:

Yes.

R. JOHNSON:

If you take a look at 2014, again, the crisis year. Correct?

J. JOHNSON:

Mm-hmm.

R. JOHNSON:

We can put the chart back up there. That was in total about 60,631 unaccompanied children. This is only Central America only, which just kind of gives you. Year to date, we're 10 percent above 2014 levels.

J. JOHNSON:

I'm sorry. Mr. Chairman, what was your -- what was your...

(CROSSTALK)

R. JOHNSON:

I'm -- I'm dealing with your numbers right now, which includes Mexico.

J. JOHNSON:

68,541 is what I have.

R. JOHNSON:

Right. Exactly -- the entire year.

J. JOHNSON:

Yes.

R. JOHNSON:

Year to date, in 2016, we're at 23,553.

J. JOHNSON:

Yes.

R. JOHNSON:

Year to date 2014 was 21,403. So if you include all unaccompanied children, we're up 10 percent, which would imply that we're going to be 10 percent over 68,000. That's about 75,000. Now, that's including Mexican children as well.

Mexico is four times the population of Central America, and yet Mexican unaccompanied children is somewhere between 20 and 25 percent of the problem. So that's why I isolate unaccompanied children from Central America because we treat them differently.

I'm trying to figure out, you know, what's the best way to address this problem? What's the best way to reduce the flow? We have to take a look at the incentives which, of course, you see deferred action on childhood arrivals was one of them; the lengthy adjudication process under the Feinstein amendment; the fact that when unaccompanied children from Central America get here, they're apprehended; they're processed; they're dispersed; and they basically stay.

Correct?

J. JOHNSON:

Well...

R. JOHNSON:

So, again, the point I'm trying to do is I think there ought to be alarm bells ringing right now because in the first four months, with just unaccompanied children from Central America, we're up 49 percent over the first four months in 2014, when it was a crisis. We're up 49 percent, which would imply -- you run the numbers out -- about 77,000 unaccompanied children from just Central America if that would hold.

Now, I see February's numbers. I've backed out my assumption because it's been very consistent. We've had about 1,000 unaccompanied children from Mexico the first four months. So if I assume it's 1,000 for February, I can come up with a number and we're still 20.5 percent ahead of 2014, which would imply 66,000 unaccompanied children from just Central America compared to 51,000.

So again, my point being is that the first four or five months of data, alarm bells ought to be ringing, the crisis has not been averted. It isn't getting better. It's getting worse even over 2014. Yeah, it came down in 2015, but the early indications, the first four or five months of 2016 is going to be worse than 2014. And that's my point.

It's obviously going to affect your budget. And I think the reason it's not a crisis, and here's what concerns me, is again, because of the great efforts of CBP and your organization, we've gotten very good, very humane at processing and dispersing. And as I said earlier in the hearing that Rob Portman, Senator Portman had on the situation in Columbus, this isn't a really human situation when we disperse and we just kind of forget about them.

So, again, are you acknowledging the fact that this is still an enormous problem and we are not, from my standpoint, addressing the root cause, and our public policy ought to be what can we do to stem the flow -- not figure out how we can more efficiently process and disperse, but how do we address the incentives that is incentivizing people to come here?

J. JOHNSON:

Yes, a couple of things. And I hope you don't mind if I exceed 36 seconds.

R. JOHNSON:

Sure. No, no, no, we -- we're here by ourselves. There's no clock.

J. JOHNSON:

Correct. First of all, nobody in DHS, CBP, ICE, or HHS is feeling as if a crisis has been averted. Whether it's 75,000, 68,000 or 39,000, that's a whole lot of kids. That creates a real problem for us. It overwhelms my resources, HHS's resources and taxes a lot of other resources.

I do think that the comparator to 2014 is imperfect in that there's a certain trend that existed in 2014 that doesn't exist in 2016. The numbers in January and February 2014 were considerably higher than the numbers in January and February 2016.

Now, having said that, much of this is seasonal. So I think we have to assume that March is going to be higher than February, and April is probably going to be higher than March. And May, June, July will probably do what it typically does.

