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BEFORE

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Subcommittee on Oversight, Investigations, and Management**

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Introduction

Chairman McCaul, Ranking Member Keating, and distinguished Members of the Subcommittee, it is a pleasure to appear before you today to discuss the Department of Homeland Security's efforts to secure our Nation's borders.

No one entity can tackle these transnational criminal enterprises alone. Rather, it requires a multi-agency, multi-national, and layered approach. To that end, U.S. Customs and Border Protection (CBP), Immigrations and Customs Enforcement (ICE), and the U.S. Coast Guard (USCG) forge strong and cooperative relationships and work closely with state, local, tribal, territorial, Federal, and international partners toward our mission to promote homeland security and uphold public safety through the criminal and civil enforcement of Federal laws governing border control, customs, trade, and immigration.

To do this, DHS has deployed a multi-layered, risk-based approach to enhance the security of our borders while facilitating the lawful flow of people and goods entering the United States. This layered approach to security reduces our reliance on any single point or program that could be compromised. It also extends our zone of security outward, ensuring that our physical border is not the first or last line of defense, but one of many.

As America's frontline border agency, CBP is responsible for securing America's borders while facilitating legal travel and trade. Over the past three years, the Department of Homeland Security (DHS) has dedicated historic levels of personnel, technology, and resources in support of our border security efforts. The President's Fiscal Year (FY) 2013 Budget Request continues these efforts by supporting the largest deployment of law enforcement officers to the frontline in our agency's history: more than 21,000 Border Patrol agents, 1,200 Air and Marine agents, and 21,100 CBP officers, all who work 24/7 with state, local, tribal, and Federal law enforcement in targeting illicit networks trafficking in people, drugs, weapons, and money. Over the last year, we have brought greater unity to our enforcement efforts, expanded collaboration with other agencies, and improved response times.

U.S. Immigration and Customs Enforcement's (ICE) mission is to promote public safety through the criminal and civil enforcement of Federal laws governing border control, customs, trade, and immigration. ICE's Homeland Security Investigations (HSI) directorate is responsible for investigating a wide range of domestic and international activities arising from the illegal movement of people and goods into, within, and out of the United States. In addition to overseeing the agency's international and intelligence functions, HSI investigates, among other things, immigration crime, human rights violations and human smuggling, smuggling of narcotics, weapons, and other types of contraband, financial crimes, cyber crime, and export enforcement issues. ICE is well positioned to disrupt and dismantle transnational criminal organizations by targeting the illicit pathways and organizations that engage in the production, transportation, and distribution of illicit contraband.

For more than 220 years, the U.S. Coast Guard has safeguarded the Nation's maritime interests and natural resources on our rivers and ports, in the coastal regions, and on the high seas, in the Caribbean region and around the world. The Coast Guard saves those in peril and protects the Nation's maritime border, marine transportation system, natural resources, and the environment. Coast Guard men and women – active duty, reserve, civilian and auxiliarists alike – deliver premier service to the public. The Coast Guard is an adaptable, responsive, military force of maritime professionals whose broad legal authorities, assets, geographic diversity, and expansive partnerships provide a persistent presence in the inland waters, ports, coastal regions, and far offshore areas of operations. This presence, coupled with over two centuries of experience as the Nation's maritime first responder, provides tremendous value and service to the public. As such, the Coast Guard shapes national maritime policy, including in the Caribbean region, to protect the Nation's interests.

Overview of CBP Operations in Puerto Rico / U.S. Virgin Islands (USVI)

In FY 2011, CBP processed approximately 4.8 million travelers and more than 109,000 containers through our ports of entry in the Caribbean. The San Juan Field Office processed over \$40 billion in trade, an increase of more than 15 percent from the prior year. During this time, CBP officers arrested 345 people wanted for crimes, including murder, rape, assault, and robbery, and denied entry to nearly 3,000 people at Puerto Rico's ports of entry. The San Juan

Field Office has 626 employees across the region: 318 CBP Officers, 76 Agriculture Specialists, and 111 support positions are assigned to Puerto Rico; and 80 CBP Officers, 11 Agriculture Specialists, and 30 support positions are located in the U.S. Virgin Islands.

