

**Committee on Homeland Security Hearing
Subcommittee on Oversight, Investigations, and Management**

“Eliminating Waste, Fraud, Abuse & Duplication in the Department of Homeland Security”

Chairman Michael McCaul Opening Remarks

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Today we continue our examination of the Department of Homeland Security’s ability to adequately manage its people, its resources, billions of taxpayer dollars and, ultimately, its ability to carry out its core mission of protecting the American people.

Investigations recently completed by both the Government Accountability Office and the DHS Inspector General call into question the department’s ability to operate effectively, and without susceptibility to waste, fraud and abuse of authority.

For example, last year more than 150 Department of Homeland Security employees were arrested for offenses that hindered carrying out the department’s core mission to protect the homeland.

There were thefts by airport screeners. Between October 2009 and September 2010 at Newark Liberty Airport, TSA screeners stole as much as \$30,000 from unsuspecting passengers who were trying to get through security to board their plane. In Orlando, passengers had laptop computers stolen from their luggage.

There were Immigration officers accepting bribes. Even Customs and Border Protection officers conspiring with transnational drug traffickers. The DHS Inspector General received in fiscal year 2011 approximately 5,800 complaints against Customs and Border Protection employees. Of these complaints, the Inspector General converted approximately 730 into investigations. Presently, the Inspector General has approximately 1,200 CBP related cases open for investigation.

Then there’s wasted taxpayer money. After squandering close to \$1 billion on the failed

SBI-NET, DHS is attempting yet another border security project. And once again, the lack of coordination, communication and integration at the administrative level has produced similar results. The Department is unable to justify the rationale for specific technologies, how much is needed or even where to put it along the Arizona border.

Further findings expose duplication of functions within the department that unnecessarily spend money and consume scarce resources.

These findings call into question whether the Department of Homeland Security, given the challenges it faces from within, is capable of securing our borders, enforcing our immigration laws and protecting the American people from terrorist attacks.

Last month, the Secretary of Homeland Security, Janet Napolitano, testified before our committee the Administration's fiscal year 2013 budget reflects a commitment to protect the homeland and American people through effective and efficient use of resources.

She said the Department of Homeland Security has implemented initiatives to cut costs, share resources across its agencies, and consolidate and streamline operations. This includes redirecting over \$850 million from administrative and mission support areas to frontline priorities, as well as, saving over \$3 billion through various efforts since 2009, which has allowed DHS to redeploy funds to mission-critical initiatives.

These are all positive initiatives. But the Government Accountability Office states the Department can do an even better job of saving taxpayer dollars by eliminating duplication and finding additional cost savings.

For example, last week the GAO issued a key report related to duplication and cost savings opportunities, across the federal government. The report identified 16 homeland security areas where offices, programs, or initiatives have similar or overlapping objectives.

The GAO report also identifies inefficiencies within DHS that are causing other federal agencies that contract with DHS to spend more money than necessary.

Last year, DHS collected about \$230 million in fees from other agencies to pay for 2,500 facility risk assessments. However, DHS's Federal Protective Service completed only four of those assessments. The agencies that paid for the service but got nothing in return ended up conducting their own risk assessments.

In addition to GAO's work, the DHS Inspector General found hundreds of millions of dollars in questionable costs in 2011. During the past year, the Inspector General made recommendations to improve acquisition controls to reduce duplication, develop more efficient fraud prevention efforts for the Federal Emergency Management Agency, strengthen information sharing between the government and private industry on cyber threats, and improve TSA's oversight of airport badging procedures, among other important findings.

Just as American families have to make difficult choices concerning their finances, so should the department. DHS has a responsibility to not only protect and secure the homeland but also ensure that it is a good steward of taxpayer dollars.

In February, our subcommittee began a series of hearings examining the challenges faced by DHS. These hearings seek to answer three basic questions:

- What challenges does DHS face and put bluntly, what is wrong with DHS?,
- Why is it taking so long to become "One DHS"? as Secretary Napolitano so often mentions, and
- Do DHS shortcomings hinder it from carrying out its core mission of securing the homeland?

Today, we continue that discussion.

Stealing from airline passengers, conspiring with drug traffickers, blindly throwing resources onto the border and unnecessarily duplicating efforts contribute to the waste, fraud and abuse of authority that fleeces the American taxpayer and breaches their trust.

We need to assess to what extent internal control weaknesses exist that, if corrected, could prevent incidents like these in the future.

Given the fiscal challenges facing our nation and the possibility for continued waste within DHS, it is important to assess how Congress can help make DHS a stronger organization. We look forward to hearing more about these cost savings areas from GAO and the DHS Inspector General.

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