So, we have to assume that we're not going to see numbers as low as 3,100 for the rest of this fiscal year, which is why our budget request assume 75,000 new A.C.s in 2016.

Now, I agree with you that you can put a lot of border security at this effort to deal with kids who are not seeking to avoid capture. And there's only so much you can do by way of border security immigration enforcement.

However, I do believe that it is important that people in Central America see that people are being repatriated back to Central America, which is why we've been very visible about our efforts in recent months. And I do agree with you, Chairman, that the underlying factors have to be addressed. I'm pleased that Congress appropriated \$750 million for Central America.

And I am impressed with the new president of Guatemala, Jimmy Morales. I hope you had a chance to meet him when he was here a couple weeks ago. He is a dynamic leader of Guatemala. And I'm hoping, and I have some optimism for that country, given the new leadership there.

J. JOHNSON:

But we have to do more, and we are seeking to do more, to help those in Central America with their border security, through training programs and the like -- through vetting programs. We have to do more in Central America, which is the heart of the problem.

Just in my 26 months in office, I have learned that, as long as you have powerful underlying push factors -- poverty, violence, drought and the like -- there's only so much border security that you can accomplish, whether it's more personnel or more walls, to deal with people who are motivated to leave their homes and travel thousands of miles to come here.

R. JOHNSON:

But we create a lot of push factors here, and that's -- that's the whole purpose of that chart. Deferred-action childhood arrivals was a pretty tremendous pull factor. The fact that we grant length (ph) adjudication process -- and they learn -- they learn the term -- credible fear -- and all of a sudden, we're not sending them back.

Secretary Chertoff, when we had a flow as -- 2008, 2006 from Brazil, started sending people back immediately. The flow stopped. We -- we were in Guatemala and Honduras. We met with the president-elect that point in time (ph). I also met with the president when he just came here last -- was it last week? Two weeks ago?

We actually saw a repatriation of illegal immigrants from Guatemala return to the airport. And during the reorientation speech, and this is -- this is a paraphrase translated to -- to me -- the Guatemalans were told, quote, "it doesn't matter how poor, how rich, big or small your country is. This is still your motherland.

"Remember that you have to love your country. Please consider that before attempting to leave for the United States." The room of about 136 Guatemalans who had just been repatriated erupted into applause.

The reprocessing center was very modern. We had -- you know, nongovernment agencies ready to -- to help them. There were -- a phone bank. There was -- there was one minor, he was separated from the group of adults, and their form of Child Protective Services -- so we talk about these push factors.

The president of Honduras asked us, "please fix the ambiguity in your laws that are encouraging our citizens to leave our country." So there's no -- let's face it. This is the United States of America. I don't -- I don't know how many people from around the world want to come here, but there are literally hundreds of millions, if not billions of people, who would like to be in America.

But we can't accept them all. It's got to be legal process, and we have to look at the incentives we create in our own laws that are the pull factor, because -- because there's push factors all over the world, and we really have to deal with what we can actually deal with here.

Those countries are beautiful countries, but as long as we have this insatiable demand for drugs, the farmers in Central America make 50 times what they can make on normal crops selling poppies, and they don't have to deliver it anywhere. They come pick it up.

So -- you know, I -- and Senator Carper was saying the same thing -- it's -- from our 14 hearings on border security, you know, our 100- page report, the conclusion I came to is the root cause, among many, of our unsecure border is our insatiable demand for drugs that's causing so many other problems, as well.

So that's -- my only point is let's look at this very clear-eyed, let's acknowledge reality, let's take a look at policies that we have -- we've enacted -- you know, over many -- multiple administrations, and just acknowledge the fact that these things aren't working, and we really have to look at what we can do ourselves.

And we have to state -- from my standpoint, what should be the goal of our policies is what can we do to stem the flow, as opposed to what we're doing right now in your budget. And again, you've done a very good job, with great -- great humanity.

What -- what DHS did in the throes of that initial crisis in 2014 was pretty extraordinary. But that's not the solution. You know, bottom line. You can comment. I've got a couple of questions as long as...

J. JOHNSON:

Well, let me make something...

