



# U.S. Immigration and Customs Enforcement

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**STATEMENT**

**OF**

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**U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT  
DEPARTMENT OF HOMELAND SECURITY**

**REGARDING A HEARING ON**

**“IMPROVING SECURITY AT AMERICA’S  
NORTHERN BORDER AND PORTS OF ENTRY”**

**BEFORE THE**

**UNITED STATES SENATE**

**COMMITTEE ON THE JUDICIARY**

**SUBCOMMITTEE ON  
IMMIGRATION, REFUGEES AND BORDER SECURITY**

**Tuesday, May 17, 2011 – 10:00 a.m.  
226 Dirksen Senate Office Building**

## **INTRODUCTION**

Chairman Schumer, Ranking Member Cornyn, and distinguished Members of the Subcommittee:

It is my honor and privilege to appear before you today to discuss the efforts of U.S. Immigration and Customs Enforcement (ICE) to improve security along the Northern Border of the United States.

ICE employs a multi-layered law enforcement approach to Northern Border security based on an understanding that our geographic boundary with Canada is only one piece of the criminal continuum – it is neither the starting point nor the final destination of cross-border criminal activity. In fact, this activity is often rooted in interior cities, as well as in smaller communities throughout the United States. It is in these communities where the vast profits are generated that sustain the operations of transnational criminal organizations (TCOs), and where ICE succeeds on a daily basis, together with our interagency partners in disrupting and dismantling the entire smuggling enterprise.

As the largest investigative agency in DHS and the second largest in the federal government, ICE is uniquely positioned to leverage its broad statutory authority to support border enforcement by working in close coordination with other DHS components and U.S. interagency partners, as well as our counterparts in Canadian law enforcement, to target the illicit pathways and organizations that produce, transport, and distribute illegal contraband. ICE applies a full range of innovative investigative and enforcement techniques, including leading and participating in joint U.S.-Canadian task forces, undercover operations, controlled deliveries, asset identification and removal, the

use of well-placed confidential informants, and Title III electronic intercepts to identify these organizations and disrupt their ability to operate.

ICE continues to disrupt cross-border criminal activity systematically at all stages: internationally; along the trade, travel and transportation systems; and in cities throughout the United States. Through effective cooperation and collaboration between our federal, state, local, tribal and international law enforcement partners, we are making it increasingly difficult for TCOs and other criminals to operate.

**EXAMPLE OF A TRANSNATIONAL  
CRIMINAL ORGANIZATION: THE UN GANG**

The British Columbia-based “UN Gang” is an example of a TCO whose operations stretch across the entire Northern Border and beyond. This violent criminal organization operates from the Lower Mainland of British Columbia, Canada, and is actively involved in large scale narcotics trafficking and money laundering activities. Its operations stretch into the United States, Mexico, Venezuela, Colombia, India, Vietnam, Australia, and Great Britain. This gang exports large quantities of Canadian-grown marijuana into the United States and uses the revenue generated to purchase cocaine from abroad, which is then smuggled into British Columbia and sold throughout Canada. During a recent ICE-led investigation with its federal, state and local law enforcement partners, we uncovered evidence that the UN Gang imports hundreds of pounds of cocaine into British Columbia every month.

After Canadian marijuana is smuggled into the United States, UN Gang members sell it for U.S. dollars. These proceeds are then smuggled by couriers in the form of bulk

currency from cities across the United States to California where they are used to purchase cocaine from abroad. This cocaine, in turn, is smuggled into Canada and subsequently sold for Canadian dollars. This method of drug trafficking and money laundering exemplifies the sophistication and reach of Drug Trafficking Organizations (DTO's) and is deemed to be an ongoing drug trafficking trend.

ICE, in coordination with its federal, state, local, tribal, and international partners, is well positioned to address the threat that the UN Gang and other TCOs pose to our nation and Canada. As a result of the joint efforts of United States, Canadian, and Mexican law enforcement, Clay Franklin Roueche, the leader and public face of this dangerous organization, was taken into custody. On December 16, 2009, he was sentenced in United States District Court in Seattle, Washington, to 30 years in jail after pleading guilty to exportation of cocaine, importation of marijuana, and conspiracy to launder money. In addition, since December 2005, the ICE-led investigation of UN Gang members has resulted in the seizure of 2,169 pounds of marijuana, 335 kilograms of cocaine, two pounds of crack cocaine, four pounds of methamphetamine, five firearms, and approximately \$2 million in illicit proceeds.

