

# NORTHERN BORDER SECURITY

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HEARINGS  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
UNITED STATES SENATE  
ONE HUNDRED SEVENTH CONGRESS  
FIRST SESSION

**SPECIAL HEARING**

OCTOBER 3, 2001—WASHINGTON, DC  
DECEMBER 5, 2001—WASHINGTON, DC

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## **NORTHERN BORDER SECURITY**

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**WEDNESDAY, OCTOBER 3, 2001**

U.S. SENATE,  
SUBCOMMITTEE ON TREASURY AND  
GENERAL GOVERNMENT,  
COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 9:32 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Byron L. Dorgan (chairman) presiding.

Present: Senators Dorgan and DeWine.  
Also present: Burns, Leahy, and Murray.

DEPARTMENT OF THE TREASURY

U.S. CUSTOMS SERVICE

**STATEMENT OF ROBERT C. BONNER, COMMISSIONER**

OPENING STATEMENT OF SENATOR BYRON L. DORGAN

Senator DORGAN. This hearing will come to order. This is the Subcommittee on Treasury, Postal and General Government of the Senate Appropriations Committee. We welcome the two witnesses who have joined us, Commissioner Bonner, the Customs Commissioner, and Commissioner Ziglar, the Commissioner of the Immigration Service.

This hearing is to discuss the issue of border security, and especially today we will talk about northern border security. It is my intention to hold a series of hearings on border security. While there are questions and interesting things to talk about a wide range of security issues dealing with our borders, I want to especially this morning at today's hearing talk about northern border security.

All of us know that the tragic events of September 11 have persuaded this country that we must do much, much more to make sure that we protect the security of our country. A country cannot and will not be secure unless it has secure borders. We are a free country with substantial traffic, and freight, and people coming across our border, and we do not want to change that. By the same token, we want to make sure that we keep out of this country those who are not supposed to come in, and especially that we are vigilant in trying to determine and detect those who are suspected terrorists who we want to prevent from coming into our country.

Both of the agencies that will testify here today stand on the front lines of protecting our borders. In my home State of North

Dakota, and my colleagues at the dais all represent States that border Canada on the northern side, we have remote border crossings. Every day we have a few people, in most cases one or two people, standing guard, vigilant in trying to make sure that those borders are secure.

The agencies here stand shoulder to shoulder at our border stations. I was at one in Pembina, North Dakota on the United States-Canadian border last Friday and I must tell you that those who are serving our country at these remote sites at the ports of entry between the United States and Canada are very committed and serve our country very well. They carry out a very substantial task for this Nation, to ensure the safety of our republic by protecting our borders. As I said, if we do not have basic control of our borders then we stand very little chance, in my judgment, of keeping terrorists out of this country.

I have long believed that the northern border of our country is particularly vulnerable and I want to talk about that today. The northern border extends nearly 4,000 miles, and as I have stated many times, it is woefully understaffed. I was at the port of entry in Pembina when I heard loud and clear, not only from Federal workers at Pembina but also local law enforcement agencies that they just need more people. Kittson County, Minnesota Sheriff Ray Hunt said, a big part of the solution is to put more people out here. Very simple, but clear.

Even if we had more staff, in many cases we lack the infrastructure necessary to adequately and safely screen the millions of passengers and trucks and tons of cargo which enter this country every day. As I understand it, about 340,000 vehicles enter this country from all ports every single day; 58,000 carriers of cargo enter this country every single day; and 1.3 million people come across our borders every single day. The agencies here are agencies that are required every day to be there to evaluate whether people have the right to come into this country, who they are and what their business is.

Now my concern about the northern border, and I suspect it is shared by a number of my colleagues, is that we are not only understaffed but we lack the necessary facilities. I have an orange cone here which represents the security at a good number of our northern border ports of entry. This orange cone, as you might imagine, is inexpensive. It is also ineffective.

I was told on Friday at one of the ports of entry in North Dakota that some people, when they enter this country after 10:00 at night and this orange cone is placed in the middle of the road, some people actually get out of their car and move the cone and then drive through it. Others have no such courtesy. They come whipping through at 60 miles an hour and just shred the cone. But at 10:00 at night when a number of these border stations close and they put a cone in the middle of the road, this is America's security at a border crossing.

It is not enough. It is not enough to protect this country. So let me just show a couple of charts.

Senator LEAHY. At least you get a reflector. We do not get a reflector.

Senator DORGAN. I will show you a couple of others. Actually at some ports of entry they have done better than one orange cone; they put up multiple orange cones. In the second port of entry I will show you what else they do. If they want to go higher tech than an orange cone, we have a stop sign on a small metal gate telling people that this port is closed and you really ought to turn around or you might get fined.

My point is not to make fun of anybody. It is simply to say, this represents the ability that the resources offer these agencies to conduct their business at these ports, and it is not enough.

Now well before the attacks of September 11, we in the Senate had been talking about this on the Appropriations Committee. In fact in this Subcommittees mark we included \$25 million in additional resources this year for something that I called the Northern Border Initiative, to hire additional agents, inspectors, canine enforcement teams to enforce our trade laws and protect our borders. I understand that the Commerce, Justice, State Appropriations Subcommittee also provided a substantial amount of money for the INS hires and infrastructure needs.

Of course, in light of the events of September 11 this, in my judgment, is merely a down payment. I am sure a much, much larger requirement is in store for the Customs Service and INS and I expect we will hear some about that today.

Let me be quick to say, your agencies are not without tools, from long range patrol aircraft and marine vessels, to advanced technology with which to examine the incredible volume of cargo entering our 301 ports of entry. We commend you for doing a seemingly impossible task. What you lack in manpower, technology, or infrastructure you make up in innovation and the sheer determination of many wonderful inspectors and agents around the country.

But it is not enough. We have asked you here to discuss these efforts and your needs. One major question is how the additional emergency funds we provided a few weeks ago in response to the attacks might be allocated; see whether you have some information about that. We assume that your agencies are weighing in with the Office of Management and Budget and the Administration in making a strong case for the additional resources. We want to help you meet your needs because we want to help make our border secure.

As I indicated, we are aware that after September 11 you redoubled your efforts at the borders, the seaports, and the airports. Every person I talked to from your two agencies at the border has been working long, long hours for many, many days and I deeply admire their commitment. I know your resources are stretched from this effort so I have asked you to discuss with us the northern border security needs today.

The American people, as all of us know, need confidence that we are going to prevent future acts of terrorism by being very vigilant among our border ports of entry to make sure those who should not come into our country are not getting into our country. So let me thank you for being here.

As I indicated earlier, we will have additional hearings. There is a southern border. We, of course, have had more resources at the southern border dealing with immigration, drugs and terrorism.

And we will also explore that at a future time. But, I would like especially today to talk about the northern border issues.

We are joined by a number of my colleagues and I would like to recognize them. Senator DeWine was here first. Senator DeWine?

STATEMENT OF SENATOR MIKE DEWINE

Senator DEWINE. Mr. Chairman, I will be very brief because I am looking forward to hearing the testimony from our witnesses. I want to thank you for holding this hearing this morning.

As you point out, for any number of reasons, our focus on our border has been primarily in the South. Events of the last several weeks have shown us the importance of that northern border. We have a tough challenge as a country. A tremendous amount of, not only traffic, but goods go through that northern border as well as our southern border. We have to balance the security interests of this country along with the economic needs of our country. Obviously if it is a choice between the two, security must come first.

I look forward to having the opportunity to question both of our witnesses today, Mr. Chairman, about some of these particular questions in regard to our northern border. Thank you very much.

Senator DORGAN. Senator Leahy?

STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Thank you, Mr. Chairman. I want to thank you and Senator Campbell for inviting me to come here even though—I am on the full committee; not on this subcommittee. I just want to make a couple comments. I am delighted that Commissioner Bonner and Commissioner Ziglar are here. They bring a great deal of expertise and knowledge to this situation.

You point out the lack of staffing on the northern border and I could not agree with you more, Mr. Chairman. We do have lack of both resources and staffing on the northern border. My home State of Vermont has seen huge increases in Customs and INS activity since the signing of NAFTA. The number of people coming through our borders has risen steeply over the years and our staff and our resources have not.

I am very familiar with the border. I live less than an hour's drive from the border in Vermont. I go across it quite often and have a pretty good sense of what we have there. I usually hear, when I go through, from the people at the border crossings, our two major ones at Derby Line and Highgate Springs. I cannot tell you how many times the Customs employees there have talked to me about the need for more people. I have heard very similar to what Senator Dorgan has heard in North Dakota.

There seems to be this disconnect between what the people who are on the job, in the field say they need and what we hear in Washington on the organizational charts of what they need. There is an awful lot of difference. These attacks make these differing views even more troubling. Make them more obvious, but they make them more troubling.

I do not pretend that Vermont is the only northern State with this problem. Every one of our northern States—we have 4,000 miles of our northern border. There are 1,773 Customs agents. We have a 2,000 mile long southern border. We have 8,000 agents



along that border. About five times more along the southern border which is only half the length of our northern border. The INS has similar discrepancies.

Frankly, it seems to me the entire upper tier of our country has lost out to the southwestern border and the stalemated war on drugs. When we see what happened September 11, we know how crucial it is to even things out.

I commend the leadership of this committee. Before September 11 they added \$25 million to increase Customs agents in the North. It is desperately needed.

Now the anti-terrorism bill that is working its way through the Judiciary Committee has a section—I would ask you both to take a look at it. I have every reason to believe it will be in the final package because it will be accepted before we have the final package. It triples the number of Border Patrol agents, INS inspectors, and Customs Service personnel in each northern border State. It directs \$50 million for INS and \$50 million for Customs to improve technology and acquire additional equipment for use on the northern border. It waives the cap on the number of full-time employees that can be assigned to the INS as applied to the northern border. It allows the Attorney General to authorize additional overtime pay for INS officers to ensure that experienced personnel are available. And it gives INS access to criminal history record information contained in the FBI's National Crime Information Center databases.

So I want you to take a look at that. I think you are going to find it is going to help you a great deal. I have been pleased by a number of members of the Judiciary Committee in both parties, whether they are from the north or not, who have joined onto that. I think it is going to help you and I want you to take a look at it. Afterwards, get back to me or my staff, let me know what you think about it.

Thank you, Mr. Chairman.

Senator DORGAN. Senator Leahy, thank you very much.

Senator Burns?

#### STATEMENT OF SENATOR CONRAD BURNS

Senator BURNS. Thank you very much, Mr. Chairman. Thanks for holding this hearing. When you say there is almost 4,000 miles of Canadian border, let me tell you, I represent a State where 25 percent of that border is between us and Canada. I think it presents unique problems for not only the Customs people but the Immigration people, especially in North Dakota and Montana because we are similar. We have similar cultures.

The border has always been porous. In other words, the chairman held up the cone today and talked about this is our security. He should have gone on and said that they do not have to run over the cone. In fact they do not even have to go to the cone. They can just go 100 yards to the right or left and go across the border. We have farmers in Montana that farm both sides of the border. They farm in Canada. They also farm in Montana. There are country roads that have no barrier at all in crossing between the United States and into Alberta or Saskatchewan.

So we have a unique problem on our northern border. I think we will have to ask our questions, yes, we like them secure, but we

also like them so that they work. I think the chairman has done something that is very important here, that the more people we have and can give us more flexibility in those crossings and make them more facilitate commerce and what we have to do on both sides of the border, because we do go back and forth a lot.

I think we will have to ask a lot of questions of the two gentlemen that are in front of us today about will we shift away from video inspection and consequently more on concentrated of human staffing? Are we going to get away from that? Montana, we got gates that will not close. They are rusted open, so to speak, and the facilities are not good. And we have people that are really overtaxed as far as deployment of their duties. They are standing 12-hour shifts and these type things. So the concentration of the traffic is going to have to be facilitated also.

But we have unique situations. It is because we have similar cultures that we do not think before—the agriculture in Montana and North Dakota is similar to the ones that are in Alberta and Saskatchewan. So we are faced with that. And we exchange with the movement of livestock, the movement of farm machinery, the movement of a myriad of things, goods and services that are used, I would say, within 20 or 30 miles of the border either side of it. So we have to look at those things too.

So these hearings are essential. They are very important. Just like I said, the security of the country has to be looked at first. We know that it is going to inconvenience some of us, but I think it is an inconvenience that the American people are willing to accept at this time in order to protect our borders. Because we know one thing, terrorism is faceless. It is also gutless. And it moves between Nations without we even seeing them. We know that movement in and out of the country, and the freezing of their money and their accounts is something that is going to slow them down a little bit. But it will not make us 100 percent safe. That is a very serious challenge that this country has to face.

So I thank both you gentlemen for what you do. I thank the chairman for holding this hearing, keeping in mind that it is bigger than just a cone. There is a lot of dirt between light bulbs out there, and that is where these people operate. Thank you very much, Mr. Chairman.

Senator DORGAN. Senator Burns, thank you very much.

Let me again say that the attack on September 11 was an attack on freedom everywhere. I should have mentioned, and did not in my opening statement, that Canada is a good friend of ours. We have a long, common border. We have a great deal in common. Canada also cherishes its freedoms. The attack on the World Trade Center was on a center that really represented the world. It was an attack on all free countries in the world, and Canada shares a common purpose with us.

I want to say that when we talk about the northern border, it must be, in my judgment, in close cooperation with the Canadians in order for us to do what we need to do on the northern border to prevent terrorists from moving back and forth across our border. We had a circumstance in Port Angeles, Washington which could have resulted in dramatic terrorist acts against this country that was foiled. That is up on the Canadian side, and coming into this

country they apprehended the person that was going to commit terrorist acts. But that is just an example of what can happen in the future, and it is an example of why we must be vigilant.

Finally, let me say again, America cannot effectively combat terrorism if it first does not control its borders. Very simple, but plain. Our country cannot effectively combat terrorism if it does not control its borders. That is what this is all about.

Now let me introduce Commissioner Bonner. Commissioner, you have a long history of service to our country. We appreciate your being here. You have just been confirmed by the Senate. I was pleased to be supportive of that confirmation, and we are pleased that you have assumed the role of leader of the Customs Service at this point. Why don't you proceed? Your full statement will be made a part of the record. Following that we will hear from Commissioner Ziglar and then we will open it up for questions.

#### STATEMENT OF ROBERT C. BONNER

Mr. BONNER. Thank you, Chairman Dorgan, and Senator DeWine. I want to thank you for the invitation, Mr. Chairman, to testify before this committee today, particularly with respect to the issue of securing America's northern borders.

This, as you know, is my first appearance before the committee. In fact it is my first appearance before any committee of Congress since being sworn in as the commissioner of Customs a week ago last Monday. Mr. Chairman, I want to thank you for your support in accelerating my confirmation both here and in the Senate.

I have submitted a prepared statement, Mr. Chairman, and with your permission what I intend to do is simply to summarize or highlight a few things that I said in the prepared statement.

First of all, as the guardian of the Nation's borders, Customs unquestionably has a big role to play in the struggle against the forces of terror, terrorists, and the implements of terrorism, in the struggle in which our country is now engaged.

The U.S. Customs Service, I think it is fair to say, is a vital link in the chain of homeland security, and in light of the attacks on our country on September 11. I certainly am committed to do everything in my power to secure our borders, all of our borders, against terrorists and the implements of terrorism. And to do everything in my power to see that our borders are secure, both our land border with Canada, a long 4,000-mile land border, as well as our seaports and our airports. That is certainly my highest priority, and I can assure this committee that is the highest priority of the Customs Service.

The northern border is a major focus of our efforts. Given this country's historic partnership with Canada—Mr. Chairman you just mentioned that—the length of that shared border, and the huge flow of travel and trade that crosses between our two Nations we must work together, now more than ever, with our Canadian partners to increase protection of our mutual interest.

I also want to take this opportunity to acknowledge the strong cooperation between the United States Customs Service and the Immigration and Naturalization Service, particularly I might say, with Commissioner Ziglar's service in these past several weeks.

Customs has consulted closely with Commissioner Ziglar and his staff, for example, prior to the implementation of a Level 1 alert that was put into effect on the morning of September 11, very shortly after the attacks occurred on our country in New York and on the Pentagon that morning. We have monitored the effects of our increased security as a result of the Level 1 alert together in order to minimize traffic and delays, while at the same time maintaining the level of security that is commensurate with the threat.

We have also stepped up our efforts between Customs, the INS, and the State Department's Bureau of Consular Affairs to ensure that information gathered through the advanced passenger information system, which is our database on arriving commercial air passengers, is exchanged between our agencies in a timely and secure way.

Turning to Customs' efforts on the northern border, Mr. Chairman, as you know the Customs Service was addressing security along our border with Canada well before the attacks of September 11. The arrest, as you alluded to a moment ago, the arrest of an Algerian terrorist known as the millennium bomber, Ahmed Ressay, by Customs inspectors at Port Angeles, Washington, which was less than 2 years ago, set into motion a number of measures to bolster security on our northern flank. This subcommittee was instrumental in helping Customs to implement those initiatives.

However, in my judgment, we clearly must do more in light of the terrorist attacks of September 11. We are currently working with the Department of the Treasury and the Administration to ensure that the challenges faced by Customs are addressed as part of the Administration's counter-terrorism supplemental bill. This funding will help us to address both our workload and the national security needs that have been clearly underscored as a result of the attacks on September 11.

As I mentioned, as part of our response to the terrorist threat U.S. Customs went to a Level 1 alert immediately following those attacks for all Customs personnel at all ports of entry into the United States. That is the highest state of alert, calling for sustained, intensive, anti-terrorist operations. We are still at Level 1 alert today. I might say, we are likely to be at Level 1 alert at least for the foreseeable future.

All ports of entry have increased vehicle, passenger, cargo, and mail examinations that are commensurate with the threat at their particular location. We have suspended dedicated commuter lane programs and remote inspection reporting systems. Every port of entry has been ordered to be staffed, and it is certainly my goal—

Senator DORGAN. Can you repeat that last point? You suspended—

Mr. BONNER. Yes. Customs has suspended dedicated commuter lane programs and remote inspection reporting systems. They are inadequate, in my judgment, to maintain the security that we must maintain at our northern border. Every port of entry has been ordered to be staffed with at least two officers. That is 24 by 7. That is, 24 hours a day, 7 days a week. Nearly 100 additional Customs inspectors so far have been temporarily detailed to northern border

posts by the Customs Service to ensure that this minimum applies to even our remotest ports of entry.