R. JOHNSON:

Sure.

J. JOHNSON:

... let me say a couple of things. First, I agree with what Secretary Chertoff told you, because he told me the same thing about the situation in 2006.

And I share his view that illegal migration is very market- sensitive. It reacts to information in the marketplace about what is going on and what you can expect to happen after you've paid a coyote \$6,000 and you've migrated all the way up here.

And so that is why, to the consternation and unhappiness of many, I've been very public about our enforcement efforts. Our enforcement efforts just this fiscal year --the first five months of this fiscal year -- with regard to Central America, after all these people go through the credible fear process, having their claim heard in immigration court, having the appeals run and so forth - - just this fiscal year, we have sent back 28,000 people to Central America.

Nobody is sitting on their hands. We have sent back 28,000 people to Central America.

R. JOHNSON:

But let me ask -- out of how many that have come?

J. JOHNSON:

On average -- on average, 14 flights a week. So people are being sent back routinely.

R. JOHNSON:

But out of how many that have come? Again, we're talking about unaccompanied children. You're talking about almost all adults, is what you're talking about.

J. JOHNSON:

Most of them are adults.

R. JOHNSON:

What is the total that have come in -- of -- the 28,000 is what percent of the total?

J. JOHNSON:

The -- the number of -- total who have come in just this fiscal year -- sure, exceeds that 28,000 number, because a lot of them go through the litigation of their asylum claims. As you know, that takes months and months. DOJ's got a limited number of immigration judges to hear these claims.

But once we've gone through the process, I am sending people back as quickly as I can.

R. JOHNSON:

And listen, I understand the political heat -- you've done that, and I appreciate that fact, but again. do you know the total amount that have come in -- what the estimate is?

J. JOHNSON:

Since when?

R. JOHNSON:

Just for the year. I mean, if you sent back -- I mean, the same period. If you're saying you've sent back 28,000, out of how many that came into this country illegally, that we know of?

J. JOHNSON:

Well, so far, this fiscal year, there have been 152,000 apprehensions on our southern border -- 152,000 apprehensions. That...

R. JOHNSON:

And again, there -- there's a dispute over how many get by without us knowing about it. So I mean, it's still...

J. JOHNSON:

One of the reasons why I think you and I are both interested in developing better border metrics.

R. JOHNSON:

Correct, and I appreciate that.

J. JOHNSON:

Right. So it is a larger number, without a doubt, and presumably all these people have -- are in deportation proceedings, at one stage of the process or another. But as you know, it is a time-consuming process.

But we are in fact routinely sending hundreds and thousands of people back to Central America, and I've kind of made a big deal about that.

R. JOHNSON:

Right. But again, I think one of the reasons we only have a thousand Mexican unaccompanied children is we can send them back right away. And so there's just -- it's just easier to do it, and so there's -- there's less incentive.

But let me turn it over to Senator Carper...

J. JOHNSON:

Mexico's a different -- it's a different situation, too. No, it's not quite the same situation.

R. JOHNSON:

No, it's all complex. Senator Carper.

CARPER:

Finish that sentence. It's -- just -- follow up. Just finish your sentence about Mexico's a different situation. Just, briefly, please.

J. JOHNSON:

Well, the economy's better, as you know, Senator. The push factors are not the same. They're not as -- they're -- they're different. Mexico is a much different country from, say, 15 years ago, when the numbers of illegal migrants coming from there were far, far greater.

And so I think it is notable that, though our economy is improving, the number of apprehensions on our southern border is a fraction of what it used to be, thanks to the investments we and the Congress have made in -- in border security over the last 15 years.

Could we do better? Absolutely. Are we concerned about another spike? We have to prepare for it, and we are concerned about that, absolutely. Nobody is -- nobody is popping champagne corks.

Just yesterday, I had a meeting with the secretary of HHS on this problem to try to anticipate what could be the worst again. But as I said, I don't think that the -- I don't think 2014 is a perfect comparator. I think the trend lines are a little different.

But still, we can assume we're gonna see seasonal migration trending up again. That is absolutely the case.

CARPER:

OK. Thank you.

