



# U.S. Immigration and Customs Enforcement

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**STATEMENT  
OF  
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**REGARDING A HEARING ON  
“U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT  
FISCAL YEAR 2013 BUDGET REQUEST”**

**BEFORE THE  
U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON HOMELAND SECURITY**

**Thursday, March 8, 2012 – 1 p.m.**

## INTRODUCTION

Chairman Aderholt, Ranking Member Price, and distinguished Members of the Subcommittee:

I appear before you today to present the President's Fiscal Year (FY) 2013 budget request for U.S. Immigration and Customs Enforcement (ICE). I look forward to discussing our priorities for the upcoming fiscal year and our efforts to ensure the most efficient and effective use of those resources during this time of fiscal austerity.

First, let me begin by thanking this Committee for the support you have provided ICE since its establishment. Created in 2003, through a merger of the U.S. Customs Service and the Immigration and Naturalization Service, ICE is now the principal investigative arm of the U.S. Department of Homeland Security (DHS) and the second largest investigative agency in the Federal government. ICE has more than 20,000 employees in all 50 states and 47 foreign countries and the most expansive investigative authority in DHS.

ICE identifies, apprehends, and removes criminal and other removable aliens from the United States and dismantles terrorist and criminal organizations that exploit our borders. The agency carries out its mission through two principal operating components: Homeland Security Investigations (HSI) and Enforcement and Removal Operations (ERO).

HSI's 7,000 criminal investigators target transnational criminal enterprises seeking to exploit America's legitimate trade, travel, and financial systems, and enforce customs and immigration laws at and beyond our nation's borders. HSI leads the agency's visa security activities to identify potential terrorist and criminal threats before they reach the United States; the "Illicit Pathways Attack Strategy" to identify and dismantle human, narcotic, and weapons smuggling routes; Transnational Criminal Investigative Units of vetted foreign law enforcement partners that extend ICE's effectiveness abroad; and worksite enforcement to ensure employers maintain a legal workforce and face penalties if they knowingly violate the law.

Last year, HSI arrested over 50,000 individuals. These arrests included 31,300 criminal arrests and 18,800 administrative arrests in cases involving counterterrorism and counter-proliferation, intellectual property violations, child sex tourism and exploitation, human trafficking, immigration fraud, illegal employment offenses, and gang investigations.

ERO enforces the nation's civil immigration laws in a manner that best promotes public safety, border security, and the integrity of the immigration system. ERO does this by making its highest priority the removal of criminal aliens and those who pose a threat to our communities. In FY 2011, ERO removed nearly 400,000 individuals, of whom 55 percent or over 216,000 were convicted criminal aliens. Also, as of January 29, 2012, ERO deployed the Secure Communities (SC) program to 592 new jurisdictions in FY 2012 for a total of 2,187 jurisdictions, or an estimated 77% of the U.S. illegal immigrant population. The National Fugitive Operations Program arrested 40,102 fugitives in FY 2011, a 12 percent increase over FY 2010.

Today, I will first explain the contours of ICE's budget request, and then give brief explanations of some of the many programs carried out by the men and women of ICE that make it successful.

### **FISCAL YEAR 2013 BUDGET REQUEST**

The President's FY 2013 budget request for ICE totals \$5.3 billion, which supports ICE's core enforcement mission while identifying substantial efficiencies and cost saving measures. Indeed, this request is four percent below the FY 2012 enacted budget level but does not sacrifice frontline operational capability; instead creating a more efficient and effective organization.

First, to ensure effective use of the resources appropriated by this Committee, the President's request includes funding to strengthen ICE's core frontline operations. The request also includes significant cost saving measures and efficiencies. In total, the request includes nearly \$237 million in cost savings from administrative efficiencies, such as vehicle, overtime, travel, professional service contract reductions, as well as a reduction to mission support staffing, allowing the agency to focus on frontline agency operations.

### **PREVENTING TERRORISM, ENHANCING SECURITY, AND SECURING OUR BORDERS**

Last fiscal year, ICE's criminal investigators in ICE's HSI initiated nearly 45,700 new cases and made over 31,300 criminal arrests. Special agents seized \$561 million in currency and negotiable

instruments, 2.4 million pounds of narcotics and other dangerous drugs, and \$209 million worth of counterfeit goods.