No point of entry or port of entry into the United States, in my judgment, at this time can be left unsecured. I think it is time that—certainly, Mr. Chairman, I want to retire those orange cones. At least I think it is time that we do that.

While Customs is sustaining a Level 1 alert through these measures, the fact is that we are expending an enormous amount of overtime, far beyond normal times. We are asking our people to work much longer and harder hours as, Mr. Chairman, you learned yourself when you were up in North Dakota on Friday. I am concerned that just the amount of hours is going to lead to some burn-out of our good Customs inspectors that are manning these ports of entry.

We are also asking for the public and the trade communities' patience as we work to protect our country from the immediate threat. Responsibility for America's safety must be shared by all. I am pleased to report that despite some initial concerns about the Level 1 alert causing inordinate delays—and they were causing, by the way, very, very long delays, particularly at the Michigan border entry points. I am talking about the Ambassador Bridge in Detroit, Port Huron, and so forth.

We have in fact, within 4 or 5 days, succeeded in reducing substantially the wait times at the border to levels that right now are at or near what they were prior to September 11 while still being at a Level 1 alert. We have done that through working with the industry and coming up with some very good initiatives. The Customs Service has come up with some very good initiatives that have been helpful to alleviate those wait times.

That has involved consultation and cooperation with our partners in the business community, particularly, by the way, I might say the U.S. automobile manufacturers. That was, in my judgment, also very instrumental to our success in reducing those very lengthy wait times that resulted from a Level 1 alert right after September 11.

We will continue to work with the private sector to devise solutions that meet the needs of business without compromising our national security. The \$25 million for northern border staffing provided, Mr. Chairman, by the Senate-passed version of our fiscal year 2002 appropriations bill will help Customs to meet its manpower needs. But I certainly will continue to explore and am exploring the other options and requirements that are necessary to strengthen our security along the northern border.

While our highest priority must be the security of our Nation's borders and its ports of entry, efforts to modernize the Customs Service must continue. Certainly that includes the development of the automated commercial environment, or the ACE program. I look forward to working with this committee with respect to continuing that infrastructure improvement at the U.S. Customs Service.

I can assure you, Mr. Chairman, that we are fully committed to the fight against terrorism, and to the security of our borders, both north and south. We look to our trusted friend and partner, Canada, to assist us. In fact I might say that one of the very first calls

that I received after assuming my duties as the Commissioner of the United States Customs Service came from Rob Wright, who is the Canadian customs and revenue commissioner. Commissioner Wright pledged his support and cooperation of Canada, Canadian customs, in working with us to prevent terrorism and the implementations of terrorism from crossing our northern border. I am planning to meet, by the way, with Commissioner Wright soon and will personally discuss with him our joint security efforts.

PREPARED STATEMENT

This subcommittee has also been of invaluable assistance to Customs in the past and I expect will be more so in the future as we work to protect America against terrorism. I look forward to working with you, Mr. Chairman, Senator DeWine, with the subcommittee in the future and I would be happy to answer any questions that you may have of me.

[The statement follows:]

PREPARED STATEMENT OF ROBERT C. BONNER

Chairman Dorgan, Senator Campbell, members of the Subcommittee, thank you for your invitation to testify on the role of the United States Customs Service in securing America's Northern Border.

This is my first appearance before the Congress as Commissioner of U.S. Customs, an office I am extremely proud to hold.

As the guardian of our Nation's borders, Customs has a major role to play in the great struggle against the forces of terror in which America is now engaged.

The Customs Service is a vital link in the chain of Homeland Security. We will continue to do everything in our power to strengthen America's defenses all along our frontiers.

Of course, the Northern Border is a major focus of our efforts. Given the United States' historic partnership with Canada, the breadth of our shared border, and the immense flow of travel and trade between our two Nations, we must work together to enhance the protection of our vital interests at this critical time.

I also want to take this opportunity to acknowledge the fine cooperation between Customs and the Immigration and Naturalization Service over these past few weeks.

Customs consulted closely with Commissioner Ziglar and his staff prior to implementation of the Level 1 Alert put into effect following the monstrous terrorist attacks of September 11.

We have continually monitored the effects of our increased security measures together to minimize traffic and travel delays.

We have also stepped up efforts between Customs, the INS, and the State Department's Bureau of Consular Affairs to ensure that information gathered through the Advance Passenger Information System, our database on arriving commercial air passengers, is exchanged between our agencies in a secure and timely way.

Turning to Customs efforts on the Northern Border, as you know, Mr. Chairman, the Customs Service was addressing security along our frontier with Canada well before the attacks of September 11.

The previous arrest of an Algerian terrorist, the millennium bomber Ahmed Ressam, by Customs inspectors at Port Angeles, Washington, in December 1999 set into motion a range of measures to bolster security along our northern flank.

This Subcommittee was instrumental in helping Customs to implement those initiatives. However, we clearly must do more in light of the recent terrorist attacks.

Customs is currently working with the Department of the Treasury and the Administration to ensure that the challenges faced by the agency are addressed as part of the Administration's counter terrorism supplemental bill. This funding will help us to address both our workload and national security needs.

Trade and travel between the U.S. and Canada has jumped dramatically since the implementation of the North American Free Trade Agreement in 1994.

Protecting our expanding economic ties with Canada, while preventing terrorists from exploiting increased traffic flows, is our goal on the Northern Border.

As part of our response to the terrorist threat, U.S. Customs implemented a Level One Alert immediately following the attacks for all personnel and ports of entry.

This is our highest state of alert, calling for sustained, intensive anti-terrorist operations.

We remain at Level 1 alert today.

All ports of entry have increased vehicle, passenger, cargo, and mail examinations commensurate with the threat at their location.

We have suspended dedicated commuter lane programs and remote inspection reporting systems.

Every port of entry has been ordered to be staffed with at least two officers, 24 hours per day, 7 days per week.

Nearly 100 additional Customs inspectors have been temporarily detailed to northern border posts, to ensure that this minimum applies even to our remotest ports.

While Customs is sustaining the Level one alert through these measures, the fact is we are expending a vast amount of overtime, asking our people to work much longer, harder hours.

We have also been asking for the public's and the trade community's patience as we work to protect our Nation from the immediate threat. Responsibility for America's safety must be shared by all.

I am pleased to report that, despite initial concerns about our Level One alert placing an undue burden upon normal border flows, we have in fact succeeded in reducing waiting times at the border to the levels they were at prior to the September 11 attacks.

Enhanced cooperation with our partners in the business community was instrumental to our success. We pledge to continue to work with our partners in the private sector to devise solutions that meet the needs of business and our national security.

The \$25 million for Northern Border staffing provided in the Senate-passed version of our appropriations bill will help Customs to meet its manpower needs. We will continue to explore other options to strengthen security along our northern frontier.

I should also add that, while our first priority will be the security of the Nation's borders and its ports of entry, efforts to modernize the Customs Service will continue.

The development of the Automated Commercial Environment, or "ACE," is essential to Customs' ability to protect America and its commerce well into the future.

I look forward to continuing Customs work with the Subcommittee on ACE development, which will harness the promotion of commerce and the strengthening of our national defenses.

Mr. Chairman, the Customs Service is fully committed to the fight against terrorism and the security of our borders, north and south.

We will look to our trusted friend and partner Canada to assist us every step of the way.

One of the very first letters I received upon being confirmed as Commissioner of Customs came from my direct counterpart at Canada Customs and Revenue, Commissioner Rob Wright.

In keeping with the tradition of partnership that has always marked the relationship between our two agencies, Commissioner Wright pledged the full support and cooperation of Canada Customs in preventing terrorists and the implements of terrorism from transiting our northern border.

I plan on meeting with Commissioner Wright very soon to further our joint security efforts.

Of course, we will continue to seek the guidance and support of this Subcommittee.

I know that your assistance has been invaluable to Customs in the past, and that it will be all the more so in the future as we work to defend America from the terrorist threat.

I want to thank the members of the Subcommittee again for this opportunity to testify.

I look forward to working with you; and I would be happy to answer any questions you might have.

Senator DORGAN. Commissioner Bonner, thank you very much.

DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE

**STATEMENT OF JAMES W. ZIGLAR, COMMISSIONER**

Senator DORGAN. We also are joined by Commissioner Ziglar, the Commissioner of the Immigration Service. Commissioner Ziglar, as all of you know, was an officer with the U.S. Senate, the Sergeant-at-Arms. I was pleased to be supportive of your nomination, and pleased that you are in your current post at this time. We would like to hear your statement. We will include the entire statement as part of the record and you may summarize.

Mr. Ziglar, welcome.

Mr. ZIGLAR. Thank you, Mr. Chairman, and Senator DeWine. It is a real honor to be here today to discuss with you northern border security. As I mentioned to you when I first walked in here, I am particularly pleased that my first appearance back on the Hill in an official capacity at INS is before the Senate. I enjoyed very much my 3 years as Sergeant-at-Arms and I will be forever grateful for that opportunity.

I have submitted a much longer statement which I would appreciate having in the record.

First I would like to take a moment to recognize the many employees of the INS who have performed superbly during this past few weeks of crisis, and before that time. In my 2 months now in the job, I have found this organization to be a very solid and professional organization that has both the will and the determination to make some of the very needed changes that we have, both internally and in the aggregate with respect to security on our borders.

I think it is worth noting that the INS bears a very heavy burden that most Americans do not recognize. As Commissioner Bonner pointed out, the INS and the Customs Service share responsibility at the ports of entry throughout the country and along our borders. What most people do not know though is that the 6,000 miles of land border that we have here, 4,000 of which are along the Canadian border, the northern border, the INS and the Border Patrol have sole responsibility for those points between the ports of entry. That is a pretty heavy burden.

I think most Americans do not realize something that you pointed out, if you do the math, Mr. Chairman, is that over 500 million people cross our borders every year. Now what most people do not realize is that most of those people come through our borders on either visa waiver programs or other exemptions to visas. What most Americans do not realize is that the INS is not the agency that issues visas to foreigners wanting to come into this country. What most Americans do not realize is that the INS has less than 5,000 inspectors to handle those hundreds of millions of people crossing our border in conjunction with the Customs Service.



What most Americans do not realize is that we have about 2,000 investigators and intelligence officers who are responsible throughout the country for dealing with undocumented aliens, or as some like to call them, illegal aliens; those that over-stay their visas or are otherwise out of status, smuggling rings, which are a major problem in this country, human smugglers bringing people into the country, and of course, criminal aliens. We have a very small force to deal with all of those different issues within the INS.

So as I have noted, Mr. Chairman, the INS has a very heavy burden to bear when it comes to the border and with respect to the interior of this country.

The tragic events of September 11 have clearly pushed border management and border security onto center stage. I am here to talk about northern border security, but I would like to point out that we have a need for sound operations on all of our borders, and that includes both intelligence gathering, effective intelligence gathering, and interior enforcement. You have to have a seamless network if you are really going to, in effect, protect your borders.

To combat terrorism and to combat other types of criminal activity, we have got to have effective cooperation from U.S. agencies and our international partners. I must say that the cooperation among the FBI, the INS, and the Customs Service, certainly in this period of the last three weeks has been a very good model for what I think we can do in the future.

We have a very special long term relationship with the Customs Service as a result of the fact that we share responsibility at the ports of entry. But in recent weeks, I can tell you that that has been a particularly close relationship in terms of exchange of data, coordinating our activities at the ports, and deploying personnel. Commissioner Bonner referred to it a few minutes ago and I would like to echo what he said. It has been a very pleasant start to both of our new tenures in office.

I would like to turn to the northern border specifically now, and first I would like to address what I think is a common misperception, that the northern border is totally undefended and totally unprotected. The fact is that we have 965 Border Patrol agents, inspectors, and other personnel—and I am speaking for INS—on the border as we speak. Obviously, Customs has folks there that we share responsibility with. These people do an excellent job at what they do, and they do that quite often at great personal risk, as you know. However, we need to do a lot more. But that is a far cry from saying that we are doing nothing on the northern border.

I would also like to take this opportunity to talk about our relationships with the Canadians. It has been a very productive and a very friendly and cooperative relationship. Let me give you an example. In the first 6 months of this year we have apprehended 8,000 criminal aliens on all borders of the United States. Four thousand of those have been apprehended on the northern border, notwithstanding the significant difference in resources between the southwest border and the northern border.

The reason for that in large part is because of the relationship we have got with the Canadians in terms of intelligence sharing and other information sharing. They have been extremely helpful

to us in our ability to detect and apprehend criminal aliens on the northern border. There are a number of other examples such as that, but the point is that it is a good relationship and it is a relationship that works. Yet we can still do a lot more with the Canadians.

In looking at the northern border, as you so well know, this is a situation where there is not a one-size-fits-all remedy to the problem. What might work on the southwestern border may not work on the northern border. Particularly, given the fact that you have got 4,000 miles of very, varied rugged terrain there is absolutely nothing to say that one situation or one remedy is going to work. We have got to move our remedies according to the terrain that we are dealing with.

But I will tell you, there are two elements that are needed no matter what you do. The first element is expanded and enhanced use of advanced technology. The second one is more coordination and more cooperation on both sides of the border. Those two things I think are essential regardless of what the remedy is.

Technology is an important force multiplier that provides real-time information to our inspectors, our agents, and others that are on the border. It allows them, like I say, in a real-time way, to deny unlawful entry to those that we do not want in this country, and also to facilitate the flow of commerce. You mentioned that, Mr. Chairman, and as you know I have a business background so I always think in those terms.

I have got to tell you, the one thing that troubles me is that if we ever get to the point that we want to build a wall on our borders, what we will do is we will destroy the economies of both our country, Canada, and Mexico. So we have to figure out a way to secure our borders and yet facilitate the flow of commerce.

I urge you, and I know you have and I know in a number of pieces of legislation you are already addressing this, but I urge you to give careful consideration to the use of technology as one of the remedies to the problems that we have on the borders. The INS is working both through our domestic and our international partners to improve the border security. But I can also tell you that we are working to improve our processes within the INS. Well before September 11 we were making serious progress on developing strategies to improve how we do our business.

As part of the restructuring of the INS which the Congress and the President gave me as a mandate—certainly I got that message going through confirmation. As part of that process I have reached out to our employees and others for ideas about how we can do our business better. I have got to tell you, we have gotten a lot of great ideas, particularly from the inside, and we are still in the process of evaluating some of those ideas.

But within the context of what we believe is doable and what is currently doable and what is effective there are a number of measures that we are working on with the Administration to implement as we speak. I am only going to talk about two or three here, but in my written text is a much longer list of things.

One, obviously, is increasing the number of Border Patrol agents, inspectors, investigators, and intelligence agents. Also equipping

those folks with the kind of technology that will multiply their ability to do their jobs effectively.

Second, we want to expand our access to biometric ID systems such as IDENT. I know, Senator DeWine, you have been quite interested in that particular system. We are looking at requiring air carriers to provide us with advance passenger information before boarding passengers so that we can intercept, before they come into this country, passengers who are terrorists, criminals, or others who are inadmissible into the United States.

We also want to expand our lookout system to all parts of the INS system. That way we have more than one opportunity to detect somebody who is in the country or about to come into the country that is not admissible.

We also—and this is very important. We are in the process as we speak of upgrading our infrastructure, our information technology infrastructure, and our data sharing infrastructure so that that information would be, again, available on a real-time basis to inspectors, adjudicators, and our investigators as well as other appropriate law enforcement agencies, so that we have a much better coverage on those people that we are attempting to detect who are trying to get into this country.

Mr. Chairman, one thing that I would like to highlight, and that is that we have a real problem at the INS that most other agencies do not have, and that is the overtime cap. It is now becoming a real problem for us. It is on a calendar-year basis and it is a number that we cannot go over with respect to our employees. We now find ourselves, with respect to a lot of employees, just because we have been understaffed, hitting that overtime cap and it is only the beginning of October.

We are now having to shift personnel around in order to find people who are not at the cap, moving them around. It is getting to be expensive and inefficient. I know that that is in the terrorism bill that the Administration is working on with Congress, but that is a critical item. If for some reason that legislation is not going to move quickly, we would sure like another vehicle to get that done if it is possible, because we really do have a problem.

#### PREPARED STATEMENT

Mr. Chairman, we must increase security, no question about it. But in doing so, we must not forget what made this country great. It is our openness to new ideas and to new people, and a commitment to individual civil liberties, shared values, innovation, and the free market. If in response to the events of September 11 we sacrifice those things in search of security, then the terrorists will have won and we will be left with neither security nor freedom.

Thank you, Mr. Chairman. I look forward to answering your questions.

[The statement follows:]

#### PREPARED STATEMENT OF JAMES W. ZIGLAR

Mr. Chairman and Members of the Committee, I want to thank you for the opportunity to testify today on "Northern Border Security." This is my first appearance before the Congress since assuming the post of Commissioner of Immigration and Naturalization. I am pleased that the Senate provided my first opportunity to return to Capitol Hill in an official capacity. I very much enjoyed my tenure as the

Senate Sergeant at Arms from November 1998 to August 2001. It was an experience and opportunity for which I will be forever grateful.

Although I have served as Commissioner for only two months, I have not viewed that as a liability in responding to the tragic events of September 11, primarily because of the highly professional career public servants who have provided me with mature advice and assistance. These tragic events, however, have provided an opportunity for me to examine, with a fresh eye, the management, personnel, technology, and policy capabilities of the INS.

Most Americans do not realize the challenges that we face. More than five hundred million people cross our borders every year; and the vast majority of those five hundred million enter the United States through visa waiver programs or other exemptions from the normal visa process; most Americans do not realize that it is not the INS that issues visas to foreigners who wish to visit the United States; the INS has 4,775 inspectors to process these hundreds of millions of visitors who arrive at our borders every year; the INS has 1,977 investigators throughout the country who are available to deal with persons who have entered illegally, have overstayed their visas or otherwise have violated the terms of their status as visitors in the United States. Despite the workload challenges and accomplishments of the INS, changes are still needed to ensure efficient and effective operations. The structure of the organization and the management systems that we have in place are outdated and, in many respects, inadequate for the challenges we face. Our information technology systems must be improved in order to ensure timely and accurate determinations with respect to those who wish to enter our country and those who wish to apply for benefits under our immigrations laws. The management restructuring of the INS is on its way—a mandate the President and the Congress have given me—and the improvement of our information technology systems is being planned and can be accomplished with the help and support of Congress.