The other thing that's different with Mexico, they have -- I'm tempted to call it a vibrant middle class. They have a middle class today that they didn't have 20 years ago. And part of that, I think, could be attributable to NAFTA and -- and other things as well.

They're a strong trading partner with -- with us. And they still have -- we have -- God knows we still have problems with rule of law in this country, and they certainly have their challenges in -- in Mexico in that regard.

But the folks that are coming out of Guatemala, Honduras and El Salvador, as -- the secretary's been down there. Chairman, I've been down there. You know, if we lived down in those countries, and -- trying to raise our families, we might want to try to get out too, or at least get them to a safer -- a safer place.

OK, cybersecurity -- I know we talked a little bit about that. We -- over the last several years, we have talked about it a lot, and we've actually done very good work in the -- an earlier Congress with Tom Coburn, passing legislation that made real the cyber ops center, one known as the (inaudible) have provided greater hiring flexibility and enhanced your ability to hire the kind of cyber warriors that you need and retain them.

And the -- the other pieces to try to recognize the difference -- the responsibilities of the Department of Homeland Security and OMB, with respect to protecting our .gov domain, and doing that in a -- in a thoughtful way, and to move away from -- it's a matter of (ph) like, paperwork drill system to actually a real-time system where we're actually able to respond in a real-time basis, not like a year after an intrusion.

We are happy with all of that. We have provided funding, as you know, for all of that. And you are -- you now have had an opportunity to begin hiring cyber warriors. How's it going?

J. JOHNSON:

First of all, thank you for -- thank you, both of you, for taking on this complex subject and pushing out a really good bill last year. Thank you also for the cyber legislation we got in 2014 that gives us additional hiring authorities.

We are competing in a tough marketplace against the private sector that is in a position to offer a lot more money. Suzanne Spaulding and her people are making very aggressive efforts to, A, implement the 2014 legislation you passed, and B, in the interim, to do a lot of things in terms of recruitment, expediting the hiring process, and so forth.

We need more cyber talent, without a doubt, in DHS and the federal government, and we are not where we should be right now. That is -- that is without a doubt.

CARPER:

Let me just interrupt you. Phyllis Schneck, who is one of your top cyber people, has -- she came out of the private sector. Went to Georgia Tech, came out of the private sector. I'm sure she was making a lot of -- very well compensated. And she gave it up in order to come to work at the Department of Homeland Security.

J. JOHNSON:

I'm familiar with the phenomenon, yes.

CARPER:

Yes. And the reason -- the reason why, when I talked to her about it, was that she -- she felt an obligation, a desire to give back to her country.

And there's -- you know, it's all well and good that cyber warriors work for other companies or businesses and so forth. But in this case, there's something to be said for appealing to people's sense of patriotism. And I think that's one of the things that draws her. And that's a -- that's a -- that's a calling card, if you will, that we can -- can use, and I'm sure that we -- that we do.

Let me just follow up by saying I think there's a 30-percent increase in -- in the president's proposed budget for next year for the department's cybersecurity programs, and some of these monies will be used to help expand EINSTEIN so that basically all the federal agencies are using not just EINSTEIN 1 and 2, but also EINSTEIN 3 intrusion detection system across the board, and as well to bring in the -- the new personnel that we talked about for your cyber ops.

How does the budget support implementation of the cybersecurity information-sharing legislation that was enacted last year? We worked on it together, and it got great support from the administration and from the president. But how does -- how does the budget support implementation of our information-sharing bill that was enacted -- signed into law last December?

J. JOHNSON:

Short answer -- short answer is, further investments in maintaining our technology and building upon what we have. Further investments in the EINSTEIN system, further investments in CDM.

The legislation specifically authorizes DHS to go into other departments and agencies to detect, to monitor and block intrusions. That is a good thing, that Congress gave us the authority to do that, because we were finding considerable uncertainty in departments and agencies, to do that.

One of my top priorities for federal civilian .gov cybersecurity, while I'm still in office, is to have E3A in place to block intrusions across our entire federal civilian system before the end of this year, and I think that's one of the legal mandates in the bill.