ICE's FY 2013 budget request will strengthen efforts to target transnational criminal enterprises seeking to exploit America's legitimate trade, travel, and financial systems, and enforce customs and immigration laws at and beyond our nation's borders.

The request includes an enhancement of \$17.6 million for the transfer of Visa Overstay Analysis functions from US-VISIT to ICE to consolidate this work under one agency. The request also increases resources dedicated to commercial trade fraud investigations; funds to continue DHS' focus on worksite enforcement (promoting compliance with worksite-related laws through criminal prosecutions of egregious employers, Form I-9 inspections, civil fines, and debarment, as well as education and compliance tools); and continued enforcement of laws against illegal immigration and customs violations and disruption and dismantlement of transnational criminal threats facing the United States.

In addition, the Visa Security Program, as part of HSI, will use requested funds to continue to leverage IT solutions to increase ICE's efficiency in screening, vetting, and recording visa applications. ICE aims to have the capability to screen all visa applications and identify patterns and potential national security threats in process through technology and by leveraging the capabilities of our law enforcement and intelligence community partners.

### National Security

ICE leads efforts in national security investigations through five interconnected programs that prevent criminals and terrorists from using our nation's immigration system to gain entry to the United States.

#### *Intellectual Property Rights and Commercial Fraud Investigations*

Through the National Intellectual Property Rights Coordination Center (IPR Center), ICE leads efforts to stop intellectual property rights (IPR) and commercial fraud violations that threaten our

economic stability, impact the competitiveness of U.S. industry, and endanger public health and safety.

In FY 2011, ICE initiated 1,998 IP and commercial fraud investigations, made 686 arrests, obtained 421 indictments and had 353 convictions. In addition, ICE seized illegal goods with a combined manufacturer's suggested retail price of over \$480 million. Commercial fraud investigations resulted in the seizure of illegal goods with a combined domestic value of over \$26 million.

In FY 2013 and beyond, the IPR Center will increase its focus both domestically and internationally on strengthening bilateral partnerships, developing multilateral initiatives, building capacity, and conducting further outreach to industry. In the coming year, we will also target trade vulnerabilities and refocus interdiction and investigative efforts towards commercial fraud investigative areas such as anti-dumping and countervailing duty evasion, the illegal importation of textiles, schemes involving child labor, North American Free Trade Agreement (NAFTA) and other free trade agreement violations, and other illegal importation practices that negatively impact the U.S. economy and global trade.

#### *Visa Security Program (VSP)*

The VSP deploys ICE special agents to diplomatic posts worldwide to conduct visa security activities and to identify potential terrorists or criminal threats before they reach the United States. By working closely with the Department of State, this program enhances national security by providing an additional level of review of persons of special interest before they enter the United States. In FY 2013, ICE aims to have the capability to screen all visa applications and identify patterns and potential national security threats through technology and by leveraging the capabilities of our law enforcement and intelligence community partners.

#### *Joint Terrorism Task Force (JTTF)*

The JTTF is a joint counterterrorism partnership between U.S. law enforcement agencies. Since 2007, ICE special agents assigned to JTTFs have initiated 5,944 cases, resulting in approximately 3,310 arrests.

### *Counter Proliferation Investigations (CPI)*

ICE leads the U.S. Government's efforts to prevent foreign adversaries from illegally obtaining U.S. military products and sensitive technology, including weapons of mass destruction and their components. In FY 2011, ICE initiated 1,505 new investigations into illicit procurement activities, made 532 criminal arrests, 92 administrative arrests, obtained 462 indictments, achieved 294 convictions, and made 1,246 seizures valued at \$20.4 million.

In 2010, ICE launched "Project Global Shield," a multilateral law enforcement effort aimed at combating the illicit cross-border diversion and trafficking of precursor chemicals used by terrorist and other criminal organizations to manufacture improvised explosive devices (IEDs) by monitoring their cross-border movements. Project Global Shield has led to the seizure of 61.12 metric tons of IED precursor chemicals and 31 arrests.

