TESTIMONY OF SECRETARY MICHAEL CHERTOFF U.S. DEPARTMENT OF HOMELAND SECURITY BEFORE THE HOUSE COMMITTEE ON HOMELAND SECURITY WASHINGTON, DC – SEPTEMBER 26, 2006

INTRODUCTION

Chairman King, Ranking Member Thompson, and Members of the Committee: I appreciate the opportunity to appear before the Committee today to discuss the Department of Homeland Security's key priorities for 2007 and for the years to come.

At the outset, I'd like to thank the Committee for its ongoing leadership and support, particularly your efforts over the past year to move forward on critical legislation that will ensure our Department has the resources and authority needed to protect our ports, our borders, and our chemical facilities.

Of course, two weeks ago our nation observed an important milestone by commemorating the five year anniversary of the 9/11 attacks. We paused to remember the unimaginable evil of the 19 hijackers that turned our commercial aircraft into Weapons of Mass Destruction. We honored the lives of the 3,000 innocent men, women, and children who were murdered in cold blood on that day, including the first responders who gave their own lives trying to save them. We also reflected on the actions taken since 9/11, both at home and abroad, to prevent further attacks and to keep Americans safe from harm.

Over the past five years, our nation has made substantial progress to protect the homeland against another terrorist attack, and we have done so in a way that respects the freedoms, liberties, and way of life cherished by all Americans.

We have transformed how we screen visitors and cargo entering our country. We have boosted border security, adding more boots on the ground and new detection capabilities. We've protected critical infrastructure through new programs, partnerships, and cutting-edge technology. We've refashioned our intelligence community to ensure a two-way flow of information across all levels of government and the private sector. And we've strengthened emergency preparedness and response.

For all of these reasons, our nation is safer today than prior to 9/11. But we know that our work is not yet done. We must continue to identify and close security gaps. We must continue to manage risk and prioritize our resources according to threats, vulnerabilities, and consequences. We must expand partnerships across federal, state, tribal, and local governments, as well as the private sector and the international community. And we must continue to enhance protection without creating a fortress state, bankrupting our country, or destroying the systems we are trying to protect.

OVERVIEW OF PRIORITIES

Our priority focus at the Department of Homeland Security remains preventing those events that pose the greatest potential consequences to human life and the functioning of our society and economy. At the top of that list is the threat of Weapons of Mass Destruction, which if used, would have shattering consequences. Preventing the introduction and use of such weapons requires our priority attention and constant vigilance.

In addition, we must continue to guard against infiltration by terrorists, including those with the capability and intent to cause significant harm to our country through multiple, high-consequence attacks on people and the economy.

Finally, we must always be mindful of the potential for homegrown acts of terrorism, including individuals who sympathize with terrorist organizations or embrace violence as a means to promote their radical agenda.

For this reason, we must not only work across federal, state and local government to prevent domestic terrorism, but we must build a new level of confidence and trust among the American Muslim community, who are critical partners in protecting our country.

To address these and other threats, we will redouble our efforts over the next two years across five key areas: 1) screening people at our borders to prevent the entry of terrorists, criminals, and illegal aliens; 2) screening cargo to prevent the entry of Weapons of Mass Destruction; 3) protecting critical infrastructure, including transportation systems and chemical facilities; 4) boosting intelligence and information sharing to help prevent attacks; and 5) strengthening emergency preparedness and response so that if we do face an attack or major disaster, our nation can respond quickly and effectively.

In addition, we will also continue to strengthen our own Departmental management, hiring, and contracting practices so that we can continue to attract talented senior-level leadership, meet our workforce needs, and ensure that contracts are awarded based upon our desired goals, including those for small and minority business participation.

1. Screening People at the Border

First let me discuss screening people at the border. Our perimeter defense depends on keeping dangerous enemies out. Since 9/11, we have made substantial progress to strengthen screening capabilities at our ports of entry and boost our physical and technological presence between the ports of entry.

Ports of Entry

At ports of entry, we have integrated counter-terror fingerprint databases. Working with the State Department, we have dramatically enhanced the information available to visa adjudicators and created better links between visa and port of entry processes.

As important, we have implemented US-VISIT biometric entry capabilities at 117 airports, 16 seaports, and 153 U.S. land ports of entry. Within seconds, we can now positively confirm a visitor's identity by matching the visitor's two digital finger scans captured at the time of visa adjudication against those collected in our databases, and screening them against terrorist and criminal watch lists.