But, as I've said, EINSTEIN is also a platform for building additional capabilities, so that we're not just going after known intrusions, but also suspected intrusions.

There are pilots out there now to that, and I think we need to build on that for the future. So the funding for additional technology implements legislation that was passed last year.

CARPER:

All right. Just a quick question -- follow-up on encryption, if I could. We hear a lot in the media about Apple and the disagreements that they have with the FBI.

It's a serious matter, and we have a -- a mass killing in San Bernardino, as we know -- I think 14 people were killed by a couple who were radicalized -- and the -- there's a cell phone, an Apple cell phone, that's in question, that I think was not owned by the -- the killers, the perpetrators of the violence, but is owned by the county where the husband had actually worked.

CARPER:

The -- we have a role to play, here. Some of our colleagues in the House and the Senate are working on legislation. The administration is -- has -- has spelled out their own -- their own views. I think there's actually some people who don't like to speak like one -- in one mind set on this issue, even within the administration. It's a tough issue. But as we consider legislation on -- on this matter, do you have some advice for us?

J. JOHNSON:

My advice is that -- ensure that you have the views of all the stakeholders, from the tech sector, from the intelligence community and from the law enforcement community, federal and state. One person who comes to mind, for example, is Cyrus Vance, who's the Manhattan D.A. Cy (ph), who is a friend of mine, has been very vocal about the encryption issue from the local law enforcement level and he reminds us that basically, any crime that involves communications, not just federal crimes, is harder to detect because of the encryption issue.

I do believe that there needs to be a readjustment in the pendulum. I think that, you know, in response to the demands of the marketplace, the tech sector has gone a long way toward encryption, but it has, in fact, created a situation where crime and potential terrorist plotting is harder to detect.

So I and others do agree that there needs to be a recalibration. I -- I of course support the government's position in the case involving Apple in California. And so if we are to grapple with this problem, I think that smart people can solve the problem, but we have to ensure that all the stakeholders are represented in that discussion.

CARPER:

Alright. Well, we'll continue to welcome your -- your counsel on this matter. One last one if -- Mr. Chairman, if I could. Chairman and I and others in our committee (ph) staffs who have worked a whole lot on trying to put legislative language authorizing some of the initiatives that are comprised in their entirety, your (ph) unity of effort. Why -- why do you want to leave some of your reforms in -- in place for the next secretary? And will these reforms help in some way to get (inaudible) maybe off the high-risk list and be able to do the work more effectively?

J. JOHNSON:

Well, first of all, through our very able under secretary, who is sitting right there, along...

CARPER:

What's his name?

J. JOHNSON:

Russ Deyo.

CARPER:

I've heard of him.

J. JOHNSON:

A former client of mine from my private practice days. And his very able CFO and our deputy secretary, we've gone a long way in working with GAO to get off the high-risk list. I believe very strongly that a lot of the things we are doing to remove the stovepipes in DHS and have a

more strategic approach to budget making, acquisitions and so forth, should be institutionalized. It's not just something that should exist while I am in office. I think it will make the department a better, more effective place for Homeland Security if we move in the direction of more centralized, more strategic approaches to our Homeland Security mission.

We have been stovepiped for far too often and we need to move toward a model more like the Department of Defense, where you have joint duty, joint task forces and the like. There are -- there are provisions in the current law that create some limitations on our ability to do that and I'm sure our staffs have spoken to you about -- about that and in the current Homeland Security Act.

And so authorization of our unity of effort initiatives is something I very, very much support, which includes reforming and restructuring and PPD (ph). I've seen the -- the legislative language that I know your committee is working through now on a number of these things and I support that, and I support the good work there.

CARPER:

Good. And I think it's fair to say that we support what you're trying to do. Thank you. Thanks so much for joining us today.

R. JOHNSON:

Thank you, Senator Carper. I think Senator Sasse may be coming up. I still have some questions as well, so let's kind of step through them.

By the way, I do appreciate you working with me on a board of (ph) metrics bill and the fact that you recognize if we're going to ever provide greater security of the borders, we need to understand the situation. So I hope you'll continue to work with us. I'd like to get that actually passed and certainly support efforts which -- that you're trying to do within your department.

