

Good morning, Secretary Chertoff. Secretary, in my opinion, the administration's proposed budget for Homeland Security is short-sighted and short-funded. Given the dangers, both natural and terrorist, that this Department was created to confront, a new hurricane season begins exactly three months from today, and of course the threat of terrorism never stopped, as we've seen in London, Madrid, Bali, despite the best efforts to prevent it. The fact is that a terrorist attack could happen at almost any place at any time.

Therefore, DHS must be more ready than it is now, in my opinion, to detect, prevent, and respond. Yet this budget actually makes cuts in areas that history has shown are most crucial, certainly when responding to a disaster. The administration's proposed DHS budget cuts 802 million dollars for programs for first responders, a 50% reduction since the FY2004 budget. 233 million dollars is cut from the Coast Guard for its traditional missions. Yet, it was state and local first responders and the Coast Guard who were the greatest heroes of Hurricane Katrina. They must be given the funds they need to better prepare for and respond to the next disaster. This budget, as Chairman Collins said, also fails to accelerate the Coast Guard's Deepwater integrated system program, ignoring evidence that such acceleration will not only provide better security and response, but save the federal government a lot of money in the long run.

Despite the very necessary attention finally being paid to port security as a result of the Dubai Ports World deal, this budget, in my opinion, fails to adequately address the damage that terrorists can do in containers carried to America aboard ships. It provides no new money for the U.S. Customs and Border Protection Customs-Trade Partnership against Terrorism Program, leaving just 80 inspectors with the responsibility of assessing the security practices of about 10,000 applicants under this program, and it provides just 30 million dollars for X-ray or other imaging types that will be deployed at just five of the many ports in this country for cargo inspection next year. At this pace, we will not have all of the ports covered by the necessary equipment for at least another five years.

I'm deeply concerned once again by the administration's proposal to force ports, chemical plants, and rail and transit facilities to compete with each other, along with utilities, telecommunications, as well as financial networks, for scarce security resources through a consolidated grant program. I also believe the border security priorities outlined in the budget are to some extent misplaced, and do not reflect a realistic assessment of all of the avenues of infiltration terrorists are likely to use to get into this country. Finally, as Chairman Collins has said, this budget inadequately addresses some of the failures of FEMA that Hurricane Katrina has exposed; failures that the administration's own report acknowledges, and that of course our Committee investigation has already detailed.

Those are my criticisms, but as in the last few years I've felt a responsibility to work with my staff and others who follow questions of Homeland Security to come up with some estimate of what we think would adequately fund this Department, and I've expressed those findings in a letter that I'm sending to the budget committee Chairman Senator Gregg, and the ranking member Senator Conrad, and I will give you, Secretary Chertoff, a copy of those recommendations and ask your consideration of them. We prefer that our government invest an additional eight billion dollars on Homeland security needs government-wide next fiscal year, with about \$6.3 billion of that going to the crucial programs that are in the Department of Homeland Security.

Very briefly to highlight a few of those areas that I would make recommendations in, one is to restore \$802 million to first responder programs, and then add an additional 1.2 billion to help improve the state and local capabilities, particularly in the area of interoperable communications, which everybody acknowledges are critically deficient now. I would recommend adding 1.7 billion on security for chemical plants, ports, and other critical infrastructure systems like rail and transit. I would give FEMA an additional \$465 million to specifically improve readiness, response, and recovery capabilities in areas that Katrina exposed as flawed. I would provide the Coast Guard with an additional \$1.1 billion primarily to accelerate that Deep Water program to modernize and replace the Coast Guard's fleet which, unfortunately, is one of the oldest in the world. I would increase the budget for Immigration, Customs and Enforcement by \$158 million so that the agency can station more visa security officers overseas, provide more training for counseling officers, and identify additional criminal aliens who are in jail and should be deported from the United States. And finally I would recommend investing an additional \$752 million next year in aviation security so that we can better detect explosives in checked bags or carried on by passengers.

Can the Department get by with the program, with the budget that the administration has recommended? Yes it can, but getting by is not enough in an age of terrorism and an age of continuing natural disasters post-Katrina. We have an urgent need, in my opinion, to invest more now so we will be safer sooner and into the future. The fact is, there's no cheap way to be better prepared. We know that from our work in regard to our military. It takes money, more money, in my opinion, than this budget offers, but it is money that will be very well spent because it will bring the greater protection that the American people need. Thank you, Madam Chairman.