To date, US-VISIT has facilitated entry of more than 64 million travelers and prevented more than 1,300 criminals and immigration violators from entering through our ports of entry. US-VISIT also has provided the State Department with vital information for identifying ineligibilities for denying visas to an additional 1,000 ineligible applicants. In addition, we continue to explore departure confirmation alternatives at airports, seaports, and land border ports of entry around the United States as we move toward fulfilling our vision for an automated entry-exit system under US-VISIT.

We've also strengthened oversight and coordination of our screening efforts across the Department through our Screening Coordination Office. This office, led by a senior member of the Department's original leadership team, will integrate the mechanisms through which the Department conducts terrorist and immigration-related screening, create unified standards and policies, and develop a single redress process for travelers.

Advance Passenger Information

So what are our key priorities for screening people over the next two years? First, as the recent London airline threat emphasized, we need to be able to determine as early as possible who is trying to come into this country from overseas, and who is trying to get on an airplane that might do us harm. Under our current arrangement, we vet international air traveler information a full fifteen minutes after a plane departs for the United States. That is simply too late.

Our goal is to implement a system that requires airlines to transmit passenger information well in advance of departure. This will give us the necessary time to check passenger names and coordinate with airlines and foreign law enforcement to interdict a suspicious person at the departure airport or prevent that person from boarding a plane bound for the U.S.

Apart from known terrorist threats, we also need to be able to identify unknown terrorist threats – that is, people who don't appear on any watch list or in criminal databases. One of our most valuable tools to do this is actually at our fingertips – the Passenger Name Record (PNR) data routinely collected by the travel industry when an international traveler makes an airline reservation or purchases an airline ticket.

Over the coming months, I look forward to working with the European Union to examine options to share PNR data among law enforcement agencies while ensuring adherence to appropriate privacy safeguards.

Secure Documents

A second area where we must accelerate efforts is the development of secure travel and identification documents. We must develop standard, secure credentials that give us a high degree of confidence that an individual is not using false or stolen documents to enter our country or access our transportation systems or sensitive critical infrastructure.

A number of initiatives now underway will allow us to do this. Under the Western Hemisphere Travel Initiative, we are working with the State Department as they develop a secure alternative format passport for individuals traveling between the United States, and Canada and Mexico. The card will be a secure, fully vetted, wallet-sized passport serving as evidence of citizenship and identification, which will allow real-time security checks at land border crossings and certain water border crossings.

We are also working with states to develop standards for secure driver's licenses under the REAL ID Act. Driver's licenses are one of the most common forms of identification used in our country. We must have clear guidelines for how these documents are produced, who gets them, and what security features they must contain.

To protect transportation assets, including our nation's ports, we are also moving forward with the Transportation Worker Identification Credential. This credential will help ensure that our nation's port workers have undergone the appropriate background checks, are authorized to work in our country, and do not pose a security risk. We expect to begin issuing cards by the end of the year, with a phased expansion in years to come.

Five years after 9/11, however, some are beginning to complain that these measures are not necessary or that they will cost too much. I disagree. They are as necessary now as they were five years ago. Of course, we must implement secure document requirements as efficiently and economically as possible. We must also continue to work with our international partners and allies to develop appropriate standards for secure documents and to share information and intelligence, including information on lost and stolen passports.

But at the end of the day, we must have the will to implement these measures if we are going to heed the lessons of 9/11 and reduce the risks for the future. Documents such as these will not only increase security, but ultimately speed processing for travelers.

Fingerprint Collection

We also need to make sure we are able to exploit combined law enforcement fingerprint databases to our greatest advantage. Critical to this is moving from a two fingerprint collection system to a 10 fingerprint system for visitors to the United States. Taking all 10 fingerprints from travelers will allow us to do a more comprehensive identification check and a more thorough search of existing criminal databases.

The State Department will deploy new 10-print devices at U.S. visa-issuing posts overseas. We will also begin deployment of these same devices to our border ports of entry to electronically collect 10 flat fingerprints.

Border Security

Of course, we also have made tremendous progress to secure the thousands of miles of border between our official ports of entry. This includes giving the men and women who patrol both our Northern and Southern land borders the tools, technology, and resources they need for this difficult, often dangerous job.