Let's a little bit about critical infrastructure. Earlier, I talked about Ted Koppel's -- Ted Koppel's book, "Lights Out." We held a hearing on this. We had Dr. Richard Gowan (ph) here. We had James Woolsey. The EMP Commission of 2008 tasked your department with a number of, I guess call them quick fixes and GAO basically reported that haven't done a whole lot on that.

We've witnessed the unsolved attack on (inaudible) substation at metcafe (ph). You know, you read about the cyber attack on the power grid system in Ukraine. You take a look at potential of -- of solar storms with geomagnetic disturbances. You take a look at the potential. I mean, obviously, let's -- let's look at North Korea, ballistic missile technology, nuclear capabilities. I'm concerned about Iran. There are reports that they've test-fired (inaudible) missiles off of ships off of shore.

These threats are real. And I guess -- can you just kind of talk about across the board, critical infrastructure? I would say particularly the electrical grid, which is the number one. I mean, we - - electricity goes down, lights go out, we're in a world of hurt and we have these large power transformers that Dr. Richard Gowan (ph), who by the way -- Secretary Moniz, when I questioned him about this in Foreign Relations said, you know, Dr. Richard Gowan (ph), a real national treasure. And Rico Fermier (ph) referred to him as one of the true geniuses he's ever met.

So can you speak to me -- what -- what the department's done in terms of the charge you were given based on the 2008 EMP (ph) commission on critical infrastructure, particularly electrical grid? But expand it beyond just EMP, GMD, cyber attack, physical terrorist attack. Where are we at on that?

J. JOHNSON:

Better than we were, but there's more to do. I don't agree with everything in Ted Koppel's book, but I think he was right to put a spotlight on the issue.

Since the earthquake in Japan in 2012, there were a lot of lessons learned for the U.S. government and private sector critical infrastructure utilities here. And since that, which was sort of a seminal event, we've done a lot more partnering with the private sector, with critical infrastructure, to work with them, sharing best practices, sharing information about the potential for a cyber attack on power grids. And we do exercises now with them.

So we're in a better place than we were. There was a DHS team along with an interagency team in the Ukraine recently. That was a -- that was a cyber attack that led to a power failure. We're not at this point in a position to attribute it to any particular source. But that was a cyber attack.

R. JOHNSON:

And highly sophisticated, correct?

J. JOHNSON:

And it would appear to have been fairly sophisticated, yes. And that should be and must be a wake-up call for those who haven't already been awakened by this problem and this risk. So we are working with critical infrastructure all the time. I -- I have spoken to CEOs of utilities about this problem and they're (inaudible) this issue as well, but there's -- there's clearly more to do, Chairman.

R. JOHNSON:

What is the lead group in your department looking at this?

J. JOHNSON:

We have an assistant secretary for -- for Infrastructure Protection who is -- who is part of this effort, but also our cyber security efforts as well.

R. JOHNSON:

Yes. I want to work very closely with you over the next few months to do whatever we can legislatively in working with your department. This is incredibly important. I've got more questions, but I'll turn it over to Chairman McCain.

MCCAIN:

Thank you very much. Welcome back, Secretary Johnson.

A couple of issues real quick. You know, we are terribly short of staffing at our ports of entry on our southern border. We passed legislation which would expedite veterans being hired, we've done a number of things, but we're still, for example, no gallas (ph) Mariposa point of entry, we're 20 percent understaffed, well over 100. So you see these lanes -- these vacant lanes and traffic stacked up behind it simply because we don't have the personnel.

It's my understanding it takes 18 months and we did pass legislation which would expedite veterans, former military, but the fact is that we're still not making up for that shortfall. And I am of the view that we need to have some kind of incentive pay or hazardous duty pay at -- placed at ports of entries that are -- that experience high traffic flows, and I'm very interested in your view on that.