CBP's Caribbean Air and Marine Branch (CAMB) plays a major role in deterring illegal activity in the region through the coordinated use of integrated air and marine forces to detect, interdict, and prevent the unlawful movement of people, illegal drugs, and other contraband in the area. The CAMB is headquartered in Aguadilla, Puerto Rico and possesses six aviation assets, including two AS-350 Light Enforcement Helicopters, two UH-60 Medium Lift Helicopters, and two DeHavilland DHC-8 Maritime Patrol Aircraft, which are state-of-the-art aircraft used for detecting vessels. Also assigned to CAMB are four marine units located in Fajardo, Ponce, and Mayaguez, Puerto Rico and St. Thomas, U.S. Virgin Islands. The marine units have ten Midnight Express interceptors, which are the fastest, most capable law enforcement vessels in the world, and five additional support vessels. The 60 enforcement personnel of the CAMB seized approximately 10,250 pounds of narcotics and \$2.1 million in currency in FY 2011.

The Caribbean Air and Marine Operations Center (CAMOC), a sub-unit of the CBP's Air and Marine Operations Center (AMOC), is also located in Puerto Rico. CAMOC is a state-of-the-art law enforcement radar surveillance center designed to counter the ongoing threat of airborne drug smuggling and provides detection, monitoring, and coordination between CAMB assets and other Federal and local authorities.

Ramey Sector Border Patrol agents patrol coastal areas in Puerto Rico and work to prevent, deter, and interdict illegal aliens and narcotics. During FY 2011, Border Patrol agents apprehended 642 undocumented aliens and seized more than 2,180 pounds of narcotics between the ports of entry. The Sector also has a full-time Prosecution Unit, a full time Public Affairs Office, a robust Intelligence Unit, and five canine teams deployed in Puerto Rico. These canine teams assist the San Juan Field Office with container checks and ferry operations and are also deployed to support the local law enforcement community.

CBP also supports the six municipalities in Puerto Rico in developing operational plans and preparing funding requests for Operation Stonegarden grants. Utilizing the resulting Operation

Stonegarden grants, these municipalities – Aguadilla, Cabo Rojo, Lajas, Ponce, Yabucoa, and Ceiba – work in unison with Border Patrol agents to fuse knowledge, experience, assets, and jurisdictional authorities in an effort to develop actionable intelligence, deter illegal activities, and help protect our coastal communities.

CBP continues its efforts to prevent narcotics and unreported currency from entering Puerto Rico and the U.S. Virgin Islands. Collectively, CBP officers and agents seized more than 19,000 pounds of narcotics with an estimated street value of approximately \$140 million, and seized more than \$7 million in unreported currency in FY 2011.

Overview of ICE Resources in the Caribbean

ICE currently has seven domestic offices in Puerto Rico and the U.S. Virgin Islands; these include the HSI Special Agent in Charge (SAC) office in San Juan (SAC San Juan); and the subsidiary Resident Agent in Charge (RAC) offices in Fajardo, Arecibo, Ponce, Mayagüez, St. Thomas, and St. Croix. The HSI Caribbean Attaché, physically located in Miami, Florida is responsible for overseeing HSI Assistant Attaché offices in the Nassau, Bahamas; Kingston, Jamaica; and Santo Domingo, Dominican Republic. These offices work with HSI domestic offices and foreign counterparts to combat transnational criminal organizations through capacity building, information sharing, and joint investigations. ICE's presence in the region, in collaboration with other law enforcement partners, has directly resulted in more than 1,000 criminal arrests, and the seizures of more than 1,200 firearms, 25,500 pounds of narcotics, and nearly \$17 million in illicit proceeds from October 2010 through June 2012.

Overview of Coast Guard Operations in Puerto Rico/USVI

The Coast Guard and its interagency partners have seen tremendous interdiction successes over the past several years in the Caribbean Transit Zone. The Coast Guard interdicted and seized over 198,000 lbs of contraband (cocaine and marijuana) in FY 2011, and 181,000 lbs thus far in FY 2012.

The Coast Guard interdicted three Self-Propelled Semi Submersible (SPSS) vessels in the Caribbean Sea in FY 2011 and another two in the first two quarters of FY 2012. Though not

present in the same numbers as go-fasts, the SPSS and Fully Submersible Vessels (FSV) are potentially an even more insidious threat to the security of the United States for two reasons: (1) their large, up to 10-ton payload and (2) the extraordinary difficulty of detecting these vessels at sea. This makes them a dangerous drug conveyance that could potentially be adapted for transporting other more serious security threats to the United States.