Looking ahead, the Administration is seeking to build upon ICE's long history as the government's lead agency on export enforcement. In November 2010, President Obama signed an Executive Order assigning ICE the duty of establishing the Export Enforcement Coordination Center (E2C2) to serve as the intelligence community's central coordination center for export investigations and to synchronize overlapping outreach programs. We anticipate E2C2 to be operational by the end of February, 2012.

### *Human Trafficking and Human Smuggling Investigations*

In FY 2011, HSI in coordination with the Department of Justice and the Department of Labor launched the federal Anti-Trafficking Coordination Teams (ACTeams). The ACTeams will provide a coordination structure among federal enforcement agencies to eliminate duplication of effort and enhance capacity to identify, investigate and prosecute human trafficking offenses.

ICE will also continue working to prevent human trafficking and smuggling as part of DHS's "Blue Campaign"— an initiative to combat human trafficking through enhanced public awareness, victim protection, and law enforcement training and initiatives.

### *Child Exploitation and Traveling Child Sex Offender Investigations*

ICE's "Operation Predator" focuses on the criminal prosecution of individuals who sexually exploit children via pornography, illicit travel, and trafficking. Since its launch in 2003, "Operation Predator" has resulted in over 24,500 criminal cases initiated, over 7,600 criminal arrests, and over 5,900 criminal convictions.

In FY 2012, ICE launched the ICE Child Exploitation Investigations Center (CEIC) as the central coordination and fusion point for all ICE efforts dedicated to combating the sexual exploitation of children. In addition, ICE formed the Victim Identification Program within the Child Exploitation Investigations Unit to enhance our ability to identify the victims depicted in the child pornographic images and videos. Concurrent with establishment of the CEIC, ICE is working to expand Operation Angel Watch, which is a computer system developed by ICE to identify and stop child predators who attempt to travel internationally to countries known as destinations for child sex tourism.

In FY 2013, ICE will continue to focus its efforts in child exploitation investigations on these core areas by increasing international coordination of child exploitation investigations and the identification of new techniques and technology used by offenders to sexually exploit children.

### *Transfer of US-VISIT to ICE*

The FY 2013 budget request includes an increase of \$17.6 million for the transfer of visa overstay analysis functions from US-VISIT to ICE. After the transfer is complete, previously independent visa overstay analysis functions and visa overstay investigative functions will both be managed by ICE's HSI. Combining these functions under HSI will allow for improved coordination of overstay analysis with the investigative work that HSI already performs.

### *Ongoing Southwest Border Enforcement*

In March 2009, the Administration launched the Southwest Border Initiative to bring unprecedented focus and intensity to Southwest border security, coupled with a reinvigorated, smart and effective approach to enforcing immigration laws in the interior of our country. In support of this initiative, ICE has targeted considerable resources at the Southwest border to interdict contraband, firearms,

ammunition, undeclared currency, stolen vehicles, human smuggling, transnational criminal organizations, tunnel detection and other border crime at and between points of entry (POEs) along the Southwest border. Under this initiative, ICE has doubled the personnel assigned to Border Enforcement Security Task Forces (BESTs), which bring together federal, state, local, territorial, tribal, and foreign law enforcement.

In FY 2010, BESTs made 2,196 criminal arrests and 1,135 administrative arrests; helped bring 1,193 indictments; helped secure 1,078 convictions; and seized 284,321 pounds of illegal drugs and \$17.4 million in U.S. currency and monetary instruments.

In FY 2010, ICE deployed special agents to locations in Mexico, including Tijuana and Monterey, and initiated 12,133 investigations along the Southwest border. In FY 2011, ICE initiated 12,700 investigations, an increase of four percent over FY 2009. ICE also established an office in Matamoros, staffed with two special agents. Additionally, with the aid of \$80 million provided in the 2010 Emergency Border Security Supplemental Appropriations Act, ICE has deployed approximately 250 special agents and intelligence analysts to the border. Indeed, ICE now has one quarter of all its special agents assigned to the Southwest border.

### *Worksite Enforcement*

We are focused on smart and effective enforcement of our immigration laws, including making sure that employers have the tools they need to maintain a legal workforce and face penalties if they knowingly violate the law.