Mr. Chairman, I would like to take this opportunity to send a message to the men and women of the INS and to the public for whom they work: I have never been so proud of a group of people with whom I have been associated as I am of our Special Agents, Detention and Deportation Officers, Inspectors, Intelligence Officers, Border Patrol Agents, Attorneys, and numerous other individuals both at headquarters and in the field in response to the events of September 11. Within hours of the attacks, the INS was working closely with the FBI to help determine who perpetrated these crimes and to bring those people to justice. Within 24 hours, under "Operation Safe Passage," INS deployed several hundred Border Patrol agents to eight major U.S. airports to increase security, prevent further terrorist incidents and restore a sense of trust to the traveling public. At America's ports of entry, INS inspectors continue to work tirelessly to screen arriving visitors, while encouraging the flow of legitimate commerce and tourism. Meanwhile, despite the tragedies and the disruptions, our service operations have managed to complete over 35,000 naturalizations nationwide and process thousands of other applications since September 11. America should be proud of the extraordinary effort of these men and women.

#### A NEW FOCUS ON OUR BORDERS AND INTERGOVERNMENTAL COOPERATION

The tragic events of September 11 have pushed the security and management of our borders onto center stage. While I am here today primarily to discuss the northern border, we must keep in mind the need for sound operations on both borders. Moreover, we must remember that the various agencies of the U.S. government must work together, and with our allies, to achieve a safer and more prosperous America and world. I think the excellent cooperation between INS, the FBI and the U.S. Customs Service, particularly during this crisis, is an example of that necessary cooperation. We have a special relationship with the Customs Service due to our shared responsibilities at the ports of entry. In recent weeks, we have worked especially closely with them in coordinating and consulting on security status at ports of entry, exchange of information and data, and the deployment of personnel.

#### THE NORTHERN BORDER

I would like to begin by addressing what appears to me to be a common misperception about our northern border, namely that it is "unprotected" and "undefended." The fact is that we presently have approximately 965 Border Patrol Agents, Inspectors and support personnel on the northern border. They do an excellent job in carrying out their responsibilities. However, more could be done along the northern border. The good news is that we have an important partner on the northern border who has been very helpful—and that is Canada. For example, due in part to the excellent system Canada has put in place to share information with

us, in the first six months of fiscal year 2001 more than 4,000 criminal aliens, or half of all criminal aliens intercepted at all United States ports of entry, were caught at northern border ports. There are numerous other examples where cooperative efforts with the Canadians have helped protect the northern border. Nevertheless, there is plenty of room for improvement.

The focus of the last few years has been on the southwestern border. As a result, the growth in INS resources has continued to be deployed to stop the illegal flow of immigration in this area. We have made dramatic improvements along the southwestern border and have gained control in many areas and we will be looking at how to deploy the additional 570 Border Patrol agents that the President proposed and the House and Senate have supported.

Today, the INS has 498 inspectors at northern border ports of entry and 334 Border Patrol Agents assigned to the northern border. Of the 113 northern border ports, there are 62 small ports that do not operate on a 24-hour basis. About 35–40 percent of these select ports process fewer than 30 thousand entries per year, but still require the dedication of valuable resources. In addition, it should be noted that the INS and the U.S. Customs Service share responsibility for staffing primary inspection lanes at many land border ports. However, when secondary inspections are necessary, primary inspectors often must temporarily close down lanes, thereby disrupting the regular flow of individuals and commerce across the border.

Currently we are reviewing any security deficiencies, our enforcement posture at ports of entry, and how to facilitate the flow of commerce to determine how we can improve. Resources could be assigned as needed to allow for (1) implementation of special initiatives with U.S. Customs and with Canada at higher risk ports; (2) conducting more thorough primary inspections without impeding traffic flow; and (3) engaging in targeted control processes to apprehend violators, including criminal aliens and suspected terrorists.

Technology can also play a critical role and has proven to be a “force multiplier” that can provide detailed, real time information concerning border activity. This is essential to border enforcement operations given the threats and challenges are different all along the northern border, and different challenges require different approaches. Our shared border with Canada runs nearly 4,000 miles and is filled with rugged terrain. Advanced technology can also help inspectors fulfill their dual mission of preventing unlawful entry and facilitating the movement of legitimate tourism and commerce.

#### STEPS TO IMPROVE SECURITY

Even before September 11, we were examining how we can improve the INS, at all levels. As part of our restructuring initiative, I encouraged our employees at all levels to think “outside the box” as to how we can better accomplish our mission. They responded with a number of creative ideas, some of which we are still evaluating. However, within the context of what is already known to be “doable” and effective, we are considering a series of solid measures that would strengthen our enforcement capabilities. We are working within the Administration to determine how to implement these measures. Some of our ideas are as follows:

##### *Border Patrol*

As requested in the President’s budget, increase the number of Border Patrol agents and support staff along the northern border, while not neglecting the continued needs along the southwest border. Such increases should also include necessary facilities infrastructure and vehicles.

Provide additional agent support equipment and technology enhancements. Unfortunately, neither the Senate nor the House currently is funding the President’s request at \$20 million for “force multiplying technology.”

Expand access to biometric identification systems, such as IDENT.

##### *Inspections*

In the Inspections area, as we proposed in our fiscal year 2002 budget, we believe we should increase the number of Inspectors at our Ports of Entry.

Require inspection of all International-to-International Transit Passengers (ITI) so that all travelers who arrive in the United States are inspected and clearly identified.

##### *Information and Technology Initiatives*

Require carriers to submit Advance Passenger Information before boarding passengers (whether the passenger is heading to the United States or attempting to depart the United States) to prevent known terrorists, criminals, and inadmissible passengers from boarding.

Make Advance Passenger Information data more widely available to law enforcement agencies, enhancing the ability to identify potential threats prior to departure for or arrival in the United States, as well as to prevent the departure of individuals who may have committed crimes while in the United States.

Implement the National Crime Information Center Interstate Identification Index (NCIC III) at all ports-of-entry so that aliens with criminal histories can be identified upon arrival in the United States. NCIC III should also be available at all consular posts, INS service centers and adjudication offices to help identify aliens who pose a potential threat.

Improve lookout system checks for the adjudications of applications at INS service centers.

Improve INS infrastructure and integration of all data systems so that data on aliens is accessible to inspectors, special agents, adjudicators, and other appropriate law enforcement agencies. This initiative is ongoing.

#### *Personnel Issues*

Waive the calendar-year overtime cap for INS employees to increase the number of staff-hours available by increasing the overtime hours people can work. This proposal is included in the Administration's Terrorism Bill.

#### *Other Initiatives*

Re-examine and potentially eliminate the Transit Without Visa Program (TWOV) and Progressive Clearance to prevent inadmissible international passengers from entering the United States.

Reassess the designation of specific countries in the Visa Waiver Program to ensure that proper passport policies are in place. This initiative will require the concurrence of and joint participation by the Department of State.

Share with the Department of State visa data and photographs in electronic form at ports-of-entry so that visa information will be available at the time of actual inspection.

Evaluate alternative inspection systems that allow for facilitation of low risk travelers while focusing on high-risk travelers.

And review the present listing of designated ports-of-entry, in concert with the U.S. Customs Service, to eliminate unnecessary ports. This will allow the INS to deploy more inspectors to fewer locations making for a more efficient use of resources.

#### DATABASE IMPROVEMENTS

In addition to the measures cited above, I have instructed my staff to move forward expeditiously on two database improvement projects mandated by Congress. While neither of these are panaceas, they would represent improvements over the status quo. First, there has been much attention paid to student visas in recent weeks. Today, the INS maintains limited records on foreign students and is able to access that information on demand. However, the information is on old technology platforms that are insufficient for today's need for rapid access. That is why we are moving forward with the Student Exchange Visitor Information System (SEVIS), formerly known as CIPRIS. Objections primarily by the academic establishment have delayed its development and deployment. However, with the events of September 11, that objection has virtually disappeared and INS plans to meet, and hopefully beat, the Congress' date of 2003 to start implementation of SEVIS with respect to all foreign nationals holding student visas. I hasten to add that there is a critical need to review and revise the process by which foreign students gain admission to the United States through the I-20 certification process.

Second, substantial attention also has been paid to entry and exit data. Currently, INS collects data on the entry and exit of visitors. However, the data first must be transferred by hand from paper to electronic form. This is an extremely inefficient way of processing data and delays access to the data by weeks and months. Knowing who has entered and who has departed our country in as timely a manner as is possible is an important element in enforcing our laws. The Data Management Improvement Act, passed in 2000, requires INS to integrate entry-exit data collection in electronic form at airports and seaports by the end of 2003, and at the 50 largest land ports of entry by the end of 2004. The legislation also requires a private sector role to ensure that any systems developed to collect data do not harm tourism or trade.

#### COOPERATION WITH CANADA AND MEXICO

Finally, I would like to say a few words about our Nation's relationship with our neighbors, Canada and Mexico. I would like to thank the Canadian people for open-

ing their hearts to United States citizens and others who were temporarily unable to return to the United States as a result of the tragic events of September 11 and the resulting diversion of flights to Canada. I would also like to thank the government and people of Mexico for their help in this crisis, both in the law enforcement area and in also ensuring that planes could be diverted safely to Mexico during the crisis.

The United States and Canadian tradition of cooperation and coordination has been long-standing, and is critical to the security of the northern border. This tradition was further promoted with the United States-Canada Accord on "Our Shared Border" on February 24, 1995. Along with commercial goals, the Accord also addresses common security issues.

The United States and Canada coordinate anti-terrorist efforts through the Bilateral Consultative Group on Counter-Terrorism (BCG). Established in 1988, the BCG annually brings together senior policy representatives from agencies and departments involved in the fight against terrorism. In addition, inter-agency and inter-departmental cooperation goes on daily between officials on both sides of the border to advance practical, on-the-ground cooperation. As further evidence of cooperation and support during this time of crisis, the Government of Canada has pursued a number of initiatives since the events of September 11, including taking measures to tighten its asylum process and further enhancing its intelligence sharing with the State Department and the INS. We are grateful for Canada's help and support.

#### LOOKING AHEAD

It has been said that after September 11 "everything has changed." I hope that is not true. America must remain America, a symbol of freedom and a beacon of hope to those who seek a better life for themselves and their children. We must increase our security and improve our systems but in doing so we must not forget what has made this Nation great—our openness to new ideas and new people, and a commitment to individual freedom, shared values, innovation and the free market. If, in response to the events of September 11, we engage in excess and shut out what has made America great, then we will have given the terrorists a far greater victory than they could have hoped to achieve.

Thank you for this opportunity to appear, Mr. Chairman. I look forward to your questions.

Senator DORGAN. Mr. Ziglar, thank you very much.

We are joined by my colleague, Senator Murray, from Washington. Senator Murray, did you have a statement you wished to make?

#### STATEMENT OF SENATOR PATTY MURRAY

Senator MURRAY. Mr. Chairman, first of all thank you very much for having this hearing. I really appreciate the opportunity to focus on the northern border, which obviously you and I share concerns about. I appreciate both Mr. Bonner and Mr. Ziglar being here to discuss this issue.

Clearly, the attacks of September 11 have left all of us looking at every possible security measure. I appreciate your remarks regarding how we have to make sure we have that security, but also not shut down our borders to commerce. This is extremely important in my home State of Washington. With passage of NAFTA we have seen cargo entering the United States through Canada increase by 162 percent in the last decade. We do not want to stop that as a result of this, but we want to make sure that the people who should not be crossing the border, do not get across.

That is why increasing the security guards on our Border Patrol are absolutely essential now. We have to focus on that and new technologies to make sure that the crossings move expeditiously but still provide us the kind of security we need.

I would be remiss if I did not point out, as I think Mr. Ziglar just did, that our relationships with Canada are very good. I just want

to take this opportunity to thank Canada for their tremendous help on September 11. I believe they took over 400 of our airplanes in Canada on September 11.

My daughter who is in college, a roommate of hers was returning from Japan to Seattle, was an hour out and was diverted first to Vancouver, could not land there, and ended up in Yellow Knife, somewhere north in Canada, as he told her, and spent 3 days there, and had a caribou barbecue, and was taken quite good care of.

So I know that Canada really was helpful in many ways. We do owe them a thanks for that. We want to continue to have that good relationship. We want to work with them in really good ways, but we want to make sure that our borders are safe and secure.

I look forward to the question and answer period, and again, really appreciate both of you focusing much-needed attention on the northern border as we look at these security issues.

Senator DORGAN. Senator Murray, thank you very much. Let me ask a series of questions and then I will call on my colleagues. I have a number of them I want to go through, but we want to allow everyone to ask questions.

First let me ask about resources, which I know is always a very difficult question because administrations often have their own version of how you balance resources between agencies. But one of the things that we have talked about this morning is the need for additional resources on the northern border. Perhaps on all borders, but we are talking about the northern border and the need for additional resources.

Can you give me some notion from both Customs' viewpoint and also INS what the Administration's position is with respect to additional resources, and adding additional resources, particularly with respect to the northern border?

#### NORTHERN BORDER SECURITY NEEDS

Mr. BONNER. I was counting on Mr. Ziglar to go first on that one, so I can learn how he is going to handle that.

Mr. ZIGLAR. I would be glad to. We are in the process, Mr. Chairman, of discussing with the Administration, OMB and others, the needs and the priority for the needs that we have. The Administration, I can safely say, recognizes that we need a lot more resources, certainly from an INS standpoint. While I have not intervened on behalf of the Customs Service, I know that they feel the same way about Customs, that we need more technology, we need more personnel, we need to do a lot of things to enhance border security. So I can tell you that we are trying to sort out now what is the priority, and how do you apply them, and how do you phase them. But there is no question about that.

I might add that well before September 11 the INS had a four-phased border control strategy that recognized—this goes back into the mid-1990s—recognized that we needed to do a lot more on the border, and have been implementing that. Now obviously, the southwest border has gotten an inordinate share of those resources, and frankly when you look at the problems on the southwest border you understand why that priority was there.



However, the INS recognized also that we needed more resources everywhere. A border control strategy was put in effect and would have over the next 4 years or so increased our complement, for example, of Border Patrol agents alone by about 40 percent. So this is not new news to us and the Administration is quite aware of the need for more resources, from our perspective.

Senator DORGAN. Mr. Bonner?

Mr. BONNER. As Commissioner Ziglar said, in the case of the United States Customs Service I am working with the Department of the Treasury and with OMB and the Administration to discuss the issues and the implications, particularly of September 11, on resource needs. That includes resource needs on the northern border.

As I have indicated in my statement to this committee, we have a situation in which I certainly believe that the northern border security needs to be strengthened, needs to be hardened. I am saying right now that certainly seems to be true for the foreseeable future, so I think we need to plan for that. So I am having those discussions.

As far as the northern border is concerned, I have taken a substantial number of U.S. Customs inspectors and assigned them to the northern border. This is very much robbing Peter to pay Paul to do that. That number, by the way, is not, I do not think, adequate. But that is to beef up our security immediately in light of the events of September 11. We also, as I have indicated, cannot sustain the levels of overtime that Customs inspectors are working at our borders.

So there are certainly some staffing implications with respect to what is necessary here that I am addressing with Treasury and the Administration. There are, as Commissioner Ziglar indicated, also I think certainly some—this is a situation in which we want to consider doing something with the facilities. Some of that is simply doing things that would strengthen the security of the northern border ports of entry. So there are some infrastructure costs that certainly are going to be associated with that.

#### NEED FOR INSPECTION TECHNOLOGY

Lastly, I am certainly a believer in deploying technology and equipment, non-intrusive inspection technology and equipment on a wider basis that is more geared to the threat that we are facing, as a result of September 11. That is the introduction of terrorists into the United States, across, the northern border, with implementations of terrorism.

We need to in my judgment, increase and upgrade our ability to respond. The key is technology. It also may be a higher and better use of canine teams that are trained to inspect things other than just drugs and currency.

Senator DORGAN. So it is safe to say that both of your agencies are requesting of OMB additional resources?

Mr. BONNER. I think that would be fair, yes.

Mr. ZIGLAR. Very safe to say.

Senator DORGAN. Let me ask, of the \$20 billion that Congress appropriated in the last 2 weeks to deal with these terrorist events, that \$20 billion will be used to strengthen a range of things that

are necessary to deal with our Nation's security. Are those the resources that your agencies are trying to call on with respect to OMB and the Administration's decisions about how to use that money?

Mr. BONNER. Yes, they are. At least that is my understanding, this would be part of the supplemental counter-terrorism funding.

#### REPLACEMENT OF SIX WORLD TRADE CENTERS

By the way, I think perhaps part of that funding is also certainly needed by Customs to replace our facilities in New York. As you know, a U.S. Customs house was located at Six World Trade Center. It was an eight-story building right next to the north tower and it was destroyed as a result of the attacks. We had the largest number of Customs Service personnel in that building outside of Washington. There were almost 800 Customs Service personnel, both Customs agents, Customs inspectors, Customs freight specialists, the lab, and so forth.

There is also some funding that is just to cover essentially the extraordinary short term cost of repair and replacement and getting back and operating. Then there is the, what do we do now in terms of better responding to the terrorist threat, to secure our borders.

#### EMERGENCY SUPPLEMENTAL FUNDING REQUEST

Senator DORGAN. The issue here is not just about resources, but that is an awfully important issue, and that is why I am asking these questions first. I have a range of other questions. Are you able to share with us your recommendations to OMB at this point? Since September 11, and even before, but especially since September 11, I assume both agencies have taken a hard look to evaluate what do we need to do to beef up our presence at the borders in order to give our country more assurance that we are keeping known and suspected terrorists out, and providing adequate security at our borders?

Can you give us any notion of what your request might be of OMB, increases in agents, increases in inspectors, and so on?

Mr. BONNER. I certainly do not want to get into the details of that because those are issues that I actually will be discussing within the Department of the Treasury actually this afternoon. But certainly they include Customs inspectors. That would be part of the issues that I am going to be discussing as to the adequacy of the numbers of United States Customs Service inspectors, as well as Customs special agents. It includes, to some degree, canine teams and better deployment of those. It includes equipment, technology, and heightened security through essentially infrastructure measures that go beyond orange cones.