The Caribbean has many areas of shallow water with islands scattered throughout the different transit routes. To prevent drug traffickers from retrieving their illicit cargo after scuttling, the Coast Guard led an interagency response to recover contraband from two of the scuttled SPSS vessels. The other SPSS vessels had been scuttled in waters too deep to safely conduct dive operations. This interagency and international effort led to the recovery of over 12 metric tons of cocaine.

The foresight and wisdom of the U.S. Congress deserves a note of thanks for enacting 18 USC § 2285, the Drug Trafficking Vessel Interdiction Act of 2008, which made the mere operation of these stateless vessels in international waters a crime. This has greatly helped interdiction efforts whereby law enforcement authorities no longer need to recover contraband in order to affect successful arrests and prosecutions.

Since 1980, the Coast Guard has interdicted over 364,000 migrants at sea. The majority of migrant interdictions occur in the Florida Straits, and Windward and Mona Passages. The Coast Guard interdicted 2,474 undocumented migrants who attempted to enter the United States via maritime routes during fiscal year 2011. This statistic represents an 18 percent increase in interdictions when compared with fiscal year 2010 (2,088) and a 29 percent decrease in interdictions when compared with fiscal year 2009 (3,467). The Coast Guard interdicted 796 undocumented migrants in the maritime domain in the first quarter of fiscal year 2012, which is more than the numbers interdicted during the first quarters of fiscal years 2011 (410) and 2010 (188), and less than the number interdicted during the first quarter of fiscal year 2009 (1,062).

International/Bi-Lateral Agreements

The Coast Guard maintains 45 maritime bi-lateral law enforcement agreements with partner nations, which enable the Coast Guard to coordinate with partner nations and more effectively operate forward deployed boats, cutters, aircraft, and personnel to deter and counter threats as close to their origin as possible. Each bilateral agreement is independently negotiated but follows a standard framework; elements may include: ship boarding; ship rider; pursuit; entry to investigate; over-flight; order to land; and international maritime interdiction support. These agreements also enable the Coast Guard to assist partner nations in exercising their span of control and maritime domain awareness of their waters. Migrant bilateral agreements include an agreement with the Dominican Republic, the Comprehensive Maritime Agreement with the Bahamas, and the Migrant Accords with Cuba.

The Coast Guard-sponsored Multilateral Maritime Counter Drug Summit focuses on strengthening international partnerships and disrupting illicit drug trafficking and associated violence in the transit zone. The Summit is geared towards Western Caribbean countries, with international participation representing ten partner nations in Central and South America.

In the Eastern Caribbean, the Caribbean Law Enforcement and Intelligence Council facilitates communication, information sharing, law enforcement operations planning, and interoperability amongst participating international countries (United Kingdom, France, and the Netherlands). It serves to enable face-to-face interaction between key local, Federal and international law enforcement and intelligence organizations throughout the Caribbean region.

The Coast Guard provides international training and education through resident schools and “on the job training” at operational units in the U.S., and through Mobile Education and Training Teams deployed to host countries. Approximately sixty formal resident courses and eleven on-the-job training courses are open for international military student attendance. The Coast Guard courses are developed and conducted to meet mission requirements and are intended to improve performance. Exportable training is one of the Coast Guard’s most versatile and cost effective international training tools, providing training to more than 2,000 international students in approximately sixty countries each year. The Coast Guard delivers a complete package of

beginning, intermediate, or advanced training to units, small groups or larger multi-agency audiences. All of these training and education outreach activities result in participants being more capable partners in maritime law enforcement, marine safety and environmental protection, small boat operation and maintenance, search and rescue missions, and port security and infrastructure development for countries with waterway law enforcement programs.

Collaborative Efforts

In addition to its operational presence in Puerto Rico and the U.S. Virgin Islands, DHS has increased its collaboration with Federal, state, local, and international partners to arrest individuals and target criminal organizations that pose a threat to our communities. This collaboration has resulted in successful operations at and beyond our borders.

