

News from Congressman David Price (NC-04)

Chairman, House Appropriations Subcommittee on Homeland Security

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OPENING STATEMENT OF CHAIRMAN DAVID PRICE *Secret Service Hearing, 10 am*

Director Sullivan, thank you for appearing before the Subcommittee today to discuss the Secret Service, its budget for 2009, and the demanding work you already have underway to protect the Presidential candidates during the 2008 campaign. We will be asking how this protective mission, which makes major demands on Secret Service resources across multiple years, affects your investigations into financial and electronic crimes, particularly as the Administration proposes new funds for other agencies to enhance cyber security.

The Secret Service's protective mission makes up nearly two-thirds of the agency's budget, or over \$850 million in the 2009 request. Concurrent with protecting our nation's leadership, the Secret Service must also be a vigilant guardian of our citizens' constitutionally-guaranteed freedoms of speech, assembly, and petition of the government.

The Secret Service also protects visiting foreign heads of state, and coordinates a variety of Federal agencies and assets to protect large international events, such as the annual general assembly of the United Nations and the upcoming visit of Pope Benedict XVI to our country. The partnerships upon which the Secret Service relies to man these large-scale events will be all the more important for this summer's candidate nominating conventions, both of which have been designated as National Special Security Events by the Secretary.

The Secret Service is more than just its protective operations, however; its agents are conducting daily investigations into financial crimes, identify theft, and money laundering through 116 domestic and 21 international field offices. The Secret Service has requested \$318 million for its field operations, the work of which is critically important to the security of the nation's currency and its financial infrastructure.

The 2009 budget submission introduces a different metric for reporting the amount of counterfeit currency in circulation, which in turn serves as a measure for the performance of Secret Service investigations. Unfortunately, the submission does not apply the new metric to prior years, and so there is no way to compare the 2007 investigatory results with what had been a negative historical trend of more and more counterfeit currency in circulation under the old reporting method. I would like to know the reason for adopting the new metric, Mr. Director, and I would also ask that you complete a historical re-estimate of your investigatory data so that we will not have to wait several years to find out if counterfeit problems are continuing to grow.

The Secret Service also has unique investigatory missions related to financial crimes committed

on-line or through other electronic means. The agency has a network of 24 Electronic Crimes Task Forces, or ECTFs, situated around the country and dedicated to the prevention, investigation, and prosecution of financial crimes committed electronically or by exploiting technology. In an era of a rapidly growing cyber threat, I am surprised that the ECTF budget, like the overall investigatory budget at the Secret Service, includes no funding increase for 2009 except for inflation and pay annualizations. This raises a larger issue: the role the Secret Service will play in the Administration's interagency cyber security initiative.

With the 2008 campaign well underway, the Secret Service has already accelerated its protective activity, given that Senator Obama was assigned a protective detail earlier than any other candidate in history and that the protective detail for Senator Clinton, based on her status as a former first lady, has been enhanced because of her candidacy. With the extraordinary political activity accompanying the race to date, I am interested to find out how you plan to manage the additional workload of protecting the party conventions, securing the transition to a new Administration, and ensuring the security of the capital during the inauguration in 2009.

We are also interested in another White House-related project undertaken by the Secret Service in recent years: the screening of mail sent to the White House for pathogens and other threats. The explanatory statement that accompanied the 2008 Appropriations Act required the Secret Service to provide the Subcommittee information about mail screening, but, to date, we have not received the information we requested. We asked for a justification for why the Secret Service, rather than the White House Office of Administration, should be responsible for processing the President's mail. I know you have been working on getting us this information, but we need to have it soon so that we can use it to inform the 2009 appropriation.

Director Sullivan, we look forward to hearing your perspectives on these issues. We have your written testimony, but please summarize your remarks in five minutes so that we have time for questions. Before we begin, however, I will turn to Mr. Rogers for his opening remarks.

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