### **ICE ASSETS ALONG THE NORTHERN BORDER**

Over the past two years, DHS has made critical security improvements along the Northern Border, investing in additional personnel, technology, and infrastructure. ICE currently has approximately 1,600 Homeland Security Investigations (HSI) Special Agents, 1,500 Enforcement and Removal Operations (ERO) officers, and 40 intelligence personnel operating out of several ICE offices with responsibility for Northern Border

states. Many of these agents and officers are stationed at our various sub-offices located either on or in proximity to the Northern Border. Further, more than 7,000 HSI Special Agents are located in communities throughout the country working tirelessly to detect, disrupt, and dismantle TCOs engaged in the smuggling of people, narcotics, bulk cash, weaponry and weaponry-related components across our borders.

In fiscal year (FY) 2010, HSI's seven Special Agent in Charge offices covering the Northern Border, often in joint or cooperative investigations with federal, state, local, tribal and Canadian law enforcement, seized a combined total of more than \$38 million in cash and monetary instruments, nearly 128,333 pounds of marijuana, 1,998 pounds of cocaine, 2,239 pounds of ecstasy, 140 pounds of heroin, 283 pounds of methamphetamine, 859 weapons and firearms, 13,442 rounds of ammunition and 542,140 weapon components. These statistics reflect the impact of our coordinated law enforcement investments and investigations along the Northern Border.

Our immigration enforcement and removal functions along the Northern Border are also supported by 26 Criminal Alien Program and 28 Fugitive Operations teams, which identify, apprehend, and remove criminal aliens and/or individuals who have failed to comply with removal orders. Further, our seven principal Northern Border ERO field offices have agreements with 101 detention facilities, which allow us access to 6,146 beds for aliens in the removal process. In FY 2010, our Northern Border field offices apprehended and removed 47,723 aliens, including 23,502 criminal aliens, who were encountered at the Northern Border and nearby communities. In addition, these offices presented a total of 3,164 aliens for federal prosecution pursuant to 8 U.S.C. § 1326 (re-entry of removed aliens).

Four states along the Northern Border - Idaho, Michigan, Montana, and New York – are currently working with ICE to implement Secure Communities, an information sharing partnership between two federal agencies – ICE and the Department of Justice. It imposes no new or additional requirements on state and local law enforcement. When state and local authorities arrest and book into jail a criminal offender, they submit fingerprints to the Federal Bureau of Investigation (FBI). These fingerprints are then automatically checked against immigration databases by ICE. If the fingerprint check reveals that an individual is unlawfully present in the United States, ICE takes enforcement action - prioritizing the removal of individuals who present the most significant threats to public safety. Since 2008, ICE has expanded Secure Communities from 14 jurisdictions to more than 1,200 today. We expect to reach nationwide deployment by 2013. We continue to review and improve the program to ensure that it is implemented and operated as effectively as possible.

ICE maintains the largest investigative footprint of any U.S. law enforcement agency in Canada, with four Attaché and Assistant Attaché offices (Ottawa, Vancouver, Toronto, and Montreal) that enhance national security by conducting investigations involving transnational criminal organizations and serving as the agency's liaison to our interagency partners and counterparts in local government and law enforcement. In Montreal, ICE operates a Visa Security Unit (VSU) to complement traditional screening by providing an additional level of review of visa applications of special interest persons before they enter the United States. VSUs work cooperatively with the Department of State and other partners to prevent terrorists, criminals and other ineligible applicants from receiving visas issued by the United States. Similarly, ICE works closely with U.S.

Drug Enforcement Administration (DEA), which is the single point of contact for the United States on drug-related matters in the foreign environment.

### **NORTHERN BORDER PARTNERSHIPS**

A crucial aspect of our approach to Northern Border security is partnerships with our colleagues across DHS agencies, as well as with federal, state, county, local, tribal and international agencies. These partnerships are essential to joint operations and information sharing along the Northern Border and beyond, and are conducted in the spirit of the President and Prime Minister's "Beyond the Border Declaration" toward integrated cross-border law enforcement. Collectively, these agencies possess a unique understanding of the threats, risks and vulnerabilities along the Northern Border that enhance our ability to deter, disrupt and investigate illegal cross-border activity.

ICE is also an active participant in the Canada Cross Border Crime Forum (CBCF). The CBCF meets annually, with smaller working-level meetings throughout the year, bringing together more than one hundred senior law enforcement officials and prosecutors from Canada and the United States to address cross-border issues, including counterterrorism cooperation, mass-marketing fraud, interoperability of our respective law enforcement agencies along the border, and combating organized crime. Currently, the CBCF is taking the lead on such issues as integrated cross-border law enforcement and cross-border undercover operations, and will take a leading role in implementing the Beyond the Border Declaration. Further, we have taken a number of steps to better integrate domestic Northern Border enforcement efforts. In fact, ICE and U.S. Border

Patrol leadership meet on a regular basis along with leadership of other DHS components to discuss areas of mutual concern.