Senator DORGAN. Mr. Bonner, there are two ways for your agency to get help. The same would be true with INS. One is to appeal to the Office of Management and Budget, and the second is to get help from Congress. In order for us to evaluate what we think the priorities must be, and the resources we believe ought to be made available, we are going to need, I think at some point from your agencies, what is your assessment of the additional resources that

you need in order to employ the security on the borders that we believe is appropriate and important?

I respect that you are talking to OMB this afternoon, or you have ongoing discussions. But I also hope you might share with us, what are your needs? What do you think we need? Do you clearly know that we do not want to leave ports at this point empty at 10:00 at night? You indicated you have moved 100 Customs officers up to the northern border. I understand even though those ports are not open you have people at those locations. But that is temporary, as you indicated. You have taken them from another part of the country.

So I would hope that both of you would give us your best assessment of what your needs are. OMB may or may not satisfy those needs, but Congress will have something to say as well about how we assess those needs and what we want to do to respond to them.

Mr. Ziglar?

Mr. ZIGLAR. Mr. Chairman, I would be glad to address that. The commissioner has highlighted some of the same things, of course, that we are interested in. We have also moved inspectors up to the northern border, and as the commissioner knows, we actually share primary jurisdiction at a number of these places. So where he gets a strain, we get a strain. It is one of those kinds of relationships.

We are in discussions with OMB, but certainly some things are obvious on their face and my longer, written testimony ought to give you some hints of some of the things that we feel are in there. Obviously, more personnel at the Border Patrol level and the inspector level is absolutely necessary so that we can, along with Customs, at the ports of entry fully staff these folks. We also need more personnel for those parts of the border that are Border Patrol jurisdiction.

But personnel alone is not going to do that given 4,000 miles of border. We are going to have to have a web that includes some advanced technologies, whether it is surveillance technology, or it is sensing technology, or anything from aircraft to marine vessels to that sort of thing. We need to create more of a net so that we can use communications and people in order to do that. So that is an important part of what we are asking for.

We also, in general, are very interested in moving along more rapidly advancement of our information technology and the sharing of that information, whether it is with the State Department or the FBI or the Customs Service or anyone else. We need to have more information that is available to all the agencies that have some responsibility on the border. Certainly our system is only one of those systems, but our system needs to be integrated with the other systems. We need to all have platforms that work.

So that is something that we have been very focused on. In fact it is an initiative we had already started before September 11. But like everything else, resources are hard to come by sometimes and that is one of the things that we definitely want to have.

#### BORDER SECURITY

Senator DORGAN. I am going to call on Senator DeWine in a moment. One last question, and I may have a series of others later.

How confident should the American people be today, Wednesday, that the resources you have at all of our borders, but especially our Northern borders, are being employed in a manner that will allow you to identify and keep out of this country known and suspected terrorists?

Mr. ZIGLAR. My personal view is they can have a high degree of confidence. Our people are working very hard. They are very diligent. They are very alert. They are resource drained, there is no question about it.

But I will tell you, there have been and will continue to be some superhuman efforts by our folks and by the Customs folks to make sure that our borders are secure. I feel very confident, personally.

Senator DORGAN. Are your people working 12-hour days at this point?

Mr. ZIGLAR. Yes, sir.

Senator DORGAN. Commissioner Bonner?

Mr. BONNER. Well, I share Commissioner Ziglar's confidence. I do have a level of confidence that certainly we are doing everything we possibly can to secure our border against terrorists coming across, or the implements of terrorism.

#### TEMPORARY STAFFING DETAILS

Based upon my briefings, I guess I am concerned with the adequacy of that, how we are going to be able to do that on a sustained basis given the fact that the U.S. Customs Service is certainly stretched incredibly thin right now.

By the way, that I could get 100 inspectors there is hardly adequate to address the problem. If I suggested it was, let me disabuse everybody of that notion. That was just what I could do as quickly as I could in terms of reassigning some inspectors so there would be some relief up there for all of the inspectors that are working hard and overtime.

But I have also been tasked to send between 400 and 500 U.S. Customs inspectors. These are the uniformed inspectors that are at the ports of entry and the airports and the seaports and the like. These uniformed inspectors are working, by the way, side by side with Border Patrol from INS and the U.S. Marshals Service at our airports, overseeing ground security at screening points at our major airports in this country. We started that also shortly after September 11. So that is another 400 to 500 inspectors that have been detailed for that.

To my knowledge, they have not been relieved by the National Guard. The National Guard has been brought in to man other airports and provide a presence there.

We also have contributed 125 Customs special agents to the Air Marshal Program, along with other agencies, DEA and others, who are contributing to that effort so that we immediately have a vastly expanded Air Marshal Program that is in place as we speak. So we are also having that phenomena.

#### CUSTOMS AIR PROGRAM TASKINGS

The Customs air wing, which as you know is a formidable asset of this country, has now been asked by the Air Force, by NORAD, to provide security protection over certain zones of the United

States. So it has been taken away from its other tasks in the Caribbean and the Southwest border and elsewhere. I am talking about the P-3AEW surveillance aircraft.

So we are being pulled in a lot of directions here and we are stretched thin.

Mr. ZIGLAR. Mr. Chairman, let me make sure that I was not misunderstood. I do believe that we have a high degree of confidence, and should have. I agree with the Commissioner that the reason I feel that way is I know how hard the folks are working, how diligent in work they are.

Over time, like the Commissioner said, our people burn out and we are stretched very thin. So that degree of confidence will go down very rapidly if we do not get additional resources to be able to maintain that level, if you will.

#### CUSTOMS INSPECTOR CAPABILITIES

Mr. BONNER. If I could just add one thing, too, that does give me some confidence and I think should give the American public some confidence. That is that we do have, both INS but Customs inspectors like Diana Dean, up at the State of Washington at Port Angeles. I mean, they are highly trained to spot suspicious or abnormal behavior, as you know.

It was without intelligence, although we certainly ought to be increasing our intelligence. But without intelligence it was a cold hit that that Customs inspector spotted a terrorist, unquestionably, who planned to bomb Los Angeles International Airport with others. He was arrested. That actually led to the exposure and the prosecution of other members of that terrorist ring.

So that is what gives me at least some degree of confidence, is that we have people like the Customs inspector in the State of Washington, who are on the highest level of alert now with the Level 1 alert throughout the Customs Service.

#### CUSTOMS AIRCRAFT NOT ARMED

Senator DORGAN. You indicate Customs air assets and you are talking about security. They are used for surveillance, they are not armed?

Mr. BONNER. No, these would be surveilling and would be able to track aircraft now in regions of the United States. They are providing coverage that was needed to support the Air Force.

Senator DORGAN. The Air Force is flying missions. Their missions are being flown with fighter planes that are armed. I just wanted to make sure, yours are surveillance.

Mr. BONNER. They also have surveillance aircraft, too. So we are supplementing theirs.

Senator DORGAN. Senator DeWine.

Senator DEWINE. Mr. Chairman, thank you very much. Let me thank both of our witnesses. Your testimony has been very helpful.

Mr. Ziglar, in law enforcement there is nothing, in my opinion, more important than good information. We have developed, over the last few years, an unbelievably good system of technology. It is something that has sort of been one of my pet projects going back in time when I was a county prosecutor in the 1970s, when we did not have much of it.

We have developed these systems, the IAFIS system, for example, that you and I have talked about. As it is important in criminal investigations, obviously it is also applicable and very, very important in regard to national security questions. It has a great deal of applicability to the INS, to Customs, to what you all do every single day. So I congratulate you for your emphasis and your testimony this morning on that.

I notice, in your written statement, that you talk about some of the things that you want to do and are doing. One is implement the National Crime Information Center Interstate Identification Index—this is, of course, the NCIC—at all ports of entry so that aliens with criminal histories can be identified upon arrival in the United States. NCIC should also be available at all consular posts, INS Service Centers, and adjudication officers to help identify aliens who pose a potential threat.

My question to you is what does this Congress do to make sure you have got every single penny that you can spend effectively in the next several years to get this done and to get this moving as far as we can go?

You have pointed out, very correctly, that you do not control what goes on at the consulates. Someone goes in and gets a visa, for example. That is not your department, that is the State Department. But it is the integration of all this information.

I think one of the things that is most troubling to the public and most frustrating to all of us is that sometimes one part of our government knows something and another part does not have that same information.

So what do we do to make sure that you have got everything that you need, so you can totally utilize the great technology that we have today? A lot of the system, as you know, is already built. It is a question of making sure that you are in to it and we continue to grow the system.

Mr. ZIGLAR. Senator, from what I can see, in the 2 months I have been in this job, the Senate certainly—which I have, of course, more familiarity with—could not be more supportive in terms of our doing these kinds of things before September 11.

We are re-looking at a lot of these issues on a more expedited basis, in terms of trying to integrate our systems. The NCIC issue is a very important issue, because up until recently we did not have access to what was called NCIC III information. We had the warrant information. But it is the NCIC III information that really would be helpful to the consular post abroad, as well as ourselves, in our adjudication process.

Senator DEWINE. Which is more sophisticated information?

Mr. ZIGLAR. Right.

Senator DEWINE. More details, more information?

Mr. ZIGLAR. Right. Yes, sir. Not just somebody that there is a warrant outstanding on, but background criminal information. That information is incredibly important in making judgments about the admissibility of people. We need to have that spread out through our systems. There needs to be a lot more integration between ourselves and Customs and everyone else, in terms of just the platforms being able to data share.

And I think that is something that I talked about in my opening remarks, that is one of my priorities, our priorities. And I know the Administration is very concerned about that and very focused on that.

Senator DEWINE. We just want to make sure, Commissioner, that we continue to push forward, that you have the money that you need to do this. We are asking people to make judgments and you used absolutely the correct term. We are asking people to make judgments. They are only human. They can only make judgments based upon information.

Let us say you have a young Foreign Service officer in  $x$  country and someone comes in and they want a visa. That Foreign Service officer, he or she only has what they have. We, as a government, I think, we as a country owe them and owe ourselves as much information as we have. And that is a lot more than that Foreign Service officer is getting today.

If you look at the non-immigrant visa application, it is all self filled out. They ask you if you are a terrorist in here, and a few other things. I am not making fun of it. Each question has a reason and I am not saying that there is anything wrong with that at all. But we just need to make sure that our folks, who are making those initial decisions about the granting of the visa, have all the information that they can have.

What do we do about the people that you talked about a moment ago, who come to this country legally. They get a student visa, they are here for some purpose. And then they go, as you say, the term of art is out of status. Or the way we might say it is they just stayed too long. They stayed longer than they are legally entitled to.

How do we keep track of them? What do we do? If you look at what has happened, just anecdotally, reading the newspapers, what has happened in this investigation, we find that people are apparently out of status. When we start looking at the big picture we know that, as a practical matter, we are not tracking these people. They are out of status and they are just out of status.

How big a problem is that, to begin with? Is it a problem? And what, in the long run, do we do about it?

Mr. ZIGLAR. It is a problem with a question. It is also a very difficult problem to deal with, because it is very easy to come into this country and disappear and not be found.

Now one of the things that the Congress has asked us to do, and we are in the process hopefully of doing this, is to have an effective entry/exit data system. We have a system already that is called NEES. But it is really not a real-time system. It is paper to electronic delivery. It depends on the airlines to enforce it. There are a lot of things that cause big gaps in that system.

We need to be able to know whether or not when somebody comes in they have departed. That will then tell us he has overstayed. And that will give us an opportunity right there to try to identify those situations that could be potential problems.

The intelligence business, I believe, and the expansion of the intelligence business, certainly from an INS point of view, as well as the investigators, would also help us. I mean, we have had to allocate our priorities to first tracking criminal aliens that we know

are in the country that have committed crimes and that we need to get them off the streets because they are people who could create harm.

Second, we have been in the position of having to battle human smuggling rings. That has taken an enormous amount of time, but it has also been the source of an enormous amount of illegal entry into this country. Those people are bringing in, who knows who they are bringing in. So we have been battling those folks.

Plus the fact that there is certainly a humanitarian aspect to battling the human smuggling rings, because these are not nice people and they kill people at random and we are trying to protect human life whether it is American human life or others. So that is where our less than 2,000 investigators have had to spend their time. We need a lot more of those folks if we want to address the overstay problem effectively.

I mean, the only real effective way to ever do that would be everybody comes in the country, put a chip in them, and have a homing device. But this is America and I do not think we would do that.

Senator DEWINE. Let me continue on this technology on one more issue that you and I talked about the other day. That is taking technology one step further, which we can do today if we want to. That is to take the IAFIS system, the fingerprint system, and integrate that into your system. In other words, you could conceivably, someone comes for a visa, give the fingerprint, it goes into a central databank. You could compare that when that person hit the border to make sure that was the same person that was coming in. You could do all kinds of things that you wanted to do with that.

Is that something we can at least explore and see what the potential is there?

Mr. ZIGLAR. Senator, we are doing more than exploring it. Within the next couple of months, the first workstation that will combine the IAFIS and the IDENT system will be online. As you know, IDENT is a 2-finger, whereas IAFIS is a 10-finger, and there is a certain problem with integrating those systems. But we have been working hard at trying to come up with a common work station that will access both of them. We will be online, I think, in the very near future, the next couple of months.

Senator DEWINE. That is on a trial basis or a limited basis then initially?

Mr. ZIGLAR. We think this is an effective system. It is just now a question of deploying it and the resources.

Senator DEWINE. In conclusion, on this whole issue of technology, it just seems to me that if we were a business, and our business was to let people in the country that we want in, protect people's rights, but at the same time protect the security of our country, we would have the best technology because it would be cost effective. It would work. And it is available today.

And I think, Mr. Chairman, the fact that we do not, I think we are moving in the right direction. I congratulate you with what you have been doing. But I think the fact that we do not have that yet today is not good. And we have to run this like we would run a business, if this was our priority.



Let me ask one final question. I want maybe to give us a little perspective because I think sometimes we miss maybe the priorities. I would like for you to set some priorities.

According to your office, last year, and you mentioned this a moment ago, we had 529.6 million individual crossings of our borders; 437.9 million of those crossed at our land borders; 80 million crossed through our airports; and 11 million crossed through our seaports. Roughly a third of all of these are American citizens, of course, and not aliens. Nonetheless, all of these individuals are subject to inspection by INS and Customs.

With those groups of individuals, where does the emphasis go? Who do we worry most about? You pointed out to me, when we talked the other day on the phone, that the visas are a relatively small number, and you have got visas waivers. Do you want to just discuss that, as my last question? The Chairman has been very patient, and I appreciate it, Mr. Chairman. But just to put this in perspective for all of us?

Mr. ZIGLAR. Can I make a comment about something you said earlier and then address that?

Senator DEWINE. Sure. I always worry about that when you do that, it means you have had time to think about it.

Mr. ZIGLAR. I know this is probably a sacrilege for me to make such a comment, but you are absolutely right about the notion that if we were a business we would be using the advanced technology, and we would be at the cutting edge, and all of that sort of thing. I come out of the business world, as you know.

The procurement process, the decision making process, the competitive bid process—and I am not against competitive bids—all of those things make it very difficult to employ technology in a time frame that does not make it obsolete by the time you have gotten through all of this process. People are scared to make decisions because they are afraid it will be the wrong decision.

I am one who just makes decisions and as long as more than half of them are right, I feel pretty good. But we need to streamline the way we employ and deploy technology in the government, if we want to do this on a business-like basis. Because we really have wound ourselves around our own axles quite often in the way we do that. Enough said for that.

Senator DEWINE. I appreciate that. Priorities and visas and the ones that are waivers. Can you sort any of that out for us, as far as just big picture priorities?

Mr. ZIGLAR. I think you clearly have categories of individuals that would be low priority people. This is something I think I mentioned in my long written testimony, and that is that you have got a lot of folks that go back and forth across our borders all the time, that are what I call low risk travelers. And yet in the rush to beef up security, I am afraid that we catch those low risk travelers in this net. I think using for example biometrics, which you are very interested in, with respect to those low risk travelers would be a very good way for us to deal with them so that those people that are not frequent travelers, are not low risk travelers, they get more time to be inspected at the border.

I have got friends that commute back and forth to London in the investment banking business and it is a hassle every time they

come in. We need to be able to segregate out the different risk profiles, if you will, of the travelers. I do not mean racial profiles but risk profiles of travelers, in order to be more effective and move people through.

Let me make one comment. As you may or may not know, I am sure you do, by statute we are required to have processed everybody off of every international flight that comes in within 45 minutes. When we have a Boeing 747 coming in from wherever, the notion that we have to get them through the process, and the Customs Service and ourselves are subject to this, in 45 minutes, it does not give us a whole lot of time to really spend time with these folks.

We pick them up because we have got people who have got very keen eyes and are very well trained in this, and put them in the secondary, but I will tell you what, it is a problem when you have a statutory mandate to meet that and we are constantly trying to observe the law.

Senator DEWINE. Thank you. Thank you, Mr. Chairman.

Senator DORGAN. Senator DeWine, thank you. Senator Murray?

Senator MURRAY. Thank you very much, Mr. Chairman. I appreciated Chairman Dorgan asking you both about new resources because I think they are absolutely critical. Our Customs, our Border Patrols, every one is only as good as the people we have. If we are asking them to do 12-hour shifts in a very stressful time, when the Nation is very conscious and we are all expecting them to do their job to prevent something in the future, we cannot ask them to do that very long and have them do it effectively. We will lose people and they will lose their ability to do the job well.

We need to know as quickly as possible what resources both of you need in order to staff adequately, have good people, have them trained, and have them not doing 12-hour days, so that we can do the best job possible. So I encourage you to, I know you are meeting with OMB, but to get back with us and work with us as soon as possible.

I do want to thank Senator Dorgan for his work on the Treasury bill and increasing new Customs resources. It is a step in the right direction, but clearly this is an arena we need to really, really focus on. So we want to work with you on that.

I also have to mention transferring resources. In my 9 years in the Senate, I have constantly fought INS transferring border agents to the southern border. Now, after September 11, can I get your commitment not to do that again?

Mr. ZIGLAR. We actually have been moving people up to the northern border since September 11.