Border Patrol

Before 9/11, our nation had 9,000 Border Patrol agents along our Southern and Northern Border. Under the President's leadership, today we have more than 12,000 Border Patrol agents, and by the end of calendar year 2008, we will have more than 18,000 agents – effectively doubling the size of the Border Patrol.

Since 9/11, the Border Patrol has apprehended and sent home some six million illegal migrants attempting to cross our borders. Of course, we know the vast majority of these individuals are entering our country for economic reasons. But if we can continue to control our border in a comprehensive, intelligent fashion, we will raise the barrier against those who would come into our country to do us harm.

Catch and Remove

Before 9/11, we did not have adequate bed space to hold those we detained from countries other than Mexico. Too often these individuals would be given an order to appear in court, and then they would disappear.

Today, by expanding bed space and decreasing processing times, we have essentially ended this practice of "catch and release" at our Southern border. Now, virtually all illegal migrants caught at the border are subject to "catch and remove." This is a major milestone for our border security efforts and meets the goal I outlined last year to end catch and release.

Moreover, ending catch and release is having a clear deterrent effect on those who would consider crossing our borders illegally. For the first time, we are now seeing a decline in the number of non-Mexican migrants attempting to cross the southern border. The message has gotten out: if you are apprehended illegally entering our country, you will be sent home.

Under the Secure Border Initiative, we are also substantially implementing new technology, staff, and tactical infrastructure at the border. In fact, last week we announced a major contract award for the deployment of SBInet, which is our integrated system of cameras, sensors, and other surveillance tools that will enable us to build a 21st century "virtual fence" across our border. SBInet will intelligently leverage existing assets and lessons learned, combining the best thinking, best technologies and best practices available to mount a comprehensive response to securing our nation's borders.

Operation Jump Start

To support this comprehensive approach, the President launched Operation Jump Start in June of this year along with state governors to provide up to 6,000 National Guard forces to support Border Patrol efforts along our Southern Border. This partnership has produced immediate and substantial results.

National Guard troops are providing surveillance support, operating detection systems, and working in entry identification teams at the border. These added eyes and ears are helping Border Patrol agents on the frontline more effectively detect and respond to illegal entry.

National Guard members are also providing information analysis, communications and administrative support. This is permitting Border Patrol agents to focus their efforts where they are needed most – on detecting and apprehending illegal aliens and protecting our borders against all threats. National Guard engineering units are also enhancing tactical infrastructure at the border, further accelerating an important element within the Secure Border Initiative.

The results of this combined effort have been significant. Working as one team, the National Guard has supported the Border Patrol in apprehending more than 11,000 illegal aliens and seizing more than 38,000 pounds of marijuana, 1,800 pounds of cocaine, and \$11,000 in currency. This is a major contribution to keeping our border secure and our communities safe.

The National Guard presence also has permitted nearly 400 Border Patrol Agents to move from "back offices," where they were performing essential support functions and logistics jobs, to the "front lines." These Agents are now working every day on the border to detect and apprehend illegal aliens, and seize narcotics and other contraband.

The Guard will continue to assist these efforts as we train and hire the new Border Patrol agents called for under the President's plan. This fiscal year, we have hired more than 1,600 agents and more than 600 have graduated from the Border Patrol Academy. The additional force multiplier provided by the National Guard will allow us to continue to recruit, hire, and train additional agents while we protect the border.

Injunction Reform

Despite this clear progress, we still have much work to do to secure our borders. One area in particular where Congress can be of immediate assistance would be to pass legislation that would end longstanding injunctions that hinder our ability to quickly remove certain groups of illegal migrants from our country.

One case in particular, the Orantes Injunction, dates back more than two decades, to a time when El Salvador was experiencing a civil war. The war has long ended, but the injunction remains, preventing the Department from using all the tools at our disposal to remove illegal aliens from El Salvador, who now represent the largest group of non-Mexican illegal aliens crossing our borders.

I ask Congress to pass injunction reform so that we can apply expedited removal to these individuals, whose continued presence puts a strain on our detention facilities at a tremendous

cost to taxpayers, and will make it difficult for us to sustain the success of our catch and remove policy in the future.

Social Security No-Match Data

In addition, to support our interior enforcement efforts, I appeal to Congress to pass legislation that would give our Immigration and Customs Enforcement (ICE) agents greater access to Social Security no-match information.