### ***Border Enforcement Security Task Force***

ICE's flagship task force program, the Border Enforcement Security Task Force, (BEST), was created in 2005 as a mechanism to address the threat of cross-border crime. BEST provides a proven and flexible platform from which DHS investigates and targets transnational criminal organizations that attempt to exploit perceived vulnerabilities at our nation's borders. BESTs differ from other task forces due to their geographic proximity and focus on cross-border criminal activity. In 2007, ICE began to deploy BESTs along the Northern Border. There are currently three BESTs operating along the Northern Border: Blaine, Washington; Detroit, Michigan; and Buffalo, New York. ICE anticipates establishing a new Northern Border BEST in Massena, New York in late 2011.

One significant advantage of the BEST task force model is the participation and integration of foreign law enforcement personnel to address criminal activity on both sides of the border. On the Northern Border, Canadian law enforcement participation includes representatives from the Royal Canadian Mounted Police (RCMP), the Canada Border Services Agency, the Ontario Provincial Police, the Niagara Regional Police Service, the Windsor Police Service, the Amherstburg Police Service, and the Toronto Police Service. In addition to our Canadian partners, we receive the support and participation of our fellow U.S. law enforcement agencies including U.S. Customs and Border Protection (CBP); the U.S. Coast Guard; the Bureau of Alcohol, Tobacco,



Firearms and Explosives; the U.S. Postal Inspection Service; and the National Oceanic and Atmospheric Administration, along with other federal, state, local, and county law enforcement agencies. These Task Forces enable United States and Canadian law enforcement agencies to identify threats, address vulnerabilities, and identify, investigate, disrupt, and dismantle TCOs in a cohesive and coordinated environment.

In addition, pursuant to Title 19 of the U.S. Code, ICE cross-designates United States and Canadian law enforcement officers to enforce customs laws in the United States, thereby overcoming the jurisdictional restrictions of the physical border. These officers and agents participate on task forces and conduct joint investigations that enhance law enforcement's ability to disrupt and dismantle threats to our borders.

The BEST model has been very successful. One recent example is a task force investigation that was initiated following an attempt to smuggle marijuana into the United States from Canada. On December 15, 2010, a citizen of Canada tried to enter the United States from Canada via the Detroit Ambassador Bridge. During a secondary enforcement inspection, CBP officers discovered multiple plastic bags containing suspected marijuana concealed within the vehicle. CBP contacted ICE for investigative assistance. The Detroit BEST task force responded to the port of entry, including ICE agents and our Canadian BEST partners from the Ontario Provincial Police, the Windsor Police Service, and the Canada Border Services Agency.

The driver of the vehicle subsequently cooperated with BEST agents and a controlled delivery of marijuana was conducted in Taylor, Michigan, approximately 15 miles from the port of entry. The controlled delivery resulted in the arrest of the driver's boyfriend, a Canadian citizen. Detroit BEST officers from the Troy Police Department,

the Trenton Police Department, and the Detroit Police Department assisted in the investigation and the two subjects were successfully prosecuted for Michigan criminal charges.

Additionally, BEST partners from the Ontario Provincial Police and the Windsor Police Service executed two search warrants in Tecumseh and Windsor, Ontario, Canada, the day following the Michigan arrest. Agents seized evidence, including a vacuum sealer machine and digital scales. In addition, a cocaine cutting kit with residue was located at one of the residences. The two Canadian subjects were arrested and charged locally with conspiracy to export marijuana. This investigation reflects the unique and unprecedented coordination among foreign, federal, state, and local law enforcement facilitated by the BEST model on both sides of the Northern Border.

### ***Integrated Border Enforcement Teams***

ICE is an active participant in the 15 Integrated Border Enforcement Teams (IBETs), which work to identify, investigate, and interdict individuals and organizations that may pose a threat to national security or are engaged in organized criminal activity along the Northern Border. The IBETs operate as intelligence-driven enforcement teams whose core members include ICE, CBP, the U.S. Coast Guard, the RCMP, and the Canada Border Services Agency. By incorporating integrated mobile response capability (air, land and marine), the IBETs provide participating law enforcement agencies with a force multiplier, maximizing border enforcement efforts between the ports of entry. Each IBET along the Northern Border actively shares information and conducts bi-national enforcement operations aimed at securing the U.S.-Canada border.