Collaborative efforts such as the Caribbean Border Interagency Group (CBIG) have proven to be an effective force multiplier by coordinating joint planning and execution of operations among CBP, ICE, USCG, Department of Justice (DOJ), the Office of National Drug Control Policy's High Intensity Drug Trafficking Area program (HIDTA), and Puerto Rico's Fuerzas Unidas de Rapida Acción (FURA) partners. Through these coordinated efforts, DHS has reduced illegal migrant activity coming into Puerto Rico via the Mona Passage by 90 percent over the last five years, and is successfully mitigating the smuggling threat along Puerto Rico's western coast

Operation Caribbean Resilience

It is ICE's assessment that Puerto Rico is a primary Caribbean drug transshipment point from South America to the U.S. mainland. In direct response to the threat of criminal organizations, related violence, and its impact on the quality of life for those residing in Puerto Rico and the U.S. Virgin Islands, and in response to recommendations contained in the President's Report on Puerto Rico's Status, HSI initiated Operation Caribbean Resilience in FY 2012. This operation worked in collaboration with CBP, ATF, Puerto Rico Police Department, San Juan Municipal Police has focused resources toward Puerto Rico in an effort to concentrate on complex transnational criminal organizations.. The operation, which began with a 90-day surge and has continued with the temporary assignment of agents from around the country, seeks to identify, disrupt, and dismantle drug trafficking organizations that destabilize Caribbean nations and territories and threaten regional security.

As of June 19, 2012, Operation Caribbean Resilience has resulted in a total of 287 arrests as well as the seizure of nearly 181 firearms, 6,340 rounds of ammunition, and \$91,630 in illicit proceeds.

Caribbean Corridor Initiative

Operation Caribbean Corridor is a Puerto Rico-based multi-agency task force that consists of HSI, the United States Attorney's Office for the District of Puerto Rico, the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas program, CBP, DEA, FBI, the USCG Investigative Service, Joint Interagency Task Force South, and state and local law enforcement agencies. Caribbean Corridor is a comprehensive intelligence-driven initiative focusing on South American drug trafficking and money laundering organizations responsible for transporting multi-ton loads of cocaine through the Eastern Caribbean en route to the United States and Europe.

One example of an investigation under Operation Caribbean Corridor is a recent SAC San Juan investigation into a large-scale narcotics smuggling organization operating between the Dominican Republic and Puerto Rico. To date, this investigation—known as Operation Wild Surf—has resulted in 36 arrests and the seizure of approximately 1,800 kilograms of cocaine, 26 kilograms of heroin, \$1.8 million dollars, and 14 vessels.

Border Enforcement Security Task Forces

HSI has partnered with Federal, state, local, and foreign law enforcement counterparts to create the Border Enforcement Security Task Force (BEST), a series of multi-agency teams developed to identify, disrupt, and dismantle criminal organizations posing significant threats to border security. The BEST program operates in 31 locations throughout the United States and Mexico. BEST leverages over 750 Federal, state, local, and foreign law enforcement agents and officers representing over 100 law enforcement agencies. BEST also provides a co-located platform to conduct intelligence-driven investigations. In FY 2011, BESTs made nearly 2,300 criminal arrests and more than 1,100 administrative arrests. Meanwhile, Federal prosecutors obtained nearly 1,400 indictments and 1,200 convictions in BEST-investigated cases.

In October 2011, HSI stood up the San Juan BEST, which includes partners from CBP, Puerto Rico Police Department, USCG, ATF, San Juan Police Department, the Colombian National Police, Puerto Rico Ports Authority, and Puerto Rico's Department of Treasury, all working collaboratively to share information and expertise in cooperative investigations. In February 2012, the San Juan BEST seized 109 kilograms of cocaine and contraband with an estimated price per kilogram of \$2.4 million dollars during an inspection of incoming containers on board a motor vessel arriving from the Dominican Republic. During the inspection of one of the containers, which was manifested as carrying aluminum construction materials, CBP officers found four duffle bags with a total of 101 bricks of cocaine. The contraband was turned over to HSI for further investigation. More recently, the San Juan BEST seized six kilograms of cocaine during a routine CBP inspection of a passenger vehicle that arrived from the Dominican Republic onboard a vessel. The vehicle and contraband were turned over to HSI, which arrested three individuals allegedly involved in the drug smuggling venture.