Greater access to no-match data would provide important direction to ICE investigators to target their enforcement actions toward those employers who have a disproportionate number of these no-matches, who have reported earnings for multiple employees on the same number, and who are therefore more likely to be engaging in unlawful behavior.

2. Screening Cargo and Preventing WMD

Let me now talk about what we've done since 9/11 to monitor the cargo entering our nation and prevent the entry of Weapons of Mass Destruction – and what we want to achieve in the future.

Before 9/11, we screened very few cargo containers entering our ports or crossing our borders for terrorist weapons. We did not have the ability to examine that cargo overseas before it left a foreign port for the United States. Nor did we have adequate automated scanning for radiation, next generation detection technology, or a formal partnership with the private sector to increase security in privately owned supply chain operations.

Today, all of this has changed. Through our National Targeting Center, every shipping container entering the United States is assessed for risk, and high-risk containers are inspected. Moreover, under the Container Security Initiative, U.S. inspectors stationed at 44 overseas ports now screen nearly 80 percent of the cargo bound for the United States before it reaches our shores. By the end of this calendar year, those inspectors will screen cargo at 50 foreign ports covering approximately 82 percent of the containerized cargo destined for the U.S.

In addition, we have deployed hundreds of Radiation Portal Monitors and thousands of handheld radiation detection devices domestically to protect against radiological and nuclear threats. As a result of these capabilities, we will screen nearly 80 percent of maritime container cargo arriving at U.S. ports for radiation by the end of this year. Finally, almost 6,000 companies have joined our Customs Trade Partnership Against Terrorism to voluntarily take steps to enhance security in their supply chain operations.

In all, the federal government has dedicated nearly \$10 billion to port security since 2004, including the efforts of the Coast Guard, Customs and Border Protection, the research and development efforts of our Domestic Nuclear Detection Office, and the Department of Energy. These actions have not only increased security, but they support the free flow of commerce and trade essential to our economy.

Biological Countermeasures

Since 9/11, we also have significantly strengthened the nation's defenses against biological threats by developing and deploying a network of biological sensors; establishing new facilities to monitor, test and detect potential biological threats; and utilizing new risk assessment tools to inform investments and potential threats.

In partnership with the Environmental Protection Agency (EPA) and the Department of Health and Human Services (HHS), we have deployed the first ever bioaerosol monitoring system to more than 30 major metropolitan areas in order to provide early warning of an attack and enable quick and accurate response. The BioWatch system is currently undergoing expansion in the top threat cities to enable detection of smaller amounts of bio-agents, better define the affected areas in the event of a release, and provide increased coverage of critical facilities such as transportation networks.

We also have established the National Biosurveillance Integration System to provide early recognition of biological events such as human or animal disease outbreaks. And in partnership with the Federal Bureau of Investigation, we have established the National BioForensics Analysis Center to conduct and facilitate forensic analysis and interpretation of materials recovered following a biological attack.

Radiological Screening

These are major advances in protecting our nation against Weapons of Mass Destruction. But in the future, we must continue to develop and deploy systems to prevent and detect nuclear or radiological attacks in the United States. To accomplish this goal, we will do a number of things.

First, we will complete the deployment of Radiation Portal Monitors to all of our southern and major northern land border crossings and to every major seaport by the end of next year. Once these systems are in place, we will be able to screen approximately 98 percent of inbound cargo for radiation.

We will also make substantial investments in next generation nuclear and radiological detection technology, including \$1.15 billion for the Advanced Spectroscopic Portal (ASP) program and \$1.35 billion for the Cargo Advanced Automated Radiography System (CAARS).

These systems will harness cutting-edge technology to enhance detection of nuclear and radiological threats at ports of entry, including the presence of shielding that could be used to hide special nuclear material. Making these investments also will improve our ability to scan greater amounts of cargo in a timely manner, facilitating the trade and commerce vital to our economy.

Secure Freight

To expand protection of cargo moving throughout the global supply chain, we are also increasing the extent and depth of information and data we will be able to use to draw a more detailed picture of the movement of a container as it travels through the supply chain.

Implementing this Secure Freight program over the next two years will require considerable work with our interagency and overseas partners, and international organizations. We look forward to working at home and overseas to implement this new vision for cargo security.

Securing the Cities

Finally, by the end of 2008, we will complete the first phase of a "Securing the Cities" program in New York City to conduct nuclear and radiological scanning on the principal pathways into the city – over land, over water, and underground. In addition, we anticipate two additional cities will be part of the "Securing the Cities" program. And we will conduct radiological and nuclear preventive training for 300 state and local officials this fiscal year and quadruple that number by the end of next year.