### *Project COLT*

Last month, ICE was happy to return \$160,000 to an elderly Los Angeles man who was victimized by Quebec-based telemarketing con artists who told him he had won a \$3.3 million Canadian lottery prize. This money was recovered by ICE as part of Project COLT (Center of Operations Linked to Telemarketing), a bi-national effort involving numerous agencies, including ICE, the FBI, the U.S. Postal Inspection Service, the U.S. Secret Service, the Security and Investigation Services for Canada Post, the Sûreté de Québec and the RCMP. Since its inception in 1998, Project COLT has recovered approximately \$27 million from those involved in fraudulent schemes and has initiated investigations resulting in 94 indictments and 74 convictions. In addition, Canadian law enforcement authorities have executed more than 75 search warrants and shut down 50 Western Union and Money Gram offices involved in telemarketing fraud conspiracies.

Under Project COLT, law enforcement officers work to intercept funds - often cash and cashier's checks - so they can ultimately be returned to victims. Project COLT investigators also work to prevent further victimization, both through public education and the prosecution of those who commit fraud. Project COLT has a full-time HSI Special Agent co-located on a working group that includes the RCMP, the Sûreté de Québec, the Montreal City Police, and the Canadian Competition Bureau. In addition, Project COLT members have formed partnerships with the Canada Border Services Agency, Canada Post Corporation, FedEx, Purolator, United Parcel Service, DHL and other companies to facilitate fund interception and return.

### ***Bulk Cash Smuggling and ICE's National Bulk Cash Smuggling Center***

While some transnational criminal organizations choose to employ complex financial methods to launder their illegal proceeds, traditional bulk cash smuggling remains a persistent threat. In November 2010, ICE entered into a Memorandum of Understanding (MOU) with CBP and the Canada Border Services Agency for the sharing of currency seizure information. The MOU will help identify potential threats and assist in money laundering and terrorist financing investigations by creating a notification protocol for both countries when Canadian and United States border officers intercept more than \$10,000. It should be noted that bulk cash smuggling is a principal means of smuggling illicit drug proceeds. In these instances, ICE coordinates closely with the DEA to ensure a sustained organizational attack continues to be mounted against the drug trafficking organizations.

The National Bulk Cash Smuggling Center (BCSC) serves as a central source for information and support for identifying, investigating and disrupting bulk cash smuggling activities around the world. The BCSC provides assistance, 24 hours a day, to assist federal, state, local and foreign law enforcement authorities in their efforts to restrict the flow of funding that supports criminal enterprises. The BCSC provides real-time tactical assistance, investigative support and subject matter expertise in the transportation and smuggling of bulk cash. Coordination with the BCSC helps law enforcement follow the money trail and expand local interdictions into full-fledged, cross-jurisdictional investigations. For example, the BCSC assisted ICE agents in Rouses Point, New York in January following the seizure of \$279,825 in U.S. currency. The currency was seized from a Canadian citizen attempting to enter the United States at the Champlain Port of

Entry. Subsequent joint investigative efforts by the BCSC and the RCMP ultimately identified the subject as a target in an active Canadian smuggling investigation. ICE continues to work with the DEA to link the BCSC with the El Paso Intelligence Center intake of bulk cash smuggling cases.

### **NATIONAL SECURITY AND THE NORTHERN BORDER**

ICE recognizes the potential risk to national security that could be posed by the smuggling of people and goods across our Northern Border. ICE is focused on investigating special interest alien smuggling and the proliferation of military items and controlled dual-use commodities to sanctioned or embargoed countries. As the only federal law enforcement agency with full statutory authority to investigate and enforce criminal violations of all U.S. export laws related to military items, controlled dual-use commodities and sanctioned or embargoed countries, ICE is uniquely situated to carry out these investigations. Further, we have the capability to expand the scope of our investigations beyond our domestic offices to 67 attaché offices located around the world.

ICE's national security focus on the Northern Border is further enhanced by our participation in Joint Terrorism Task Forces (JTTF). We are the second largest federal contributor to the JTTF program. Our agents lend expertise in enforcing immigration and customs laws to the more than 100 JTTFs nationwide, including several in Northern Border states and territories, to help investigate, detect, interdict, prosecute and remove individuals and organizations that pose threats to the United States.

## *Human Smuggling*

While human smuggling is often linked to the Southwest Border, smuggling is, by definition, an international crime and not confined to any geographic region. Working with key partners, ICE has developed a full range of investigative and enforcement methodologies to confront the threat at every turn – in source and transit countries, at sea, at our nation’s borders, and throughout the United States. Smuggling networks often exploit border controls and immigration policies of source and transit countries to move individuals toward the United States. These routes are constantly changing and evolving based on economic, political and law enforcement activities in source and transit countries, requiring an agile law enforcement response from ICE.