Prosecution Partnerships

In addition to enhancing partnerships with local law enforcement, DHS's relationship with the Puerto Rico U.S. Attorney's Office is an instrumental component of our efforts to reduce the smuggling threat in the Caribbean area. The U.S. Attorney has dedicated an Immigration Unit to support enforcement operations, which has assisted in reducing the number of re-apprehended undocumented immigrants. The Immigration Unit consists of an Assistant U.S. Attorney, two Special Assistant U.S. Attorneys (one from ICE and one from USCG), and a full time paralegal specialist provided by CBP's Office of Border Patrol. The creation of the Immigration Unit in October 2006 has resulted in a greater number of immigration cases accepted for prosecution (and more quickly), which has had a deterrent effect. During FY 2011, Ramey Sector Border Patrol agents had more than 150 cases accepted for criminal prosecution which included charges of illegal entry, re-entry after deportation, failure to heave to, and presenting false documentation. So far in FY 2012, agents have presented 131 cases that were accepted by the U.S. Attorney's Office for criminal prosecution.

Puerto Rico Working Group

In response to a request from the Governor of Puerto Rico in July of last year, CBP created a Puerto Rico Work Group to look for ways that CBP could continue to make and sustain gains in border security with its existing resources. The work group identified three areas that provided the greatest force multiplier capability – Intelligence, Joint Operations, and deployment of CBP resources. The efforts of the work group members have resulted in:

- Increased collaboration and joint operations within CBP, as well as with external law enforcement partners, to address the threat in the eastern side of the island;
- Increased collaboration with the Puerto Rico Police Department authorities on enforcement efforts;
- Increased coordination with municipalities for the application of Federal funding; and
- Increased CBP capabilities, such as the cross-training of OFO personnel to support marine operations, and additional force presence for special operations and enhanced enforcement efforts.

White House Task Force

In March 2011, the President’s Task Force on Puerto Rico’s Status recommended the convening of a working group to begin a formal interagency process of coordination and collaboration regarding Puerto Rico’s security and safety. In response, the Puerto Rico Interagency Public Safety Working Group (PSWG) was convened. The PSWG, co-chaired by DOJ Associate Attorney General Tony West and DHS Assistant Secretary for Intergovernmental Affairs Betsy Markey, is tasked with examining the economic and safety/security threats facing Puerto Rico and developing a plan to address those challenges from an interagency perspective. Since October 2011, CBP has been an active participant in the PSWG. In addition to providing advice and expertise on CBP-related issues, CBP briefs the PSWG on CBP operations, collaborative efforts, and potential concepts for the PSWG to pursue.

CBP/USCG Cargo Container Inspections

In April 2012, by leveraging associated USCG and CBP border search authorities, CBP initiated a multi-jurisdictional integrated law enforcement effort between CBP, HSI, USCG, and Puerto Rico state and local law enforcement personnel to interdict drugs and other contraband by conducting inspections of domestic containers bound for CONUS. Using collective intelligence

and targeting assets from all law enforcement partners, sea cargo destined for CONUS are selected and scanned using CBP large-scale NII equipment. When the NII image reveals anomalies within the contents of the container, the container and contents are checked by canine units and physically inspected by officers in an effort to detect and deter criminal organizations from transporting illegal contraband to CONUS. Upon completion of these operations, a detailed report with findings is forwarded to CONUS ports where the vessel is scheduled to arrive from Puerto Rico, including Houston, Jacksonville, Newark, and Philadelphia. These port communities subsequently conduct inspections of the arriving vessels and cargo using all available resources.

A recent success occurred on May 15, 2012, when the Anti-Terrorism and Contraband Enforcement Team (A-TCET) at the Philadelphia Seaport observed anomalies on an inbound vehicle from Puerto Rico utilizing large-scale inspection equipment. A subsequent physical inspection of the automobile by CBP Officers revealed packages containing a total of ten kilograms of cocaine.

Conclusion

Chairman McCaul, Ranking Member Keating, and members of the Subcommittee, thank you for this opportunity to testify about the work of DHS. We are committed to providing our frontline personnel with the tools they need to effectively achieve their primary mission of securing America's borders. We look forward to answering any questions you may have at this time.