3. Infrastructure Protection

Let me turn now to infrastructure protection. One major area of focus for the Department has been protecting our nation's critical infrastructure, including transportation systems according to risk and in partnership with state and local governments and the private sector.

Transportation

Before 9/11, our aviation system did not have secure cockpit doors. We did not have a federalized screener workforce trained to detect bomb components and detonation devices. We did not have thousands of Federal Air Marshals aboard aircraft, protecting travelers every day all over the world. We did not have armed pilots authorized to defend the cockpit. We did not have 100 percent screening of all passenger baggage. Nor did we have thousands of Explosive Detection System machines scanning passengers and baggage at airports nationwide.

Today, more than a dozen layers of security are now in place and create a protective fabric of security that keeps hundreds of thousands of air travelers safe and secure every day. This includes more than 45,000 highly-trained Transportation Security Officers that screen passengers and baggage every day at airports across the country. It includes the Screening Passengers by Observation Technique, or SPOT, program, which trains TSA officers to look for suspicious behavior exhibited by passengers at checkpoints – including involuntary physical or psychological reactions that a person may have when questioned.

We have substantially expanded the ranks of our Federal Air Marshal Service. Before 9/11, only a few dozen air marshals patrolled our skies. Today, thousands of air marshals guard flights every day across our country and all over the world. These highly-trained law enforcement professionals not only provide daily coverage for commercial aviation, but they have given our Department an important surge capability during high-threat periods and major disasters or incidents. During the recent London aviation threat, Federal Air Marshals provided expanded coverage on international flights from the United Kingdom. They also assisted with the evacuations from Lebanon and Cyprus earlier this summer.

Of course, we also have taken steps to enhance security for air cargo aboard commercial aircraft. Since 9/11, we have added hundreds of air cargo inspectors, strengthened our regulatory oversight and freight forwarder certification programs, developed a known shipper database for hundreds of thousands of trusted shippers, invested in research and development for new explosives screening technology, and added new canine explosive inspection teams.

To further strengthen these efforts, the Transportation Security Administration will soon begin to enforce extensive new air cargo regulations that will require background checks on an additional 100,000 employees across the air cargo supply chain, new federal standards for companies that handle air cargo, and extended security zones for air cargo operations at airports. In addition, we recently implemented a security directive that requires that all air cargo brought to airline counters by individuals must undergo screening.

Of course, our efforts are not confined to aviation. In the rail and mass transit sectors, we've invested in new technology, rider education and awareness programs, sensors and video cameras, and law enforcement surge capabilities, including canine and multi-agency law enforcement teams that can quickly deploy in response to threats.

Additional Infrastructure

Since 9/11, we also have performed thousands of vulnerability assessments and reviewed thousands of security plans for privately owned infrastructure across the country – including transportation assets, seaports, and chemical facilities. The Coast Guard alone has reviewed and approved 3,200 facility security plans and 6,200 vessel security plans under the Maritime Transportation Security Act.

We also have established new information-sharing portals with the private sector to warn of threats and to recommend protective measures. And to coordinate protection of our nation's cyber security and telecommunications systems, we recently appointed the Department's first Assistant Secretary for Cyber Security and Telecommunications, who will work with the private sector to increase protection and resiliency of this vital infrastructure.

In all, since 2002, we have provided more than a billion dollars in risk-based grants specifically for the protection of our nation's critical infrastructure. This past June, we also finalized the National Infrastructure Protection Plan, our over-arching playbook for protecting our nation's critical infrastructure.

Chemical Security

Of course, we know that the vast majority of critical infrastructure in our country is owned and maintained by the private sector. The government alone cannot protect these critical assets and key resources. Only by working together can we enhance protection.

One area where we continue to face a challenge is in developing a risk-based regulatory structure for our nation's chemical plants and facilities.

Since 9/11, most chemical companies have been good corporate citizens – voluntarily taking steps to improve security in their operations and facilities. But not all companies have increased security to an appropriate level – and those companies put everyone else at risk.

We must develop a balanced, common-sense approach for protecting chemical facilities across our country – and their surrounding communities – without destroying the businesses we are trying to protect.

But we cannot do so unless our Department has the authority to set standards, develop a risk-based approach for different kinds of facilities, validate security measures, and insist on compliance.