To target these smuggling methods and routes, ICE and the Department of Justice formed the Extraterritorial Criminal Travel (ECT) Strike Force in June 2006. This initiative combines investigative, prosecutorial and intelligence resources to target and aggressively pursue, disrupt and dismantle foreign-based criminal travel networks – particularly those involved in the movement of aliens from countries of national security concern. Through our network of attaché offices located in U.S. embassies around the world, we work in close coordination with the Department of State and our foreign law enforcement counterparts to coordinate these complex international investigations.

The ECT Strike Force program is a critical component of ICE’s strategy to build a layered defense by combating human smuggling organizations far from the U.S. border, thereby expanding our zone of security. ECT Strike Force-designated investigations are intelligence-driven, and support the principles and vision outlined by national security experts in reports such as the 9/11 Commission Report, the National Counterterrorism

Center's National Strategy to Combat Terrorist Travel, and the Migration Policy Institute's Countering Terrorist Mobility Report.

### ***Counter-Proliferation Investigations***

One of ICE's highest priorities is to prevent terrorist groups and others from illegally obtaining military products and sensitive technology from the United States, including weapon of mass destruction (WMD) components. ICE agents in the field conduct counter-proliferation investigations (CPI) focused on the illegal procurement and export of specific commodities and services, including explosives precursors. CPI priority programs address trafficking in WMD components and materials, sensitive dual-use commodities, and technologies sought by terrorist groups and others who might wish to inflict harm. Additional ICE programs address illegal exports of military equipment and spare parts to embargoed countries, significant financial and business transactions with proscribed countries and groups, export enforcement training for foreign law enforcement agencies, and outreach with domestic private industry.

For example, ICE's counter-proliferation efforts recently uncovered a scheme by a proliferator in Canada to obtain and export materials to Iran for use in the production of nuclear materials. On July 29, 2010, Mahmoud Yadegari was sentenced in a Canadian court to four years and three months' incarceration for attempting to export pressure transducers (which have applications in the production of enriched uranium, a critical step in creating nuclear energy and weapons) to Iran. He purchased the pressure transducers from a U.S. company. He then had them exported to Canada where he attempted to forward them to Iran through the United Arab Emirates. Company officials

in Massachusetts alerted ICE to the purchases and ICE, in turn, coordinated its investigation with Canadian authorities.

ICE's export enforcement program uses a three-pronged approach: detecting illegal exports, investigating potential violations, and obtaining international cooperation to investigate leads abroad. The guiding principle behind ICE CPI investigations is the detection and disruption of illegal exports before they cause damage to the national security interests of the United States. ICE relies on specially trained CBP officers stationed at ports of entry to inspect suspect export shipments. Following detection of a violation, ICE agents deployed throughout the country initiate and pursue investigations to identify, arrest, and seek prosecution of offenders of the Arms Export Control Act, International Emergency Economic Powers Act and other related statutes.

The international nature of counter-proliferation networks and schemes requires a global investigative response. Our attaché offices located overseas work to enlist the support of their host governments to initiate new investigative leads and develop information in support of ongoing investigations. In FY 2010, ICE agents initiated a total of 1,149 criminal investigations into possible export violations and made 248 arrests for export-related criminal violations, more than any other federal law enforcement agency (as reported by the U.S. Department of Justice). These investigations also led to the seizure of thousands of arms, military weaponry, and other sensitive commodities related to illegal export schemes that were valued at more than \$87.8 million. These efforts significantly contributed to preventing sensitive technologies and weapons from reaching the hands of terrorists, hostile countries and violent criminal organizations.



## **CONCLUSION**

ICE agents are working tirelessly in coordination with DHS and interagency counterparts, as well as our Canadian colleagues, to identify, disrupt and dismantle transnational criminal organizations that subvert the rule of law, violate our immigration and customs laws, destabilize our communities through violence and fear, and threaten our national security. The initiatives and investigations that I have mentioned today are only a few of the many in which ICE is involved.

ICE commits substantial resources to securing the Northern Border. Our efforts are part of a comprehensive strategy that focuses on securing the border, taking down the infrastructure that supports cross-border criminal activity, and identifying and seizing the illicit profits from these crimes. ICE is dedicated and committed to this mission, and we look forward to continuing to work with this Subcommittee on these efforts.

Thank you again for the opportunity to appear before you today. I would be pleased to answer any questions you may have at this time.