Senator MURRAY. And you are leaving them there?

Mr. ZIGLAR. We have clearly asked for more agents. We have eight more agents in the 2002 budget, but clearly that allocation will be examined in light of September 11.

As I mentioned earlier, Senator, and you may have come in after, clearly one of the things that we are interested in is increasing our personnel, not just Border Patrol agents but inspectors and support personnel and personnel who can deploy and maintain and know how to utilize some of these advanced technologies like remote surveillance and sensing equipment and things like that.

Senator MURRAY. I appreciate that. We know that the person who was stopped in Port Angeles 2 years ago was apprehended because of an agent was alert. We need to make sure we have people who are capable and alert, and we really need to beef up the patrols. And we need to not continually moving people back and forth from border to border, wherever the current focus is. We need to have people who are trained for the specific jobs at those borders. So I hope we can keep your commitment on that.

I appreciate what you just said, Mr. Ziglar, about low risk travelers. We have a lot of commerce and people who go back and forth across our border in Washington State, British Columbia, on a constant basis that I would consider low risk. We fortunately successfully repealed Section 110 of the Immigration Bill last year. It was poorly thought out and we did not have the technology to put that kind of requirement in. We did not have the personnel and we did not have the resources to implement it.

You mentioned the importance of keeping the border open and working and I agree. Section 110 really was counter to the spirit of that.

Can you tell the Subcommittee whether the INS is now revisiting the Section 110 issue?

Mr. ZIGLAR. I do not think so.

Senator MURRAY. You do not think so? I hope that we do not go back to just putting in place something that is totally unworkable, that we do not have the resources for, we do not have the technology for, and all we do is shut down the border and we do not do anything about the high risk folks. We just make it harder for the low risk folks who are going back and forth.

Mr. ZIGLAR. I did not mean to give you a flip answer. I mean, in the context of 110, we are looking at all of the modalities of getting people across the border in an expeditious fashion. I can tell you that working with the Customs Service just in the last couple of days we have been examining ways to increase the flow and yet make sure that we get an eye on everybody that is coming across.

We put out some field guidance just last night with respect to how we are going to manage the flow across the border between the Customs Service and ourselves. So I understand your issue.

Senator MURRAY. Can you share with us what that was?

Mr. ZIGLAR. I would be glad to, Senator. I would prefer not to do it in an open forum, how we plan to do it.

Senator MURRAY. Okay, sure.

Let me ask you another question. The people who get the bad guys at the border only do it because they have either really good instincts or very good information. Are there any new protocols between your agencies, between the airports and the ports of entry and the intelligence community about the information you both need in order to make sure your agents and your folks are getting what they need on the ground?

Mr. ZIGLAR. There is a very serious ongoing discussion about developing that working relationship on data.

Senator MURRAY. Has there been a good working relationship before or are you talking about having one?

Mr. ZIGLAR. I think it has. I would have to say, in all honesty, from my 2 month perspective in this job, that it has been very

strong in some places and it has been spotty in others. It has been inconsistent, I would guess would be the way that I would generally describe it. What we really need is a more consistent platform of sharing information.

Senator MURRAY. And we are working on putting that together?  
Mr. ZIGLAR. Absolutely.

#### NEED FOR IMPROVED INTELLIGENCE COLLECTION AND COORDINATION

Senator MURRAY. Mr. Bonner, for your agency, as well?

Mr. BONNER. Well, I think you are absolutely right, that we need to ratchet up our efforts with respect to intelligence. It is not just sharing intelligence. It is having intelligence to share. So one of the things certainly I am looking at, at the United States Customs Service, is our intelligence capability in terms of collecting, gathering, the ability to task out requirements that are going to be useful to the Customs Service and useful to the INS as well, in terms of people, goods or cargo entering the United States.

I will say this, I think this is unprecedented, but I am getting daily morning briefings from the intelligence community with respect to threat assessments that would be important for me, as the head of Customs, to know about so that we can use that information better in terms of assessing risk and targeting.

Senator MURRAY. So this is an improvement since September 11, that you are actually getting this information?

Mr. BONNER. I asked for it, and apparently it had never been given before. Now the question is getting it, and now there is a second question, and that is making the information more useful. There are a lot of intelligence needs out there, but I cannot think of any higher than preventing weapons of mass destruction, biological or chemical weapons from entering the country through cargo or passengers.

And so this is an important area. I am getting it. The question is perhaps how do we do a better job of requesting the information and having it gathered specifically, so border protection agencies such as Customs and the INS can do a better job of targeting.

We have to do it ourselves, too. Frankly, I have been in Federal law enforcement before. Just in my limited perspective, which has not been very long, I can certainly say that when you have an event like September the 11, there are not any badges out there. In terms of the law enforcement community, there is active, vigorous sharing of information between the Federal law enforcement agencies. Not just Customs and INS, but the FBI and other law enforcement agencies.

We probably need to look at some systems so that this remains, so that this just is not a temporary phenomenon. But it has never been better, in terms of the exchange of information. So I am looking at ways, how do we regularize that on some systems-wide basis, both to make sure that the right people have the right information at the right time, and that we are also gathering information that is useful.

Because it is somewhat mythical, by the way, and perhaps we know, I mean that we have as much information as I think we could have if we did a more intelligent job, both through the intel-

ligence function which is in the Office of Investigation, and elsewhere in our government.

Mr. ZIGLAR. Senator, now that Commissioner Bonner has mentioned it, I too get those briefings in the morning after September 11 and that information now comes to the INS and to our intelligence area, as well as to me personally. It has been very helpful, not only just to know some specifics but to have a better picture of what is going on and how, as a manager of an agency, I can respond to that picture as well as to the specifics.

#### COMMUNICATION WITH CANADA

Senator MURRAY. I think that is really critical to have that information and use it specifically. I am also curious about whether or not you have had better communication with Canada. We know their asylum laws are fairly liberal. We know we have had several entries now. Are you working better with Canadian authorities and their information people so that we have a better chance at the border?

Mr. BONNER. You missed my opening remarks but one of my first calls was from Rob Wright, who is the Canadian Commissioner of Customs. I plan to meet with him very soon to discuss these issues. I know they are being discussed. I know we have had a good cooperative relationship, the U.S. Customs Service has, with its Canadian counterparts. They have been very responsive, from everything I have heard, since the attacks on September the 11.

But it is certainly something that I am going to be tending to, very early on in my first weeks here as the Commissioner of U.S. Customs.

Mr. ZIGLAR. Very definitely. I also reflected that in my opening remarks, that the relationship with Canada is good and has gotten a lot better since September 11. Definitely.

Senator MURRAY. Mr. Chairman, thank you for having this hearing and I look forward to working with you and our agencies to get the resources, the people, the technology in place on the border so that our economy is not good by this, our goods and people can get back and forth, but we do have better ways to make sure that the people who come in this country are the ones that are good for us to have here.

Thank you very, very much.

Senator DORGAN. Senator Murray, thank you. I have a number of other questions. Let me focus on a couple of things.

First, this is an extraneous but related issue and neither of you are able to carry the message I want to send but I nonetheless want to say this at this hearing. I have had a dispute with an agency of the Treasury Department that you referred to, OFAC, Office of Foreign Asset Control, whose mission in my judgment is to be tracking international terrorists. In recent months they have been sending fines to people that have been traveling in Cuba.

One I spoke to from Illinois, a retired teacher, who answered an advertisement in a Canadian bicycling magazine and she took a—this is a retired woman who took a bicycling trip in Cuba. A year-and-a-half later, because Customs and OFAC compare notes, she got a \$9,500 fine.

In August, prior to September 11, my message to the Secretary of the Treasury and the OFAC was to track terrorists, not little old ladies from Illinois who are riding bicycles in Cuba. My hope is that somehow perhaps—you are not in the position to be telling the Secretary of the Treasury to do that, but I can do that in this open forum and will do so in other ways as well.

Security deals with a full range of instruments and one of them is, in Treasury, called OFAC. You referred to it, in fact, yesterday morning in your interview on NBC, Commissioner. I have kind of a burr under the saddle with what has been going on with the use of OFAC resources, trying to track down retired folks riding bicycles in the country 90 miles to our south.

Having said all that, and feel better because of it——

Mr. ZIGLAR. Mr. Chairman, I do not work for the Secretary of Treasury, would you like me to tell him?

#### CUSTOMS-OFAC MONEY LAUNDERING

Mr. BONNER. Mr. Chairman, I would be happy to pass that message on, just as long as you understand that that is not a U.S. Customs issue.

The reference I made, as you may know, yesterday to OFAC was the fact that the U.S. Customs Service, because of its formidable expertise in the money laundering area, a lot of that from drug money laundering, is working on a number of levels. But including OFAC, with respect to the initiative at the Treasury that has to do with foreign terrorist asset tracking, Senator. So we are ratcheting up Customs agents to work in the money laundering area and to attack the financial crime and the financial wherewithal of terrorists to support terrorist activity in the United States, or anyplace else in the world.

In that sense, OFAC is part of that initiative at the Treasury Department. Just to clarify that for the record. Thank you, Mr. Chairman.

Senator DORGAN. You are correct. OFAC and FinCen at Treasury are both very important in tracking the money flow. In first week of August what I said to OFAC was track terrorists, do not track little old ladies that are riding bicycle with a Canadian bicycle club in Cuba.

Mr. Ziglar, by all means, be my guest and report back to me if you would.

#### DETAIL OF CUSTOMS AGENT TO THE SKY MARSHALL PROGRAM

Let me ask about the sky marshals. Commissioner Bonner, you are now moving to employ some sky marshals. You do not have additional resources, so that is obviously coming out of your resource base, as well. Tell me what that does to Customs presence on the borders?

Mr. BONNER. Well, it does a number of things because these are Customs special agents, by the way, that are being detailed and have been detailed to the expanded and ramped up air marshal program. So, as you know, our Customs special agents are very important in terms of working with the inspectors, the uniformed inspectors at the border to follow up on investigations. Part of this

is outbound, things going out of the United States, weapons, sensitive technology and the like.

So it is impacting on our ability to investigate nationally, and obviously this is also going to have an impact on the northern border.

The Customs Service, as you know, Mr. Chairman, has had a history of running the sky marshal program for 3 or 4 years back in the 1970s. So we do have a history. We, in fact, have some of the members of my senior staff at Customs who started off their careers with the U.S. Customs Service as sky marshals. So we think we can make a contribution to that.

What our ultimate contribution is going to be, that is in the hands of others, not me, in terms of what the evolution is, in terms of what we do to restore not just public confidence in air security but to make commercial aviation, in fact, safe in this country again. Obviously we are taking some steps right now to contribute to that effort. And I am sure soon I am going to be speaking to Governor Ridge further on those kinds of issues.

I actually had a phone call with him last week and plan to get together with him very soon to discuss a whole range of homeland security issues that include, of course, commercial aviation or air passenger safety issues.

#### ADVANCE PASSENGER INFORMATION SYSTEM

Senator DORGAN. Having border security does not necessarily provide assurance that we will not see acts of terrorism or, for that matter, terrorists enter this country. But you cannot possibly have a system that prevents it if you do not begin with border security, or at least attempts to prevent it if you do not begin with the issue of border security.

The Attorney General released the names and pictures of, I believe, 19 terrorists who he believed were part of this sky-jacking crew that sky-jacked the four commercial airliners that crashed on September 11. Have you all looked at those 19 from the standpoint of how they arrived in this country? Which of them arrived in contravention of current laws and policies? Which of them got into our country while being suspected of activities that we would be concerned about?

In other words, your agencies are obviously concerned about who is coming into this country. Who do we want to prevent from arriving in this country? We now know there are 19 people who arrived who hijacked these commercial airlines. So I am wondering, have you taken a look at that and evaluated how they got here?

Mr. BONNER. Let me just start, if I could, because there are two aspects to that it seems to me. First of all, just to tell you, Mr. Chairman, as I believe you know, that Customs gathers advanced passenger information on a system, so it is on a database. I actually, before I was sworn in as the Commissioner of Customs, I was a consultant to the Secretary of the Treasury at the Treasury Department. I evacuated the building, I went over to the Secret Service command center.

But I know that within an hour, Customs had pulled the data from all four airplanes that had been hijacked, that it had tentatively identified from the air passenger information system data, I think at least 17, 18 or so of the probable terrorists, just the sus-

pects. Within an hour of the attack on the Pentagon. And also had been able to identify, running it against systems and other intelligence, identified at least some of those people as being associates and connected with Osama bin Laden. That was done within the first hour.

I mention it because I want to illustrate the importance of having advanced passenger information. In this case, these were domestic flights so there was no pre-screening of anybody getting on there. But because we had a relationship with the airlines, we immediately had the information downloaded into our system. We could immediately provide that to the FBI as at least a substantial indication of who the probable terrorists were on each one of those flights. And that at least some of them had a connection with Osama bin Laden.

So that does not get to your question. The next question you asked is how did they get into the United States to begin with. I do not mean to refer that one to Commissioner Ziglar particularly, but I am going to.

Senator DORGAN. But before you do, I understand the Advanced Passenger System relates to about 85 percent of the flights. So you have about 15 percent of the flights on which you do not have the information.

Mr. BONNER. This is something that I would like to point out, that right now that program, Customs getting a download of Advanced Passenger Information, the so-called APIS system, we get it voluntarily from the foreign airlines that fly into the United States and U.S. airlines. These are the international flights. It is on a voluntary basis. We get, on a voluntary basis, about 85 percent of the data.

I think, in light of September 11, that is unacceptable, that we should have 100 percent of that data on arriving passengers into the United States.

Senator DORGAN. Do all domestic domiciled carriers provide information on all flights at this point?

Mr. BONNER. By the way, APIS is international flights, just so we understand that. Most of them do, Mr. Chairman. There are, as I understand it, at least several foreign airlines currently that do not provide us with that data. And I think, by the way, this is my view of the world, that foreign flag airlines that do not provide that data, it would probably be a good idea to have some legislation that would prevent them then from flying into the United States.

In other words, I think if a foreign flag airline wants to fly into the United States, I would like to see that mandatory, a requirement that they provide the advanced passenger information in electronic data form to Customs. We, by the way, share this with the INS and so forth.

I am not sure, I think the U.S. airlines are pretty good about this. There may be at least one U.S. airline, I am not sure and I do not want to name it without being sure, that does not provide this because it does not have the information in an electronic format to provide it. But I think this is something that we certainly should be seriously considering making the provision of that information, certainly on arriving international flights into the United States, a



requirement for all airlines that are engaged in international commercial air transport.

Senator DORGAN. The list I have, for example, does include one U.S. carrier. It also includes international carriers that do not transmit this information, which include Saudi, Kuwaiti, Royal Jordanian, Egypt Air and Pakistan International. Is that your understanding?

Mr. BONNER. That is my understanding.

Senator DORGAN. I think your suggestion is one that we should take seriously. Of course, this week we are trying to do this airport security bill. The legislation is now being worked on. It may well be that we will want to consider adding a provision.

It seems to me, you made a point about this program and I agree with it, it is a critically important program. But if you are missing that 15 percent, and that 15 percent for example includes some very large carriers in the Middle East, you are missing a lot. So let me take seriously your suggestion and see this afternoon if we might take a look at that piece that we could include this week.

Now let me turn to Mr. Ziglar because he handed off the more difficult part of that question to you. My question was of the 19 people that are suspected or known hijackers of the four airplanes, have we taken a look at how they entered this country? My understanding from some press reports is that most of them came to this country through some legal mechanism. But have you taken a look at that?

Mr. ZIGLAR. The answer to your question, Senator, is of course we have. We would be negligent if we had not. That information is part of the overall investigation and it is not information that I am at liberty to disclose, but we clearly know. I am sure some of it has been pieced together by the press but I am really not in a position to comment on it.

May I make a comment, though, about the Commissioner's point on the APIS system, which a number of us get that information off of that system. As you point out, it is about 80 to 85 percent inclusive of people coming in. In both my written and my oral statement I made a suggestion that we require airlines to report that.

But let me take it one step further than that, and that is what is in my written statement. That is that we would like to require the airlines to send us their passenger list before they board people, and then obviously they confirm it once they board. But if we get their passenger list as they are building their passenger list, that gives us time to do a thorough look at everybody on that passenger list, as opposed to the way it is now, once they are in flight quite often they transmit the manifest to us and then we have a couple of hours or so to take a look at it.

The Australians, for example, have done a very effective job of doing it that way. There are others that are implementing it now. Australia only has six airports and they have got 20 million people, but the fact is that an American technology firm put that system in place for them.

I think that requiring these airlines to do it both before boarding as well as then confirm who is on the plane would be a very effective way for us to stop them before they get on potentially. Or if

they do get on somehow, at least know who they are before they come in.

Mr. BONNER. I certainly concur with that assessment of Commissioner Ziglar.

Mr. ZIGLAR. That is actually a high priority for us, Senator, and that is why it is reflected in my written testimony.

Senator DORGAN. We will make a note of that and begin working on that with my colleagues on the relevant committees.

Commissioner, let me go back to a point you made in your testimony that relates to this question of the 19 hijackers. Now I understand your point about their identity and who they are and how they might have gotten in. I understand that there are certain things with respect to the investigation we cannot discuss.

But let me also ask the question that I think relates in some ways to it. People come into this country on a legal visa, they achieve a visa somewhere, get on a plane, and head to the United States. They get off the plane and they are allowed to be here for a certain length of time and then they just disappear into the noon-time crowd in Chicago and New York and you do not see them again.

One of the significant job of the Immigration Service is to try to resolve those cases, I assume. It is almost an impossible job. Tell me about the resources you devote to that. Because of its increasing urgency these days, I mean those folks that just disappear into that big crowd at noontime in a big American city, might well be folks here with an intended purpose that is what we are trying to prevent, some sort of terrorist act.

So tell me about the job the Immigration Service has. It does not matter whether those folks are coming in to the northern border or through an airplane or some other device. How do you deal with that, the overstaying of the visas?

Mr. ZIGLAR. As I mentioned in my answer to Senator DeWine's question, we have something slightly under 2,000 investigators and if you put all of our intelligence people together we have 2,000 people that have the responsibility for interior enforcement. That is what we call it.

Those 2,000 people are tasked to track down criminal aliens that we know are here that create a danger to the community. That is a priority. Breaking up human smuggling rings that are bringing who knows how many people into the country through smuggling operations. That is also very important because of both the humanitarian side, but more important about the numbers of people that they are bringing in.

