

**The Honorable Robert Aderholt
Committee on Appropriations
Subcommittee on Homeland Security**

Opening Statement:

***National Protection and Programs Directorate
Fiscal Year 2013 Budget***

**Witnesses:
Under Secretary Rand Beers**

9:30 PM | Thursday | March 1, 2012 |

Hearing is called to order [*gentle strike of gavel*] –

Today we will discuss the Department of Homeland Security's National Protection and Programs Directorate (NPPD).

To help us better understand these programs, we welcome NPPD Under Secretary Rand Beers. Secretary Beers, this meeting will be more informal than our usual hearings, so while I understand you have prepared a basic statement for us, we will spend most of our time discussing Member concerns and questions.

While there are many topics to discuss today, I want to briefly raise two primary concerns.

First – the Chemical Facility Anti-Terrorism Standards – commonly called CFATS. In December, a very disturbing internal report was leaked to the media concerning the management of the CFATS program.

Since the program was created in fiscal year 2007, industry stakeholders have made many improvements at their sites and spent hundreds of millions of dollars complying with CFATS policies. However, after five years – it is clear DHS has failed to fully develop an efficient and effective program.

Today, NPPD employs over a hundred chemical inspectors across the Nation, but DHS has not approved a **single** site security plan, even though industry has submitted over 4,000 of them. DHS must address each of the issues that were brought to light in the memo – and provide industry and the taxpayer with a viable program. Today, we want to hear your plan to restructure the program – as well as timelines to implement that plan.

Second – Cybersecurity. The importance of cybersecurity becomes more apparent every day, as we read more and more reports of breeches to our private sector and our government networks.

The President's budget request includes \$769 million for the National Cyber Security Division – an increase of \$325 million above FY12. This includes an unprecedented \$202 million for DHS to transfer to other agencies and departments to fund projects that may reduce their cyber risks. The request also includes significant increases in other cyber programs.

However, DHS has not provided clear, complete cost or schedule information to justify either of these increases. Secretary Beers, we need a justification for these funds today, as this Congress will no longer provide blank checks – no matter the importance of the program.

Additionally, Secretary Beers, we would welcome a quick update on the threats to our cyber and critical infrastructure.

Given the breadth of these topics, and their relevance to nearly every aspect of our daily lives, we will clearly have an interesting discussion today. Secretary Beers, please summarize your written testimony in a brief statement so that we will have time for a direct exchange of questions and answers. Before you begin, however, I recognize Ranking Member Price, for his opening remarks.

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