J. JOHNSON:

First, Senator, we're not where we need to be. No argument from me there. CBP needs to and is making aggressive efforts to hire, to bring on people faster, to get them through the polygraph exams. I fully support the hiring of veterans and making it easier to hire veterans. I understand that you are interested in -- in legislation to deal with pay in these areas and I'm -- I'm happy to look at that with you, sir.

MCCAIN:

It's a very tough environment along all of our southern border, but also, I would argue in Arizona it gets particularly warm and I can understand how tough a duty it is. And so I think that -- just as

we in the military, we provide incentive pay for hardship positions. I hope that you would look at that and I'll be introducing legislation on it because it's just not sufficient, as you know, when we're 100s -- well over 100 agents -- customs agents short. It's -- it's either there's something wrong with the level of staffing required or something wrong with the level of personnel.

I -- I know that you know that -- that there's an epidemic of manufactured heroin and the deaths of manufacturing heroin overdose have been described by some governors, including the governor of New Hampshire, as a quote, "epidemic." The -- the -- the heroin is being transported across the border in Arizona and seizures have increased 223 percent as the drug cartels, obviously, transport and distribute the drug to the United States. I think it's particularly interesting now, the passing of Nancy Reagan, Just Say No to Drugs was something that we -- I think we ought to do a lot more of.

But one, do you agree that this is -- that heroin drug overdose deaths are skyrocketing? That's just facts that we get from the governor's. And aren't most of this -- these -- this manufactured heroin coming across through the ports of entry rather than smuggled across the border areas? One reason -- for several reasons. And -- and what do you propose that we need to combat this, what some governors have described as a quote, "epidemic."

J. JOHNSON:

I agree that most of the heroin that is -- that is seized is seized at ports of entry at our southern border. That is what the facts and the statistics show, as opposed to maritime, for example. We have -- we have seen greater levels of seizures by customs and border protection and by HSI. We have created a national task force with the Department of Justice to deal with a heroin epidemics specifically.

Part of the joint task force missions that I created two years ago -- part of our JTF missions, which is modeled, by the way, after the structure we have in Arizona, is the -- is the illegal narcotics problem. It's not just migrants -- illegal migrants. I want our JTFs to be focused on narcotics as well.

We're seeing an increase. It is alarming and I think this needs to be a national government effort. Within DHS, we've got ICE, HSI and customs and border protection focused on this problem, and we're seeing seizures at higher levels without a doubt.

MCCAIN:

But it also seems that the problem is increasing, according to these governors, rather than decreasing. And I agree -- fundamentally, I totally agree with (inaudible) supply and demand. But it seems to me that despite our increase in interdiction that the problem is growing worse. Would you agree with that?

J. JOHNSON:

Yes, sir.

MCCAIN:

You got any ideas?

J. JOHNSON:

I think we need more resources at the federal government level, not just DHS, but DOJ, DEA and a coordinated, sustained effort to deal with this problem.

MCCAIN:

I hope that this committee and Congress can get some recommendations from you because frankly I have not seen anything quite like this when I traveled to New Hampshire and here the Governor of New Hampshire say it's an epidemic in her state and throughout the Mid West as well.

And maybe also sometime we ought to talk about demand but nobody seems to want to discuss that aspect of either and I know that's disappointing to you.

Finally on the children showing up at the border -- is one of the answers allowing increasing our custom -- our Embassy and Consulate capability in those three countries -- El Salvador, Nicaragua, and Guatemala so that they can go there rather than showing up on our border?

J. JOHNSON:

Yes sir, I agree with that.

MCCAIN:

I thank you for the good work that you do, Mr. Secretary. We have some spirited discussions from time to time but I appreciate the work that you are doing and maybe finally -- as Nancy Reagan inaugurated, maybe we ought to be talking a little bit more about trying to address the demand side of this problem rather than blaming it all on the Mexican Cartels who I'm glad to blame it on them but there is -- there is a demand. You agree?

J. JOHNSON:

I agree yes, we've got to deal with demand and the supply.

MCCAIN:

Thank you Mr. Secretary.

R. JOHNSON:

Thank you Senator McCain. By they way, we mentioned earlier that I think it would be -- the evaluation I've come to in this committee -- the root cause of our unsecured border literally is our insatiable demand for drugs so that is an important component we're working -- we're trying to work out a piece of legislation to address the consulates to address that.