That leaves us very few, if any, resources frankly to go after the overstay problem. We occasionally will get referrals from other law enforcement agencies that we use that information to go put those people into proceedings.

One of the ways of dealing with this, there is several fronts. One of the ways, as I mentioned earlier, is to have an effective entry-exit system where we can monitor who has not left in compliance of the terms of their visa. So we know they are still in the country. So then we can put them in some kind of lookout.

Senator DORGAN. Do you not have that now?

Mr. ZIGLAR. Well, we do have an entry-exit system. It is mostly voluntary. It is only deployed at four airports because the resources have not been there. And frankly, it is so antiquated technologically now that we need to go to a more effective system, not dissimilar to what the Australians have.

Senator DORGAN. Let me understand. If I enter this country through Portal, North Dakota and I am here on a visitor's visa and I am allowed to be here how many days, 60 days?

Mr. ZIGLAR. Let us say 90 days.

Senator DORGAN. At the end of 90 days I am gone. You have no idea where I am and I am not leaving. So when do you know that I have overstayed my visa? Or do you not?

Mr. ZIGLAR. I may know if I can match up your two I-94s, assuming that the I-94 is collected and that it is reported. That is the problem. We do not have a consistent system on this.

We are building a new system. We were mandated to do that by Congress.

The other thing, though, Senator, that has been talked about a lot is the tracking of students. Obviously that is an issue. The SEVIS system, which is again something that was mandated by Congress to be in effect by 2003, has been the subject of a lot of push back, particularly by the academic establishment, not wanting the fees to be collected against students and not wanting to have to report a student if they drop out or they do not show up and that sort of thing.

Well, that objection seems to have disappeared since September 11 and I have just recently, a couple of weeks ago, published regulations with respect to how we are going to collect the fees which have to support the system, have to pay for it. So we are moving along nicely on that. And that will be an effective tracking system for an awful lot of folks that come into this country that overstay their visas.

Senator DORGAN. I want to ask two additional questions and then thank you very much for your appearance. I know that you have many other things to do. One is very simple. I know that you come here and must speak for the Administration. After all, that is who you work for and it would be not very smart if you came here saying here is what the Administration says but here is the way I feel about things. And you are both new and both smart.

I would like, however, and I believe my colleagues in Congress would like, to receive your assessment of what your resource needs are. We will hear from the Office of Management and Budget what it thinks it will allow you to request. I understand that.

But Congress also, in my judgment, should have your best notion of what kind of resources you think is needed by your agencies to give us the coverage and protection you think we need, both from the standpoint of customs and immigration. That may well be different than the Administration, through OMB, says here is what we will request because here is what fits into what we think our strategy is.

I understand that is a delicate thing to ask, but I really think Congress needs that at this point. Our judgment might be different than the Administration's judgment. I do not know. It might not be. But in order to have the ability to make that judgment, we

should have the advantage of seeing your recommendations unvarnished, if you are able to do that.

Now you are going to have to go back and perhaps ask some people, but please consider submitting that to this subcommittee because we have not yet gone to conference. I have met with Congressman Istook, the Chairman of the Appropriations Subcommittee in the House on these issues yesterday. I am very interested in getting that unvarnished judgment from you.

#### HOMELAND SECURITY

The second point, and the last point, homeland security. I assume that with Governor Ridge assuming that job very soon, that both of your agencies will have a significant relationship to Governor Ridge and homeland security. Have you thought about that? Has there been discussion inside the Administration about what that relationship might be? Can you describe that for me, if there has been some discussion?

Mr. BONNER. I am so new in this town, or being back in this town, Mr. Chairman, all I can say is I have had a very preliminary conversation with Governor Ridge. That was last week, which was my first week as the Commissioner of the U.S. Customs Service. And ultimately, I think it is fair to say that besides offering Governor Ridge the full support of the Customs Service with respect to the important task he is undertaking, as far as how that will be structured and how that is going to be shaped, what his authority will be, and those kinds of questions, that is something that I know is being certainly discussed between Governor Ridge and the President. I do not feel comfortable expressing a view, even though I may have one, on how that should be structured.

He is going to have an important task and I think it is fair to say that both Commissioner Ziglar and I are going to be working very closely with Governor Ridge. He does strike me as certainly the right person at the right time for that particular task. It is something that I think ultimately will be helpful to making sure that we do have the kind of border security that this country requires, in light of the September 11 attacks.

Senator DORGAN. Mr. Bonner, thank you for that answer.

I will put in writing that previous point, asking for your assessment of the resources needed and I would hope you would respond to that. Commissioner Ziglar, I will put it in writing to you, as well, and hope that you will respond fully if you can.

And would you be willing to respond to the question about homeland security?

Mr. ZIGLAR. I think as Commissioner Bonner pointed out, this is in its very infant stages, in terms of discussions. Certainly INS has been the subject of a number of studies over the years, the Hart-Rudman Commission and others, about how it would fit into a bigger, broader border security mechanism.

I have not personally talked to Governor Ridge, yet. I know that we will be meeting relatively soon. I think it is a little early to say exactly what the impact will be.

Mr. Chairman, may I make one last comment? It was triggered by the notion about the sky marshals, which I think is a great idea. But the formation of the sky marshal core, the increase in the sky

marshal core, is exacerbating a bit of a problem that we have at INS both on the Border Patrol and the inspection side. In a word, let me tell you what it is.

Our Border Patrol agents are at the journeyman level. Those are the people that have reached that career level. Unlike most Federal law enforcement people where the journeyman level is a GS-12, ours are stuck at a GS-9. That has created a real problem for us with respect to other Federal law enforcement agencies recruiting our people away from us because they can get a higher level of pay and better benefits, in effect, through the retirement system by going to a higher journeyman level.

That is truly exacerbated by the sky marshal situation because that is going to be a premium situation for them. In fact, just yesterday we had three of our guys leave to go join the sky marshals and we know, our intelligence tells us that are attempting to go because it is better pay and it is, frankly, better working conditions.

The other situation that we have is with our inspectors. Here are people who we put through the Federal Law Enforcement Training Academy. Here are people that carry guns. Here are people that are law enforcement, they have arrest powers. They are expected to do their law enforcement function. And yet, they are not Federal law enforcement agents under Section 6(c).

What that means is that they do not have the same law enforcement benefits as other Federal law enforcement agents do. Their pay scales are different. Their retirement is different. And frankly, it does a couple of things. It hurts their morale tremendously and, if you will, their self-esteem. But more than that, it makes them again targets of other Federal law enforcement agencies to come and get them, because we trained them very well.

That is something, that parity issue is a very difficult problem and it is going to be a more difficult problem for us as we go along. I happen to feel fairly passionately about that. I wanted to, since the Judge opened the door about sky marshals, I wanted to make that one last point.

Senator DORGAN. Let me make a couple of comments, as well, as we close. Senator Campbell, who is the ranking member of this subcommittee, was going to be with us today but he was detained by other business. He is someone who has worked closely with me on these issues, and we will have additional hearings and he will be an integral part of them. He is a critical part of this subcommittee. I appreciate his work and his counsel.

I have a number of questions for the record that I am going to submit, and Senator Campbell has questions for the record that we hope both agencies would respond to.

#### PREPARED STATEMENTS

We will include a record statement provided to the Subcommittee from Colleen Kelly, the President of the National Treasury Employees Union, as well as one submitted by Senator Levin.

[The statements follow:]

PREPARED STATEMENT OF COLLEEN KELLEY, PRESIDENT, NATIONAL TREASURY  
EMPLOYEES UNION

Chairman Dorgan, Ranking member Campbell, thank you for the opportunity to provide this testimony. As President of The National Treasury Employees Union, I am proud to represent the over 13,000 Customs Service employees who serve as the first line of defense against terrorism and the influx of drugs and contraband into the United States. In light of the recent tragedies at the Pentagon and the World Trade Center Customs personnel have been called upon to implement heightened security procedures at our land, sea and airports.

Customs personnel are working under heightened Level 1 border security as a result of the tragedy of September 11, 2001. They are not only continuing to do their normal duties but they are also assisting the Federal Aviation Administration (FAA) and the U.S. Marshal Service at security checkpoints in all major airports. Customs personnel assisting the FAA and U.S. Marshals have provided invaluable assistance during this heightened state of awareness all around the country.

A fact that must not be lost is that the workload of the Customs Service employees has dramatically increased every year including more commercial entries that must be processed, more trucks that must be cleared and more passengers that must be inspected at the 301 ports of entry. There has been a relatively small increase in personnel worldwide, despite the dramatic increases in trade resulting from NAFTA, the increased threat of terrorism, drug smuggling and the opening of new ports and land border crossings each year. In 2000, Customs Service employees seized over 1.5 million pounds of cocaine, heroin, marijuana and other illegal narcotics—as well as over 9 million tablets of Ecstasy, triple the amount seized in 1999. Customs also processed nearly 500 million travelers last year, including 140 million cars and trucks and over \$1 trillion worth of trade. This number continues to grow annually, and statistics show that over the last decade trade has increased by 135 percent.

In addition, Customs employees have become responsible for preventing international money-laundering and arms smuggling. Yet, the Customs Service has confronted its rapidly increasing workload with relatively static staffing levels and resources. In the last ten years, there have not been adequate increases in staffing levels for inspectional personnel and import specialists—the employees who process the legitimate trade and thwart illegal imports.

It's very clear that funding must be increased to allow Customs to meet the challenges of the future. In recent years Customs has seen a decrease in the level of funding, relative to other Federal law enforcement agencies, even while having significantly higher workloads and threats along America's borders. Customs' recent internal review of staffing, known as the Resource Allocation Model or R.A.M., shows that Customs needs over 14,776 new hires just to fulfill its basic mission for the future. The Administration and Congress must show the men and women of the Customs Service they respect and support the difficult and dangerous work these officers do 365 days a year by providing increased funding for the Customs Service.

NTEU recommends deploying the new hires to our Nation's ports of entry along the area ports on the Northern Border where some ports are unmanned and where the threat of international terrorism has forever changed the landscape. We must also deploy new hires along the busy Southwest land border where wait times hinder trade facilitation and drug smuggling is at its peak. In addition to the busy land borders, NTEU recommends focusing attention on the seaports and airports across the country. The understaffed and overworked inspectors at the U.S. seaports and airports currently contend with corruption, theft and safety issues that are a direct result of the lack of staffing. As one Southwest Border Senator aptly phrased it: "U.S. seaports and airports are under siege by smugglers, drug traffickers and other criminals, yet law enforcement agencies that regulate them are understaffed and outgunned."

This year, Congress acknowledged the shortage of staffing and resources by appropriating additional money for staffing and other resources for Customs, but it is not enough. Quite simply, the resources have not been provided for Customs Inspectors', Canine Enforcement Officers and Import Specialists to adequately do their jobs. With the new challenges facing the Customs Service since September 11, 2001 this is an untenable situation that must be addressed immediately.

Another important issue that must be addressed is law enforcement status for Customs Inspectors and Canine Enforcement Officers. The U.S. Customs Service Inspectors and Canine Enforcement Officers continue to be the Nation's first line of defense against terrorism and the smuggling of illegal drugs and contraband at our borders and in our ports. Customs seizes millions of pounds of narcotics annually. Customs Service Inspectors have the authority to apprehend and detain those en-

gaged in terrorism, drug smuggling and violations of other civil and criminal laws. For example, it was Customs Inspectors who stopped a terrorist attack planned for New Years Day 2000 by identifying and capturing a terrorist with bomb making material as he tried to enter the country at Port Angeles, Washington.

Canine Enforcement Officers and Inspectors carry weapons, and twice a year they must qualify and maintain proficiency on a fire arm range. Yet, these Inspectors and CEO's do not have law enforcement officer status. They are being denied the benefits given to their colleagues who they have been working beside to keep our country safe. Customs employees face real dangers on a daily basis, granting them law enforcement officer status would be an appropriate and long overdue step in recognizing the tremendous contribution Customs personnel make to protecting our borders from terrorism and drugs. I ask for the Subcommittee's support on this issue of fairness.

Thank you for the opportunity to submit testimony on behalf of the Customs Service employees on these very important issues

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PREPARED STATEMENT OF SENATOR CARL LEVIN

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to submit testimony today on northern border security issues. I appreciate the Subcommittees' efforts in the fiscal year 2002 appropriations bill to provide \$25 million specifically for a Northern Border hiring initiative to increase staffing along the northern U.S. border. I urge members of the Subcommittee to fight to retain this Senate position in Conference with the House since it has become doubly important for this Northern Border initiative to move forward in light of the increased security demands on our borders.

I also appreciate the Subcommittee's recognition that Southeast Michigan is one of the largest commercial trade corridors in North America and among the busiest ports in the country and growing and recommendation that Customs give a high priority to funding sufficient staffing at the Southeast Michigan for fiscal year 2002. You have also recognized that the port of Detroit is unique because it includes an airport, a seaport, a tunnel, and bridges along a busy international border. Southeast Michigan is home to 5 international border crossings: 2 bridges and 3 tunnels. Detroit's Ambassador Bridge is the busiest border crossing in the entire country and the Blue Water Bridge in Port Huron is the third busiest northern border crossing.

Prior to the September 11 terrorist attacks, the port was already significantly understaffed both by Customs and INS personnel. For example, the Commerce Justice State Appropriations Report written well before September 11 states that the Detroit bridge and tunnel port of entry is understaffed by a whopping 151 people. The port of Detroit and Port Huron now face much greater needs.

In the aftermath of September 11 tragic events, security has necessarily been tightened at all our borders. This includes the border crossings at the port of Detroit, including the Ambassador Bridge, the Detroit-Windsor Tunnel and the Blue Water Bridge in Port Huron. The U.S. Customs Service is now inspecting every vehicle and almost every truck crossing into the United States at these ports of entry after such a terrible breach of our Nation's security. We faced these increased security requirements with severely low staffing levels and the result was gridlock at one of the most important commercial corridors in the country.

These ports of entry are important commercial routes for the transport of the just-in-time delivery auto parts to American auto manufacturing plants which are supplied from Canada and elsewhere. Just-in-time delivery means an industry must have the ability to move its product quickly from point to point. An unfortunate side effect of the tightened security is that delays of up to 12 hours in some cases have occurred at the bridges and tunnel. This has meant that the just-in-time delivery systems that the manufacturers rely on have broken down. As a result, assembly plants in the United States do not have the necessary parts and many have shut down. Others may have to shut down soon for lack of parts.

This backup at our northern border, particularly in the Detroit area, during these extraordinary times highlights and aggravates an existing and chronic problem of under-staffing of Customs inspection and INS personnel at the port of Detroit and along the Northern border in general. Congress was beginning to address this shortfall before the terrorist attacks and the subsequent need for increased security exacerbated the problem.

With the help of dedicated law enforcement officials working overtime, the Michigan National Guard, and volunteers, Detroit has managed to piece together a temporary arrangement to make things work better at the port of Detroit in order to keep commerce and trade going. However, this is just a temporary and fragile fix.

For example, the national guard may be called elsewhere, such as at airports or deployed overseas. That could mean going back to 12 hour delays and that is unacceptable.

We need to find a permanent solution to the manpower shortfall at the port of Detroit and other Northern border ports so that they are able to perform the required security inspections to protect our Nation without causing unreasonable backups that hurt our economy. The National Customs Automation Program (N-CAP), a pilot program is one way of reducing the traffic backups and assisting Customs in its cargo inspection process. N-CAP was implemented as a pilot program under the Customs Modernization Act and has proven to be a highly effective tool for facilitating safe and efficient cargo tracking and inspections. The program was implemented at only three borders, Detroit, Port Huron and Lorado. It should be expanded.

In addition to expanding N-CAP, solutions should include dealing with overtime issues and costs, compensation for our law enforcement volunteers, developing and implementing an adequate technical infrastructure and getting the posts permanently and adequately staffed with Customs and INS officials so that we don't have to rely on temporary fixes.

We should be vigilant in inspecting and protecting our Nation's border. But we should also be sure that we commit adequate resources to preform these inspections without hurting our economy in the process. It makes good domestic security sense and it makes good economic sense.

Senator DORGAN. We had a number of Senators who wished to make appearances today and make statements, and come as witnesses. We have held that off because I wanted to have the two commissioners have the opportunity to discuss this at this first hearing.

But let me conclude where I began, to say that Commissioner Bonner said that he hopes to get rid of these orange cones. I think all of us understand, this is simply an orange rubber cone. It is not security. And yet tonight, when all of us are getting ready for bed, standing sentry on the Northern Plains at border ports all across America will be this rubber orange cone. And frankly, I will not sleep much better because of it and, I expect, neither will the Commissioners of the Customs Service or Immigration Service.

So let us join together to evaluate how we might boost security, especially in the light of September 11, and provide better security than an orange rubber cone can give us, at northern entry ports especially.

#### ADDITIONAL COMMITTEE QUESTIONS

Let me thank both of you. You indicated you are both new. We know that. We have just recently confirmed the two of you. You have inherited a pretty sizeable job, one neither of you expected when you made yourself available for these jobs. But you both have backgrounds that give those of us in the Senate great confidence, and I appreciate very much your willingness to testify here today before this Senate Subcommittee.

[The following questions were not asked at the hearing, but were submitted to the Department of the Treasury for response subsequent to the hearing:]

#### QUESTIONS SUBMITTED BY SENATOR BYRON L. DORGAN

##### CUSTOM SERVICE

*Question.* Please provide a complete breakdown of what the Customs Service requested through the Department and/or OMB that was to be included in the \$20 billion supplemental package.



Answer. A chronological comparison of Customs proposals developed in response to the September 11, 2001, terrorist attacks are presented below.