Employment opportunities remain a primary motivation for aliens seeking illegal entry into the United States. By focusing on employers that are willing to hire illegal workers, we can eliminate the incentive that leads illegal aliens to violate our nation's immigration laws. Since January 2009, ICE has audited more than 6,468 employers suspected of hiring illegal labor, debarred 521 companies and individuals, and imposed more than \$76.4 million in financial sanctions. This focus will continue this coming fiscal year.

We have also established the ICE Mutual Agreement between Government and Employers program (IMAGE) — designed to promote voluntary compliance, educate employers about best practices and



help companies train their employees to comply with the nation's immigration-related employment laws. Last year, ICE entered into IMAGE agreements with well-known companies, including Chick-fil-A, Smoothie King, Best Western, Toyota, Tysons Food, and Kelly Services, among others. These companies agree to use E-Verify, conduct self-audits, and submit to an ICE audit. In FY 2013, ICE will continue to expand IMAGE outreach nationwide and provide regional and local IMAGE training conferences to increase voluntary compliance among key employers.

#### Enforcement Beyond the Borders: International Partnerships

The illicit drugs, finances, and weapons that fund and arm criminal organizations are part of a complex, interconnected system of illicit pathways and transnational criminal organizations that span the globe. ICE's international operations and partnerships in the 47 countries in which we are present are an essential component to carrying out our mission overseas. HSI targets transnational criminal organizations at every critical phase in the illicit cycle: internationally, where the drugs are produced and the aliens originate; at our nation's physical border and ports of entry (POEs) where the transportation cells attempt to exploit America's legitimate trade, travel, and transportation systems; and in cities throughout the United States where criminal organizations earn substantial profits from the smuggling of aliens and illicit goods.

To strategically attack these illicit pathways and apprehend criminal elements before they reach our borders, ICE works to build partnerships with foreign law enforcement agencies in countries around the world in which criminal organizations operate.

#### *Illicit Pathways Attack Strategy (IPAS)*

Chief among these efforts is ICE's newly established IPAS. IPAS supports the Administration's Strategy to Combat Transnational Organized Crime, a program introduced in July 2011, which seeks to integrate Federal resources in order to combat transnational organized crime and related threats to national security while urging foreign partners to do the same.

As a key partner in this effort, ICE's IPAS is working to identify and dismantle high risk smuggling and trafficking routes, pathways, and integrated networks that support Transnational Organized Crime (TOC). ICE's IPAS will initially focus on combating human trafficking and smuggling.

Future iterations of the strategy will focus on transnational weapons trafficking, intellectual property theft, cybercrime, money laundering, and counter-proliferation.

#### *Transnational Criminal Investigative Units (TCIUs)*

ICE officials working overseas do not possess law enforcement or investigative authority in their host countries. ICE therefore must rely on units composed of vetted and trained host-country law enforcement officers who have the authority to investigate and enforce violations of law in their respective countries. These units are essential in enabling ICE to dismantle, disrupt, and prosecute transnational criminal organizations abroad. ICE currently maintains 12 of these vetted units – called TCIUs – worldwide.

Among their many successes in FY 2011, TCIUs in Mexico City, Colombia and Ecuador played a central role in Operation Pacific Rim, an ICE-led investigation that dismantled one of the most powerful and sophisticated bulk cash and drug smuggling super-cartels in the world. This operation seized \$174 million in currency, 3.8 tons of cocaine, and \$37 million in criminal forfeitures, and \$179 million in property.

#### **ENFORCING AND ADMINISTERING OUR IMMIGRATION LAWS**

ICE has worked to develop guidance to focus ICE's enforcement efforts on our highest priorities, namely aliens who pose dangers to national security or risks to public safety; recent illegal entrants; repeat violators of immigration law; and aliens who are fugitives from justice or otherwise obstruct immigration controls.

This approach has yielded results. In FY 2011, ERO removed nearly 400,000 individuals, of whom 55 percent or 216,698 were convicted criminal aliens. Also, as of January 29, 2012, ERO deployed the Secure Communities (SC) program to 592 new jurisdictions in FY 2012 for a total of 2,187 jurisdictions, and the National Fugitive Operations Program (NFOP) arrested 40,102 fugitives in FY 2011, resulting in a 12 percent increase over FY 2010.