That is why today I want to urge Congress to pass chemical security legislation that will allow us to work with industry partners to develop a clear way forward that includes creating a tiered structure for assessing risk and an effective program to ensure compliance.

4. Intelligence

As we know, the best way to protect against a terrorist attack is to prevent it from happening – and intelligence is our most effective means of defeating terrorist plots before they become operational.

We need look no further than last month's plot in the United Kingdom to recognize the importance of sharing timely, actionable intelligence, both domestically and with our international partners. Numerous intelligence components and law enforcement agencies worked together to break apart the London plot and to take the steps necessary to protect the American public. There was unprecedented cooperation between the United States, the United Kingdom, and Pakistani officials. This cooperation and trust allowed us to be nimble, fast, and flexible, and within a matter of hours, heighten our security procedures at our airports, including the current restrictions on liquids and gels in carry on baggage.

Above all, the London plot reminds us that we cannot wait for the fuse to be lit before we take action to disrupt a terrorist plot. When we have credible information, we will act decisively to reduce the risk to American citizens.

Since 9/11, our nation has integrated intelligence collection and analysis across all the elements of the intelligence community under the Director of National Intelligence, and our Federal wide terrorism information sharing efforts are being coordinated by the Program Manager for Information Sharing Environment.

At the Department of Homeland Security, we have strengthened and unified our intelligence operation and hired a veteran intelligence official to lead it. And through our Homeland Security Information Network, thousands of state and local participants share information every day on threats and incidents within their communities.

Fusion Centers

In the future, we intend to expand these valuable partnerships even further by increasing federal participation in state and local fusion centers across our country as part of an interagency effort to better share intelligence with state and local governments.

DHS is part of a Presidentially-directed interagency effort to incorporate state and major urban area fusion centers into the Information Sharing Environment. DHS intelligence personnel already work side-by-side with their federal, state and local counterparts at fusion centers in New York, California, Georgia, Louisiana, and Maryland. Our goal is a two-way flow, with every level of government pooling intelligence.

By the end of 2008, working with our other federal partners, our goal is to have intelligence and operations professionals at every state and major metropolitan fusion center in the United States, sitting in the same room, sharing and analyzing information and intelligence in real time.

Intelligence Campaign Plan

In addition, we have initiated an Intelligence Campaign Plan for Border Security (ICP) to provide comprehensive and coordinated intelligence support for the full spectrum of the Department's border security operations. The ICP will link DHS intelligence resources, and those of state and local partners, with the Intelligence Community, in order to deliver actionable intelligence to front-line operators and to fuse national intelligence with law enforcement information.

As part of the ICP, we are developing and implementing, in partnership with the Director of National Intelligence, a robust strategy for collection and analysis of border security intelligence to support our operational missions. Our strategic intelligence analysis, conducted under the ICP, will assist policymakers in making key decisions on the best ways to secure the border.

5. Preparedness/Response

Some threats, however, we will not be able to prevent – specifically those created by Mother Nature. As an all-hazards Department, we must be prepared to respond to acts of terrorism as well as acts of nature, including acts of such catastrophic proportion that federal intervention is required before, during, and after the storm or event.

Since 9/11, we have re-tooled and re-fashioned the Federal Emergency Management Agency, giving this vital agency new and experienced leadership, enhanced, real-time tracking capabilities for emergency supplies, and robust emergency communications systems. We have pre-designated and pre-positioned Federal leadership in hurricane zones to work together with state and local officials, and we have forged a stronger partnership with the Department of Defense to ensure joint training and operations.

To respond to no-notice or short notice events, our operational agencies – including the Coast Guard, Transportation Security Administration and its Federal Air Marshal Service, Immigration and Customs Enforcement, Customs and Border Protection, and the Secret Service – have

created, or are now creating, "adaptive force structures" that will rapidly deploy to an incident or disaster zone to provide an immediate surge capability and greater unity of effort.

The emergency management community now operates under a new, comprehensive National Response Plan and a National Incident Management System. And we have created new preparedness tools for individuals and businesses under the Ready campaign and new community-based training programs under Citizen Corps.

Interoperable Communications

But despite this progress, we still have more to do to fully realize the potential of our Department to integrate the full range of national capabilities. And one area in particular that requires continued action and attention across all levels of government is interoperable communications.