But here's an idea in term of interdicting drugs at the border through ports of entry. We held a hearing and I know you're busy with the Arms Services Committee. Incredibly interesting hearing, it was on K9 units and really spawned -- the red teams, the failure rates, because it is difficult to detect these things -- went to the University of Pennsylvania where they have a pretty ground breaking K9 training unit there. Unbelievably capabilities.

In the hearing, certainly we saw as we have not really increased the number of K9 Units, certainly within DHS. I wanted your evaluation, in the layered approach to Airport Security, this is for bomb sniffing, this is for potentially drug sniffing, all those issues -- do you think it's good to explore the efficacy and maybe the expansion of K9 units throughout your different missions - - whether it's drug interdiction, whether it's trying to potentially sniff out bombs and airports, that type of thing.

J. JOHNSON:

There's actually -- there's actually no better technology than a dogs nose for detecting certain types of explosives and prohibited items. And just in the last two years I've seen us expand the use of K9's at last point of departure airports and domestic airports to look for prohibited items in airports and in and around airplanes.

So I do believe in K9 use, it's very, very effective in a number of our missions, not just Aviation Security.

R. JOHNSON:

But we haven't really increased the numbers, I mean is that something that you'd want to look at as increasing -- I mean it's about 2,500 units in total from DHS, I think it was 900 in TSA, over 1,000 in TSA -- it's been pretty flat.

Do you think it's so effective that we should be looking at expanding that?

J. JOHNSON:

I think it's worth looking at. I understand you had a hearing about it to exclusively this -

R. JOHNSON:

Yes.

J. JOHNSON:

K9's are very effective and one of the things that I was fascinated to learn when I was in Turkey last week is that they're not as opposed to the use as K9's there as one might expect them to be.

So they're embracing this too. So I think it is worth looking at, yes.

R. JOHNSON:

OK, let's work together on that. The final thing I'll just talk about is what Senator Carper was talking about is personnel in cyber. Happy to work with you there in terms of what do we need to do. Is it -- you know, trying to attract people from the Private Sector to take a two-year sabbatical and come here.

You know, whatever imagined program we can to tract those individuals. I have stated repeatedly I am very impressed with the individuals like yourself, like -- really your entire team here. The quality of the Federal workforce, these people are patriots, they take their mission seriously about keeping this nation safe but I also understand the constraints. I'm a private sector guy. I know what private sectorial pay for talent and your constraint there.

So we're going to have to put our heads together and figure out what do we need to do so that your department is staffed with the best and the brightest. There are plenty of Patriots in America that will do it and they'll do it at really great financial sacrifice so lets try and break down whatever barriers we create bureaucratically to resource you.

J. JOHNSON:

We've got terrific career people but I agree with what Tom said which is that we ought to appeal to people's sense of patriotism to -- hey, about spending a couple of years serving your country, working for the government in Cyber Security which will better enable you to get that terrific job later on in that financial sector in the private sector or with some terrific cyber security firm in Silicon Valley.

R. JOHNSON:

You know GE has a very imaginative marketing ad campaign out right now trying to make it -- you know, really attractive to -- you know, not go into these apps but actually go in and figure out how do you make an economy run properly with a really -- information technology and we can -- you know, maybe do something similar to that.

But again, I want to work with you in terms of what Senator McCain was talking about, consulates so that refugee and silent seekers can do that within Central America rather than make the dangerous journey.

I want to work with you in terms of reducing our insatiable demand for drugs. The passing of Nancy Reagan is an important reminder of -- it actually worked. You know we've been very effective in reducing demand for tobacco. Now try the same thing with drugs.

But again, I want to thank you entire management team, I want to thank you Mr. Secretary for coming here and for all of your efforts. This is not an easy job, it's an enormous challenge and you're working hard to try to keep this nation safe and secure so thank you for your efforts.

With that, the hearing record will remain open for 15 days until March 23 at 5:00 pm for the submission of statements and questions for the record.

This hearing is adjourned.