The President's FY 2013 budget request will continue to focus on these priorities and strengthen ICE's mission to enforce and administer our immigration laws.

The request includes \$138.7 million to complete nationwide deployment of the Secure Communities program in FY 2013 and a realignment of \$22 million from Secure Communities to the Criminal Alien Program in order to support increased identifications generated by the full deployment of the Secure Communities program. Also, as ICE continues working to focus on priority cases and expand the use of expedited removals, the request includes \$39.9 million to expand the ATD program.

#### *Secure Communities and the Criminal Alien Program*

With this Committee's support, ICE created Secure Communities in 2008 to identify aliens quickly and accurately after they are arrested by a local law enforcement agency. Secure Communities is an important tool in ICE's efforts to focus its immigration enforcement resources on the highest-priority individuals who pose a threat to public safety or national security, as well as on other priority individuals.

We have expanded the program from 14 jurisdictions in 2008 to more than 2,100 today, including all jurisdictions along the Southwest border. In FY 2011 alone, Secure Communities screened 6.9 million fingerprints leading to more than 348,000 alien Automated Biometric Identification System matches. Of these identifications, 71,000 were individuals charged with or convicted of Level 1 offenses, which include violent offenses like murder, rape, and the sexual abuse of children.

For FY 2013, the President's budget requests \$138.7 million to complete Secure Communities' deployment nationwide. This request reflects the final year of the Secure Communities deployment as well as cost savings achieved through other efficiencies. With continued deployment to additional jurisdictions, ICE will be able to confirm the identification of an estimated 145,000 more aliens charged or convicted of crimes in FY 2013 than in FY 2011.

Tied with this reduction in Secure Communities funding is a realignment of \$22 million to the Criminal Alien Program (CAP) for FY 2013. These funds will cover the increased workload and daily activities of CAP and the Law Enforcement Support Center (LESC) that will come from full deployment of the Secure Communities program. CAP will work to ensure that those aliens identified as amenable to removal are placed into proceedings and receive a final order of removal

prior to their release from jail or prison— further decreasing the cost of detention to the Federal government.

While we continue to focus our resources on our key priorities, DHS is committed to ensuring the Secure Communities program respects civil rights and civil liberties. To that end, ICE is working closely with law enforcement agencies and stakeholders across the country to ensure the program operates in the most effective manner possible. We have issued guidance regarding the exercise of prosecutorial discretion in appropriate cases, including cases involving witnesses and victims of crime, and implemented enhanced training for State and local law enforcement regarding civil rights issues related to the program. We have also issued a new detainer form, which provides detainees with information in six-languages about how to contact DHS if they believe their civil rights or civil liberties are being violated, among other recent improvements.

#### *Detention and Alternatives to Detention*

The President's request provides funding for 32,800 detention beds. To ensure the most cost-effective use of Federal resources, the Budget includes flexibility to transfer funding between immigration detention and the ATD program, commensurate with the level of risk a detainee presents. Consistent with our stated enforcement priorities and recent policy guidance, ICE will continue to focus detention and removal resources on those individuals who have criminal convictions or fall under other priority categories. At the same time, ICE will enhance the effectiveness of ATD for low-risk aliens, monitoring them at a lower per-day cost than detention. ICE continues to work with the Department of Justice to find ways to ensure ATD is cost effective. Expanded use of this program ensures detention beds are available for aliens who pose a danger to national security or public safety.

For FY 2013, the budget request includes an enhancement of \$39.9 million to expand ATD participation.

## *Detention and Removal Efficiencies*

### Realignment and Reduction of 287(g) Program

In light of the nationwide activation of the Secure Communities program, the Budget reduces the 287(g) program by \$17 million. The Secure Communities screening process is more consistent, efficient and cost effective in identifying and removing criminal and other priority aliens. To implement this reduction in 2013, ICE will begin by discontinuing the least productive 287(g) task force agreements in those jurisdictions where Secure Communities is already in place and will also suspend consideration of any requests for new 287(g) agreements.