On 9/11, hundreds of first responders couldn't communicate with each other because their radios were incompatible. This not only slowed the response and increased confusion, but it cost lives. As a nation, we simply can't let that happen again.

Today, we have achieved interoperability at the command level in 10 of the highest-threat urban areas through our RapidCom program. Achieving interoperability continues to be one of seven National Priorities under the Interim National Preparedness Goal. As a result, state and local governments, and first responders, have spent about \$2.1 billion of Federal grant assistance since 2003 for interoperable communications equipment, planning, training, and exercises.

In addition, we completed a National Interoperability Baseline Survey to assess the capacity for communications interoperability among law enforcement, fire, and emergency medical service first responders in all 50 states and D.C. But more needs to be done.

By the end of this year, we will have a clear plan in place for completing command-level interoperability among police, firefighters, and emergency medical service providers in each of the states and at least 75 urban areas.

Of course, we can only do so much at the Federal level to resolve differences at the state and local level. We can develop standard operating procedures, recommend technology, and lead training and exercises, but local governments ultimately use the equipment and execute their plans.

In the coming months, we will turn to our state and local partners for guidance, for answers, and ultimately, for results.

6. Management

Finally, let me say something about the men and women at the Department of Homeland Security who undertake this important work every day on behalf of their fellow citizens. These remarkable individuals serve the American people day and night, monitoring our ports, our skies,

and our borders. They have difficult, challenging jobs, which they conduct with vigilance, urgency and a sense of common purpose.

These men and women deserve the tools, the resources, and, most important, the leadership and guidance to succeed in their important tasks. That is why a top priority for the Department continues to be filling vacancies at the top levels of our organizational chart and ensuring we have a diverse, well-trained workforce.

Hiring and Recruiting

Over the past year, we have filled several key leadership positions across the Department, including a new Director of FEMA and a new FEMA management team with more than 100 combined years of disaster management experience.

In the past weeks, we have hired the first Assistant Secretary for Cyber Security and Telecommunications. We have hired a new Director for the Screening Coordination Office. We have filled the Chief Financial Officer position. This month, we also announced a new Chief Human Capital Officer, Marta Perez. In addition, we have filled newly created positions of Assistant Secretary for Policy Development and Senior Advisor for Weapons of Mass Destruction Intelligence.

Of course, we also want to continue to recruit a first-class homeland security workforce, including minorities, and students from Historically Black Colleges and Universities (HBCUs). Several of the Department's component agencies have active minority recruitment programs, including the Coast Guard, Secret Service, Customs and Border Protection, and the Transportation Security Administration, among others.

In addition, our Science and Technology Directorate's University Centers of Excellence program is partnering with three HBCUs to conduct vital homeland security-related research and to educate the next generation of homeland security experts and scholars.

As part of this effort, the Science and Technology directorate expects to make available up to \$1.3 million in Research and Development grants to seven HBCUs in FY 2007. The Directorate also expects to provide more than \$133,000 in tuition assistance, scholarships, and other aid to seven HBCUs and to continue to recruit students for positions across the Department, including Headquarters.

Small Business Contracting

Since our inception, we have made a commitment to provide opportunities for small businesses to participate in our procurement program, including those small businesses owned by minorities, women, service disabled veterans, veterans, and those located in economically distressed areas. Small businesses in a wide variety of industries have helped us to meet our mission through their dedicated and customer-focused contract work.

From Fiscal Year 2003 to 2005, the Department awarded over 30 percent of our prime contracts to small businesses, exceeding the government-wide standard of 23 percent. We also awarded over seven percent of our prime contracts to small minority-owned businesses, exceeding the government-wide standard of five percent, and we are on track to meet or exceed these targets in FY 2006.

CONCLUSION

Over the past three years, we have built a department whose mission is to work on behalf of the American people to prevent, protect against, and respond to threats to our homeland. For the 185,000 men and women of DHS, this is a mission we are proud to undertake every day – at our borders, across our skies, and over land and sea.

The steps we have taken since 9/11 have made our nation safer, they have made our nation stronger, and they have made our nation more resilient – economically resilient and resilient in spirit. Over the next two years, we will continue to focus our energy and our resources on building a foundation of security for our country that addresses our immediate priorities and achieves our long term goal of creating a Department that is sustainable in the future.

I appreciate the support of this Committee and all Members of Congress as we continue to build and refine our capabilities and as we continue to protect our nation in the months and years to come.