[In thousands of dollars]

	13-Sep proposal	26-Sep request	10-Oct request	Funds received <sup>1</sup>
Temporary WTC operations .....	25,500	25,500	25,500	25,500
Permanent replacement for WTC equipment including full service laboratory .....	27,000	27,000	27,000	27,000
OFO Inspectors for increased security @ high risk ports for 5 additional weeks .....	5,000	5,000	8,000	29,000
Northern Border Inspectors/Agents for 6 weeks .....	6,000	6,000	9,000	29,000
Air Support (Counter-terrorism & airspace security) @ \$700k/day .....	21,400	21,400	21,400	21,400
Anti-Terrorism .....	125,000	316,620	316,620	0
Advance Passenger Information System (APIS) .....	28,000	18,000	18,000	18,000
Biometric Standards .....	25,000	25,200	0	0
Commercial Backup Facility .....	30,000	25,300	25,300	0
Enhanced Security at Newington Data Center <sup>2</sup> .....	1,500	0	0	0
Foreign Operations Staffing .....	25,500	30,433	30,433	0
Homeland Security (Air Program) <sup>3</sup> .....	39,000	39,000	0	0
INET—Case Management .....	32,000	33,000	0	0
Infrastructure Enhancement at all Customs Facilities <sup>4</sup> .....	123,000	0	0	0
Maritime Port Security <sup>5</sup> .....	161,000	161,000	229,315	0
National Data Center Relocation .....	45,000	45,000	0	0
<b>TOTAL REQUIREMENTS .....</b>	<b>719,900</b>	<b>778,453</b>	<b>710,568</b>	<b>149,900</b>

<sup>1</sup>To date, Customs has received \$35.7 million as follows: \$14.7 million for Air Program taskings; \$15.0 million for replacement of office equipment and furnishings; and, \$6.0 million for Agent and Inspector overtime. The President's October 17, 2001, Supplemental proposal included \$114.2 million as follows: \$52 million for Agent and Inspector overtime and TDY costs; \$37.5 million for replacement of World Trade Center equipment and furnishings; \$18 million for the Advanced Passenger Information System; and, \$6.7 million for Air Program Taskings. Congress must pass an appropriations bill before these funds become available.

<sup>2</sup>Merged with the Commercial Backup Facility for Newington Initiative in the September 26 and subsequent version of the Supplemental.

<sup>3</sup>Original Homeland Security proposal consisted of \$87.5 M for TARS and \$39.0 M for PDD-62 Air Branch. Only PDD-62 Air Branch was included in the September 26 version.

<sup>4</sup>Infrastructure request @ \$125.0 M was merged with Anti-terrorism in the September 26 and subsequent version of the Supplemental.

<sup>5</sup>October 10th version includes an additional \$67.8 M for Phase 2 of the Maritime Port Security Initiative.

**Question.** What steps are involved in moving to a Level 1 security? Could you sustain this indefinitely?

Answer. Since September 11, 2001, Customs has been operating at Alert Level 1. This alert level can be immediately enacted and entails implementing the following actions on an appropriate basis, commensurate with threat:

- The full deployment of personnel and equipment to perform increased intensified passenger, cargo and mail examinations, and staff ports of entry with a minimum of two officers, 24 hours per day, 7 days per week.
- The establishment of multi-disciplined command centers, implementation of Continuation of Operations Plans (COOPS); and increased security procedures at government facilities (i.e. perimeter checks, identification checks, restrictions on parking, etc.)
- Increased utilization of Special Agents and Air and Marine assets to perform increased investigative operations commensurate with threat.
- Coordination of security and bomb detection efforts with State and local law enforcement.

Alert Level 1 operations can not be maintained indefinitely. Implementing Alert Level 1 has significantly intensified operations and depleted existing Customs resources. Customs has achieved Alert Level 1 operations through a combination of the re-deployment of existing personnel including temporary details, increased expenditure of overtime funds, and the assignment of personnel to exhaustive 12–16 hour workdays on a regular and recurring basis.

**Question.** What is the envisioned role of Customs in aviation security and airport security?

Answer. Customs will always have a role in aviation security due to our inspectional, enforcement and regulatory responsibilities. As of now, we control international inbound and outbound flights as to their landing and clearances for Customs examination. We also manage airport access relative to international arrival areas for passengers and cargo. The Advance Passenger Information System (APIS) is a voluntary program that has been in existence for more than 10 years. Under this program air carriers that are participating send advance identifying data on passengers (name, date of birth, nationality, travel document number) to Cus-

toms while the aircraft is en-route to the U.S. As needed, Customs takes the appropriate law enforcement action(s) on passengers that pose a security or smuggling threat.

*Question.* How many agents have been detailed to the Air Marshal Program and what is the impact on your regular duties nationwide? What is the most appropriate agency to house the Air Marshal program?

*Answer.* Customs has detailed 125 enforcement personnel to the Federal Aviation Administration (FAA) Air Marshall Program. The Department of the Treasury is managing the resources which Customs and other Treasury Bureaus have detailed to the Federal Aviation Administration (FAA). All comments relative to the Treasury commitment should be addressed to the Office of the Under Secretary. As to impact on Customs investigative operations, we are coping with this redeployment just as every agency had to cope with more immediate taskings due to the events of September 11, 2001. It would be inappropriate to comment as to which agency should ultimately have the Air Marshal Program as this is a decision for the President, and he has not made the final decision.

*Question.* What are Customs plans to meet the current challenges of ensuring the safety of the American people without hampering the movement of commercial traffic through our borders?

*Answer.* In order to ensure the safety of the American people the Customs Service is currently operating under terrorism Alert Level 1 status. This alert level requires that all ports of entry immediately increase vehicle, passenger, cargo, and mail examinations commensurate with the threat at their location. Anti-smuggling and outbound operations have been increased as well, and non-essential operations have been suspended. Furthermore, Customs immediately reviewed and suspended several programs and practices in order to redirect resources to ensure the steady movement of commercial traffic.

Additional steps taken by Customs to ensure the safety of the American people without hampering the movement of commercial traffic include the staffing of all land border ports with a minimum of two officers per shift, 24 hours a day, 7 days a week (7x24x2). Because many Northern land border ports of entry are not normally staffed 7x24x2, nearly 100 additional Customs Inspectors have been temporarily detailed to Northern Border ports of entry to provide adequate coverage. Customs is closely monitoring commercial and privately owned vehicle (POV) traffic wait times, and posting this information twice daily on the Customs Website.

*Question.* What locations on the Northern Border currently maintain VACIS systems? Is there a plan being developed on acquiring additional systems to help alleviate commercial congestion due to increased inspections of goods?

*Answer.* Funding for deployment of large Non-Intrusive Inspection (NII) technology systems on the Northern Border has been limited, and, to date, there are no VACIS systems deployed on the Northern Border. However, three Vehicle and Cargo Inspection Systems (VACIS) have been identified for deployment to the Northern Border at the following locations: Detroit, Michigan; Lewiston, New York; and Champlain, New York.

Another \$10 million under Public Law 106-554 has been released for the purchase of Mobile X-ray Vans for the following locations: Alexandria Bay, New York; Champlain, New York; Highgate Springs, Vermont; and Pembina, North Dakota.

The events of September 11, 2001, further underscored the importance of Northern Border security and 3 Mobile VACIS systems were identified for redeployment to the Northern Border at the following locations: Blaine, Washington; Detroit, Michigan; and Ogdensburg, New York.

Increased Customs inspectional resources and equipment on the Northern Border would enhance our capabilities to detect and seize explosives and other implements of terrorism through the inspection process as well as maintain heightened alert operations. The use of various forms of NII technology will allow enhanced enforcement to coexist with the timely processing of legitimate trade and travel.

*Question.* In the past, we have spent millions of dollars investing in new technology only to decide that it would be ineffective and problematic given the challenges we now face, such as the Remote Video Inspection Service (RVIS). What new or existing technologies are being considered for the northern border to address the current threat?

*Answer.* Increased Customs inspectional resources and technologies on the Northern Border would enhance our capabilities to detect and seize narcotics, weapons of mass destruction and other illegal articles and instruments used in support of terrorist activities. Along with large-scale Non-Intrusive Inspection (NII) technology such as the VACIS, Mobile VACIS, and Rail VACIS systems, we are considering a mixture of portable technologies such as particle detectors, personal radiation detec-

tors, isotope identifiers and X-ray imaging devices, for deployment to the Northern Border

*Question.* Both Customs and INS face significant infrastructure challenges on the Northern Border. For example, in my own state (North Dakota) the facilities at the Portal Point of Entry do not meet the needs of Customs or INS. These deficiencies are all the more glaring when Customs and INS facilities are compared to those used by their Canadian counterparts. What plans are in place to work with GSA to reinvigorate the construction of these facilities along the Northern Border?

*Answer.* Customs is working jointly with INS, Agriculture's Animal & Plant Health Inspection Service (APHIS), and the General Services Administration (GSA) to identify immediate and long-term facilities requirements along the Northern Border.

- This joint effort produced a Ports of Entry Infrastructure Assessment that was presented to Treasury, OMB, and the Senate and House appropriations committees who initially requested the report.
- The scope of this Assessment included both the Northern and Southern Borders. The Assessment identified a total of 858 projects at a cost of \$834 million.
- Within North Dakota, the Assessment identified Portal as requiring a new facility at a cost of \$12.5 million. Five other North Dakota crossings were identified as requiring new facilities at a cost of \$20.1 million. Overall, the 18 crossings in North Dakota were identified as requiring a total of \$49 million in new facilities and other essential infrastructure improvements.
- Across the entire Northern Border, the Assessment identified \$280 million in requirements to replace aged facilities and improve traffic and cargo processing.
- The Assessment found that 32 of the 128 Northern Border crossings (including all six North Dakota crossings) require total replacement. These facilities date from the 1930's.
- Sixteen of the 32 new facility requirements have been incorporated in a 5-year Long-Range Plan (LRP) developed by the Border Station Partnership Council (BSPC). Two of the 16 in the LRP are in North Dakota. The BSCP includes representatives from the Federal Inspection agencies (Customs, INS, APHIS and FDA), Federal Highway Administration (FHWA) and the GSA.
- Limited funding available through the Federal Building Fund has restricted the ability of inspection agencies and GSA to move forward with vigor.
- The FIS agencies and GSA are prepared to move forward to reinvigorate the facilities infrastructure to better support our Northern Border missions.

*Question.* It is my understanding that only 85 percent of international flights provide advance passenger information to the U.S. Customs Service prior to arrival in the United States. What can be done to get the remaining airlines to comply with this policy and how would this information and domestic flight information aid you in your agency objectives?

*Answer.* The Advance Passenger Information System (APIS) is a voluntary program that has been in existence for more than 10 years. Under this program air carriers that are participating send advance identifying data on passengers (name, date of birth, nationality, travel document number) to Customs while the aircraft is en-route to the U.S. The APIS system received data on 87 percent of inbound passengers, excluding passengers precleared overseas, in September 2001, which is the highest rate ever achieved. All major U.S. flag carriers and most major international carriers participate in the APIS program. American, United, Delta, Continental, Northwest, U.S. Airways, Alaska, British, Lufthansa, Air France, Aero Mexico, Air Canada, Japan, and Qantas are just some of the airlines that participate in APIS. A total of 94 air carriers have signed the APIS Memorandum of Understanding agreeing to send this information.

America West is the largest U.S. carrier with scheduled international flights not currently using APIS, however they have recently indicated they are considering using APIS. Aeroflot, Olympic, Royal Jordanian, Saudia, and Kuwaiti are examples of some of the carriers that do not transmit to APIS. We have tried to convince these non-participating carriers to join the APIS program, however as of this time they have not shown any interest.

Customs would also like to change the way APIS information is received and processed. We currently receive the full APIS manifest in a batch transmission containing all the names collected after the aircraft has taken off. In the future we would like to have each name transmitted as that passenger checks in, before they actually board the aircraft. If a particular passenger poses an aviation security concern, a warning message could be sent to the appropriate security personnel to subject them to a thorough security screening, or prevent their boarding.

Customs also has access to the reservation system data of a few carriers that have provided us access on a voluntary basis. Their reservation systems allow us to see

travel details about passengers of interest that enable us to make more selective and effective decisions on whom should be inspected. Unfortunately, the number of carriers that provide access to this data is very small. This information, combined with the APIS data, allows Customs to more effectively pinpoint the very few passengers that pose a security or smuggling threat.

There has been resistance from most foreign flag carriers to providing the reservation system data, and a critical few have resisted providing APIS data. Absent a legal mandate, Customs is currently evaluating other means of ensuring compliance. Full access to this information on all inbound and outbound international passengers will greatly assist Customs and Immigration in their border security mission.

Although Customs' mission is at the border, if the APIS system is modified to process passengers on a "name by name" basis prior to boarding, it may be appropriate to expand the use of the system to domestic flights. Watch lists of persons thought to be associated with terrorist organizations have been placed in the Inter-agency Border Inspection System (IBIS) in the form of lookout records. Many Federal agencies can place lookout records on suspect individual in IBIS, including Customs, Immigration, the Federal Bureau of Investigation, and the Secret Service. Since all names sent in APIS are checked against lookout records in IBIS, the system could also support security efforts on domestic flights if that is desired.

*Question.* My staff has learned from outside sources that your budget director recently stated in a meeting that Customs does not have any staffing needs and even if you were provided supplemental funds, you would not hire additional staff. Is this true?

*Answer.* The Customs budget director has never stated that Customs does not have any staffing needs. One of Customs primary concerns is to increase staffing at the ports of entry, especially those along the Northern Border particularly in light of the terrorist attacks on September 11. To increase security, staffing and inspection technology needs to be increased along the Northern Border.

The remarks that you may be referring to may have been taken out of context. In briefings on the fiscal year 2002 President's budget as submitted to Congress, the Customs Budget Officer stated that no additional staff were proposed in the budget.

*Question.* Consideration has been given to include language in the Anti-Terrorism package that would confer law enforcement status on Customs Inspectors and Canine Enforcement Officers. Do you support this proposal and how would it affect the agency?

*Answer.* This is an important and complicated issue that requires further study. Although it may be appropriate for those officers to receive law enforcement compensation based on their duties, conferring law enforcement status on these officers would require that Customs alter its staffing methodology and hiring strategy. In addition, affected officers would be subject to a mandatory retirement age, and enhanced resource levels would be needed to support the legislative requirement.

*Question.* You have recently staffed foreign Attaché offices in Vancouver and Toronto, and have beefed up your presence in Ottawa. What role do you see your foreign Attachés having in terrorist related investigations?

*Answer.* Customs overseas Attaché offices have worked and will continue to work closely with the Treasury Department's Office of Foreign Assets Control (OFAC) in the pursuit of investigative leads pertaining to financial assets and the foreign money trails of terrorist organizations. Through our strong liaisons with foreign law enforcement counterparts, we will assist with freezing and seizure of terrorist assets located overseas. Our foreign Attachés will support domestic Customs investigations relating to international arms trafficking and weapons of mass destruction, to include biological, chemical and nuclear weapons.

Our foreign Attachés will be proactive in developing information on violations of Customs laws, such as Intellectual Property Rights, the proceeds of which could be used to support terrorist activities.

A priority has been placed on the international training component. Our Attachés will identify and coordinate appropriate training for foreign counterparts, particularly in areas such as weapons of mass destruction and money laundering.

*Question.* A passenger processing fee helps fund Customs activities at our borders and air and sea ports. There has been a drop off in the amount of these fees coming in to Customs over the last year, causing cutbacks in overtime and fewer positions funded by this account. In light of the recent fall off in air travel, it is likely that there will be an even more dramatic shortfall in these fees in the new fiscal year. What plans do you have to make up for the funds that likely will not be coming into Customs?

*Answer.* We have experienced a decrease in the rate of growth of the collections of passenger processing fees (Consolidated Omnibus Budget Reconciliation Act

(COBRA) user fees) in recent years. COBRA collections have leveled off significantly due to a decrease in air travelers. As a result of the shut down in air traffic and fewer international travelers resulting from the terrorist attacks on September 11, it is anticipated that there will be a further reduction in projected fee collections through fiscal year 2002.

First quarter collections are due shortly. Customs will be reviewing all COBRA funded activities to provide inspection services at land borders, airports, and sea ports. However, some of the current overtime expenses related to the heightened security mandate will be reimbursed from the Emergency Response Supplemental.

*Question.* Customs employees have a cap on the amount of overtime they can earn in a year. I have heard that Customs is assigning more overtime to less experienced, lower paid inspectors in order to avoid problems with the cap. Does that present a security risk, to be relying on inexperienced employees in this dangerous time? Would you support lifting this statutory cap?

*Answer.* The overtime cap for Customs Officers was waived last fiscal year after the terrorist attacks of September 11, 2001. The ability to waive the cap during national emergencies appears sufficient.

Currently, there is a negotiated agreement with the employees' representative, the National Treasury Employees Union, on the manner in which overtime is assigned. Overtime is administered in a fair and equitable manner, commensurate with the risk, threat, call-out order, seniority, training, and experience. We are not creating a security risk with less experienced officers.

*Question.* It is apparent that the needs of our Northern Border have been derailed in the past by the demands of the Southwest Border. How do your respective agencies intend on balancing out these needs?

*Answer.* Since the September 11, 2001 terrorist attacks, the U.S. Customs Service has implemented a Level I Alert Status. In this mode, all Northern Border Ports are being staffed by a minimum of 2 Officers per shift, 24 hours a day, 7 days a week. Customs' short term response is the following:

- The additional inspectors required to accomplish this task have been assigned to the Northern Border in a temporary duty status.
- No inspectors from the Southwest Border have been detailed to the Northern Border. Over the longer term, Customs intends to deploy additional resources to the Northern Border to ensure adequate security and facilitate trade. To that end, Customs is working with other agencies and Canada to develop a comprehensive Northern Border strategy. Increased staffing is a part of that strategy.
- The U.S. Customs Service in conjunction with Canada Customs and Revenue Agency, the U.S. Immigration and Naturalization Service and Citizenship and Immigration Canada is developing a joint Border Management Strategy.
- This plan will provide a framework for a cooperative and coordinated Counter Terrorism Effort along the external border of the U.S. and Canada, as well as the shared border.
- Through the use of information exchange and risk management, the U.S. Customs Service will be able to focus its enforcement and commercial resources on the areas of higher or unknown risks.
- There are 128 Northern Border ports and stations, including 8 ferry/boat crossings. The majority of these crossings, 104, have less than 8 full-time Inspectors, which is the minimum staffing requirement for 24x7x2 (2 Inspectors for shift) per Alert Level I.