### Reduced Detention Bed Costs

As a result of improved cost accounting and other significant efficiencies, ICE is also keeping detention bed costs at FY 2012 rates. By closing the most expensive facilities, negotiating lower bed rates, and increasing the use of ICE Health Service Corps to deliver detainee healthcare, in FY 2013 ICE will maintain the FY 2012 rate of \$122.00 per day.

### Efficient Removal Operations

Finally, this budget request will reduce non-mission critical spending by \$17.8 million through reducing professional service contracts and achieving administrative efficiencies in the Transportation and Removal Program. It will also streamline air removal operations by eliminating ICE's use of the more costly Justice Prisoner and Alien Transportation System.

## **MANAGEMENT**

To support effective management of ICE's mission execution, I am maximizing efficiencies to get the most out of our resources and achieve long-term savings. The President's FY 2013 budget request includes several effective proposals to streamline ICE's management and administration.

### *Co-location of ICE Facilities*

The President's request includes \$6.2 million to fund the fourth year of the ICE-wide co-location strategy to consolidate ICE personnel and operations to improve operational efficiency and achieve long-term cost savings. While consolidation of all ICE programs is the target of our co-location initiative, a tailored city-by-city solution that takes into account each city's unique situation is the most fiscally prudent approach. Therefore, the FY 2013 requested funds will be used to begin consolidating ICE's leased footprint in Phoenix, Arizona.

### *Automation and IT*

To support mission critical IT systems, ICE is requesting funding for two automation modernization projects. At the same time, ICE is maintaining all other systems at current levels to support top line constraints and identifying significant efficiencies.

This request would fund a \$23 million enhancement to modernize existing TECS functions that are specific to ICE, including investigative case management, intelligence reporting and dissemination, and money laundering reporting and tracking. The request would also fund \$4 million towards the ENFORCE Alien Removal Module (EARM), which will provide data to state and local law enforcement to help identify, process, and detain immigration offenders. In addition, the requested funding will complete development of the EARM-EOIR system-to-system interface. The new interface will provide EOIR with real-time access to detainee case information in support of court-based activities and actions. Finally, the request includes \$3.5 million to fund initial development of an integrated electronic medical records system with basic core functionality for clinic support.

This budget request also includes \$29.4 million in efficiencies achieved by reducing ICE's IT operations and maintenance costs.

### *Efficient and Balanced Workforce*

This request also includes \$38.6 million in efficiencies achieved by reducing mission support staffing levels by 193 FTE across all ICE programs, while maintaining frontline operational positions. This

reduction is a combined result of ICE's Balanced Workforce Strategy and an analysis of ICE's mission support delivery.

In addition, ICE is taking steps to ensure that it has the appropriate mix of federal and contract workers – putting in place rigorous review procedures to ensure that future contract actions do not increase our reliance on contractors – and coordinating continued workforce assessments.

### **CONCLUSION**

Thank you again for the opportunity to testify today and for your ongoing support of ICE and its mission. I would be pleased to answer any question you have at this time.

**BIOGRAPHY OF JOHN MORTON  
DIRECTOR  
U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT**

John Morton was unanimously confirmed as the Director of Immigration and Customs Enforcement (ICE) by the U.S. Senate on May 12, 2009. ICE is the principal investigative arm of the U.S. Department of Homeland Security and the second largest investigative agency in the federal government. Created in 2003, the agency has a budget of \$5.7 billion dollars and more than 20,000 employees in offices in all 50 states and 47 foreign countries. The agency's primary mission is to promote homeland security and public safety through the criminal and civil enforcement of federal laws governing border control, customs, trade and immigration.

Prior to his appointment by the President, Mr. Morton spent 15 years at the Department of Justice. At the Department, Mr. Morton served in several positions including Assistant United States Attorney, Counsel to the Deputy Attorney General and Acting Deputy Assistant Attorney General of the Criminal Division.

During his tenure at ICE, Mr. Morton has strengthened ICE's investigative efforts, with a particular emphasis on border crimes, export controls, intellectual property enforcement and child exploitation. Mr. Morton has also sought to prioritize ICE's immigration enforcement efforts around the removal of criminal offenders, recent border violators, and those who ignore orders of removal or obtain immigration status by fraud.