*Question.* Since the events of September 11, our borders have been staffed 24 hours a day. Many of our smaller northern border stations were previously staffed by only one Customs inspector or INS inspector at a time and open from 9 a.m. to 10 p.m., which represents an enormous jump for your agencies to make without additional resources. Is this a policy that is to remain in effect permanently, and if so what additional resources will be needed for the short term and long term?

*Answer.* As previously noted, at least for the near term, all land border ports will be staffed with a minimum of 2 officers per shift, 24 hours a day, 7 days a week (7x24x2). Because many Northern land border ports of entry are not normally staffed 7x24x2, nearly 100 additional Customs Inspectors have been temporarily detailed to Northern Border ports of entry to provide adequate coverage. This has placed great demands on Customs existing staffing. Over the longer term, Customs is currently evaluating the best method for ensuring security.

*Question.* What do you envision your role being in the new Homeland Security Office? Do you anticipate staff from your agency being used to staff the new office?

*Answer.* While the U.S. Customs Service role in the new Homeland Security Office has not been finalized, it should be noted that the Customs Service is a principal guardian of our Nation's borders, America's Frontline to protect the American

public from international terrorism. For over two centuries, the role of Customs has been focused upon illegal activities in the cross-border environment. In the context of combating terrorism, Customs role includes the identification and apprehension of terrorists and the interdiction of instruments of terrorism including Weapons of Mass Destruction (WMD) both arriving into and exiting the United States. It also includes interdiction efforts to stop illegal international movement of U.S. funds for the support of terrorist groups.

Customs will provide detailees to the new Homeland Security Office as needed. In June 1995 the President signed Presidential Decision Directive (PDD) 39, which established a comprehensive U.S. counter terrorism strategy to reduce vulnerabilities to terrorism and respond to terrorist acts. PDD 39 sets forth the responsibilities of various Federal departments involved in combating terrorism. The Department of the Treasury is responsible for reducing vulnerabilities by enforcing U.S. laws controlling the import and export of goods and services and the movement of assets, and preventing unlawful traffic in firearms and explosives.

*Question.* Please describe the interagency cooperation in relation to border security and what lies ahead in the new challenges we face.

*Answer.* Customs has a long history of working with other agencies to enhance border security. The Office of Field Operations and the Applied Technology Division of the Office of Information Technology have worked with the Department of Defense (DOD) and the Department of Energy on the development of radiation detection devices. Both of these offices will be working with the Department of Defense on Chemical Biological detection devices. Additionally, the Office of Field Operations works closely with the Federal Aviation Administration in the area of Aviation Safety and Security. Field Operations also works with the Environmental Protection Agency and state and local first responders in the area of hazardous and dangerous cargo transportation.

Since 1997, the U.S. Customs Service has assigned special agents to the Federal Bureau of Investigation's Joint Terrorism Task Forces (JTTF) who investigate various crimes associated with terrorism to include money laundering. Currently we have special agents participating in 30 Joint Terrorism Task Forces throughout the United States. These agents are providing financial and money laundering investigative expertise as it relates to ongoing terrorist investigations, to include those tied to the September 11, 2001 incidents.

Since September 11, 2001, Customs has assigned agents to the Federal Bureau of Investigation (FBI) Financial Review Group in Washington, D.C. to assist in the identification of suspect leads and subsequent joint money laundering investigations targeting terrorist organizations. The U.S. Customs Money Laundering Coordination Center, or MLCC, is also being utilized to assist the FBI and other law enforcement agencies by cross referencing terrorist financial data with the MLCC financial database to determine whether the identified bank accounts were utilized during prior criminal investigations.

Customs is also providing Intelligence Research Specialists to the FBI to cross reference intelligence from Customs databases with the intelligence received from the FBI and other law enforcement agencies.

Additionally, the U.S. Customs Service conducts various types of investigations focusing on violations of Intellectual Property Rights, narcotics smuggling and arms trafficking, among others. In recent cases, while investigating the financial aspects of these cases, Customs has determined that the proceeds of these illegal activities have been laundered and identified as possible funds for international terrorist activities.

Customs participated with 17 other agencies on the Interagency Commission on Crime and Security at U.S. Seaports (ICCSS). Also, Customs is a member of the Interagency Commission for Maritime Transportation System, which is coordinated by the Coast Guard. This group has a subcommittee on security (chaired by the Coast Guard and co-chaired by Customs). There is also a subcommittee on research and technology of which Customs is a member. In each seaport, Customs is part of the Maritime Safety Committee. This committee is headed by the Captain of the Port, and includes a subcommittee on security. Customs Air and Marine Interdiction Division (AMID) has considerable interaction with other agencies in counter-terrorism and maritime security. Close working relationships are established at all levels from headquarters to the field operators. Within the Department of the Treasury, AMID works with the U.S. Secret Service (USSS) in support of PDD-62 training in counter-terrorist operations and providing air space security for National Special Security Events (NSSE's). AMID has a Memorandum of Agreement with the Bureau of Alcohol, Tobacco and Firearms (ATF) to provide routine support across all mission areas. The Air and Marine Interdiction Coordination Center has liaisons on staff and provides regular support to the Federal Aviation Administration (FAA),

National Guard Bureau and U.S. Border Patrol (USBP). AMID maintains a close working relationship with the U.S. Coast Guard (USCG) on all maritime issues including maritime security. Customs is considering a Memorandum of Cooperation (MOC) in support of the National Nuclear Security Agency (NNSA) to provide NNSA with a radiological emergency response capability using Customs aircraft.

The relationships built over the years were instrumental to the success of AMID in responding to the September 11 terrorist incident. Specifically:

Air & Marine Interdiction Coordination Center (AMICC) in Riverside, CA provided:

- Ad hoc air threat task force consisting of: FBI, ATF, USSS, FAA, DOD, USBP, and USCG.
- Investigative support with information from an AMICC aircraft database.
- Identification of domestic and international airborne aircraft for DOD and FAA.
- Flight clearance and air support for law enforcement agencies.
- Radar data feeds to North American Aerospace Defense Command (NORAD).
- Customs P-3 Airborne Early Warning (AEW) aircraft provided:
- Support to the North American Defense Command consisting of indefinite 24-hour per day AEW coverage, initially over Miami, FL and Atlanta, GA.
- Customs Air Units provided:
- Blackhawk helicopters and a mobile command center deployed to the Washington, DC area for USSS operational support and logistical support to all agencies.
- FBI, ATF, USSS, FAA and USBP with approximately 100,000 air miles transporting agents, investigators and hazardous materials during the FAA restrictions.
- Air surveillance in support of ongoing FBI counter-terrorist investigations. Customs Marine Units provided:
- Ongoing maritime security in conjunction with the Coast Guard in the Gulf of Mexico, New Orleans, South Florida and Southern California.

Through its network of Attachés and Customs Representatives, U.S. Customs also works with a wide array of governmental agencies from other countries as well as U.S. agencies operating overseas. In each Embassy or Consulate where U.S. Customs is represented, the senior Customs official is part of the local counter-terrorism team. This team normally includes the FBI, DEA, Regional Security Officer and representatives of the intelligence community.

Intelligence and investigative leads received by the Attaché are forwarded to the Terrorism Task Force and the appropriate Customs domestic field office for action.

Moving forward, Customs intends to work closely with the INS, Coast Guard, intelligence community, State Department, and the office of Homeland Security to design and implement a comprehensive and coordinated border security strategy.

*Question.* In the Anti-Terrorism package currently under review, Congress intends on authorizing funding that would triple both Customs and INS personnel at the Northern Border. How much would that cost both agencies and what would be the time line for such a program?

Answer. A Northern Border staffing comparison is presented below that illustrates cost and the tripling of USCS personnel.

NORTHERN BORDER STAFFING

	STAFFING TODAY	TRIPLE STAFFING	TOTAL NEW COST
INSPECTORS .....	1,327	3,981	\$219,769,000
CANINE OFFICERS .....	28	84	6,208,000
SPECIAL AGENTS .....	374	1,122	144,102,000
INTEL SPECIALISTS .....	26	78	3,716,596
TACTICAL COMM SPEC .....	7	21	850,556
TOTAL COST TO TRIPLE TRIPLE STAFFING ON NORTHERN BORDER .....			375,000,000

*Question.* What challenges do you face in recruiting and hiring additional agents, inspectors, and other personnel?

Answer. Customs has never had a problem in attracting candidates for Customs Inspector, Canine Enforcement Officer, or Criminal Investigator positions.

In fact, our last inspector announcement was only open 4 days and attracted 5900 candidates.

Our quality recruitment program includes advance planning, so that candidates proceed through all of the recruitment processes and form a pipeline of employees

ready to bring on board as they are needed. We currently have a pipeline of 600 inspectors and agents cleared and ready to bring on board, and another 1,000 applicants pending pre-employment processes (background investigation, medical, and drug screening). Our planning processes for fiscal year 2002 included announcements to increase the pipeline with 900 additional inspectors.

We recently obtained authority to administer the Treasury Enforcement Agent examination which has significantly improved our hiring process for Criminal Investigators. We administer this test monthly, and again have no problem in attracting quality candidates for our positions. We typically test 200 applicants each month.

We currently have a pipeline for agents and have 100 candidates ready to bring on board.

We do not want to minimize these challenges. While we have processes in place to attract large numbers of candidates for our positions and do advance hiring as much as possible, the hiring process, in general, is lengthy but necessary to ensure the quality and integrity of our new employees.

We support the Administration's Managerial Flexibility Act and believe it will assist us in further streamlining our processes.

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QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

*Question.* Does the Customs Service believe that imported drugs could be used by terrorists in a bioterrorism attack? If so, what risks do the USCS believe that reimportation of pharmaceuticals pose?

*Answer.* The Customs Service (Customs), in consultation with the Food and Drug Administration (FDA) believes that it depends upon the type of drug in question. Not all drugs can be used as an effective terrorism tool.

The reimportation of pharmaceuticals is only permitted when the goods are returned to the original manufacturer.

Customs and the FDA have developed operational procedures to address this issue. Customs and the FDA work closely together to prevent the importation of any prescription drugs that have not been approved by the FDA. Customs and the FDA focus their enforcement efforts on the prevention of the importation of unapproved and counterfeit prescription drugs into the United States.

The enormous volume of personal use prescription drugs attempted entry into the United States via land border ports, the United States Postal Service and express consignment facilities poses a challenge to both agencies' resources. To address this situation, Customs and the FDA are currently revamping the overall interagency business process in an effort to develop a more efficient enforcement strategy.

*Question.* Does the Customs Service believe that reimported pharmaceuticals pose a threat to Americans as a potential vehicle for a bioterrorist attack?

*Answer.* Again, without more specific information about the pharmaceuticals in question, we would reiterate that the answer depends upon the type of drug in question and that the reimportation of pharmaceuticals is only permitted when the goods are returned to the original manufacturer. The Customs Service (Customs) and the Food and Drug Administration (FDA) have developed operational procedures to address this issue.

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QUESTIONS SUBMITTED BY SENATOR BEN NIGHTHORSE CAMPBELL

*Question.* Mr. Commissioner, you state in your testimony that you work with your Canadian partners along the Northern Border. Would you please elaborate on that partnership?

*Answer.* The U.S. Customs Service (USCS), along with Canada Customs and Revenue Agency (CCRA), Citizenship and Immigration Canada (CIC) and the U.S. Immigration and Naturalization Service (INS), is a member of the Shared Border Accord.

—The "Accord" is the overarching agreement for coordinated border management, providing a structured forum for discussions on cross border issues, including the Ressam incident, the Foot and Mouth disease epidemic and most recently the September 11 attacks.

—The cited objective of the "Accord" is "to provide enhanced protection against drugs, smuggling and illegal and irregular movement of people."

—All 4-member agencies and the other participants (U.S. Department of State and Canada's Department of Foreign Affairs and International Trade) have agreed that Counter Terrorism is now the highest priority.

—The USCS and CCRA have begun formulating a joint border management strategy which will provide the framework to develop complementary systems to



combat terrorism, enforce laws along our shared border and facilitate trade between the U.S. and Canada.

—Both INS and CIC will be participating in this development through working groups and discussions of advances relating to the entry of individuals into the U.S. and Canada.

—The Shared Border Accord was announced on February 25, 1995 and recognized that improving the efficiency of the U.S./Canada border required cooperation and coordination. This agreement holds that both countries share a responsibility to create a border that is flexible enough to accommodate their economic interests and permits them to protect the health and safety of the citizens.

*Question.* I noted that all our borders are at Level One Alert. Do you have any idea how long we will be at that high level of security? How many levels are there? What was the level before September 11? What are the parameters of Level Two?

*Answer.* Customs is currently operating under Alert Level 1 status, or sustained intensive anti-terrorism operations, and is prepared to remain operating at this alert level as long as the terrorism threat requires us to do so. Customs has four terrorism alert level designations: (1) Alert Level 1—Sustained Intensive Anti-terrorism Operations, (2) Alert Level 2—Increased Operations, (3) Alert Level 3—Normal Inspectional Operations with Heightened Awareness, and (4) Alert Level 4—Normal Operations.

The alert level that Customs was operating under before the events that occurred on September 11 was Alert Level 4, or normal operations.

The operational requirements of Alert Level 2 are the same as Alert Level 1. However, when working under Alert Level 2, the agency is not required to temporarily deploy additional resources to port locations to comply with operational needs.

*Question.* Congratulations on having reduced wait times to pre-September 11 levels even with this additional high security. However, as you know, many industry folks believe that the wait time was too long to begin with. How do you account for the same wait time for a significantly higher level of security?

*Answer.* Customs has addressed excessive wait times by opening additional lanes (where available) and offering additional service with the use of temporarily detailed employees and National Guard assistance. Customs has suspended several non-essential programs in order to dedicate more resources to anti-terrorism efforts. Employees are also working additional shifts. However, this has caused overtime expenditures to increase significantly. Customs is maximizing the benefits of pre-screening the arriving conveyances, through the use of “roving” inspectors and canine enforcement officers. This allows the inspections to be conducted while the vehicle is waiting in line, rather than at the primary inspection area. Furthermore, non-intrusive technology systems have allowed us to examine conveyances more quickly and more efficiently.

*Question.* As you know, the Senate bill provides an additional \$25 million to Customs for a Northern Border hiring initiative which, as you noted in your testimony, would allow for the hiring of 285 additional personnel. Assuming that the final bill contains at least that level of funding, those new inspectors, canine enforcement officers, and agents all have to be trained. How long before they are permanently stationed along the Northern Border?

*Answer.* Our quality recruitment programs for inspectors and agents include advance planning, so that candidates proceed through all of the recruitment processes and form a pipeline of employees ready to bring on board as they are needed. We have already begun committing positions for the northern border. We expect to have the 285 personnel hired by the end of January and through their training by the end of May 2002. This total includes 225 inspectors, 35 agents, and 25 canine enforcement officers.

*Question.* You also state that Customs would require “substantial additional resources” to staff all Northern Border ports full time. How much money are we talking about? Further, once security returns to a normal level, do all Northern Border ports NEED to be staffed 24 hours a day/7 days a week?

*Answer.* 24x7x2 coverage is largely an interim solution to Northern Border security. To make this staffing permanent, Customs estimates that it would cost \$47 million to hire and train the necessary inspectors. Customs is currently evaluating whether some combination of infrastructure, technology, and staffing would also ensure proper security at the Northern Border.

*Question.* Many of my colleagues have for some time urged the Customs Service to utilize more non-intrusive technology and inspection equipment along the Northern Border so I am pleased to note that this is one of your proposals as well. How much would it cost to permanently deploy these types of equipment along the Northern Border?

Answer. Customs is determined to stem the flow of narcotics, weapons of mass destruction and other illegal articles and instruments used in support of terrorist activities. In support of these efforts, we propose to deploy a variety of technologies at our 128 Northern Border crossing points. The initial cost of this technology, including the personnel necessary to support the equipment, is approximately \$115 million. Of that total, \$68 million would procure our highest technology needs on the Northern Border.

SUBCOMMITTEE RECESS

Senator DORGAN. This hearing is recessed.

[Whereupon, at 11:35 a.m., Wednesday, October 3, the subcommittee was recessed, to reconvene at 9:30 a.m., Wednesday, December 5.]

## NORTHERN BORDER SECURITY

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WEDNESDAY, DECEMBER 5, 2001

U.S. SENATE,  
SUBCOMMITTEE ON TREASURY AND  
GENERAL GOVERNMENT,  
COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 9:35 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Byron L. Dorgan (chairman) presiding.

Present: Senators Dorgan, Reed, and Stevens.

OPENING STATEMENT OF SENATOR BYRON L. DORGAN

Senator DORGAN. The hearing will come to order.

We will be joined by my colleagues shortly, but we want to begin the hearing because of time.

The Senate will begin two votes at 10 o'clock, so it will be my intention to take a recess at about 10:15 so I can do the first vote and then also make the second vote and be back here. I should not be gone more than 15 minutes. And as I indicated, other colleagues on the subcommittee will be here, as well, so perhaps we can do this in a way that does not recess the committee.

The hearing today is to receive testimony from our colleagues in the Senate and from Governors from northern border States on the issue of Northern Border Security. Let me make a couple of comments before we begin.

We share a long border with the country of Canada. Canada is a good friend of the United States. We have an over 4,000 mile border. It has been called the longest undefended border in the world.

Since September 11, with the terrorist attacks on the United States, all of us understand that we need more border security. One way to respond to the attacks by these terrorists is to prevent terrorists from coming into this country. That means you must have adequate border security. Adequate border security means security at all of our borders because terrorists most surely will find our weakest link.

We have examples of that. The millennium bomber who was intending to come in to bomb the Los Angeles airport at the turn of the millennium was apprehended at Port Angelos by a U.S. Customs Service employee as he tried to cross into the United States in Washington State. Ahmed Ressam was planning to commit a number of acts of terror at the turn of the millennium.

We know that there are over 50 terrorist groups or cells operating in Canada, including Hamas and the al Qaeda network. We

know, for example, that terrorists have attempted to come to Canada, and in some cases successfully arrived in Canada with the intention of crossing the border into this country.

I also know that the Canadians sometimes are concerned about our discussion about northern border security because they feel that we are somehow pointing at the Canadians themselves. That is not the case. Canada is a good neighbor of ours. It is our largest trading partner. We have a substantial amount of traffic and trade between our two countries.

We want to do two things. One, we want to keep people from entering this country who should not come into our country, terrorists, known or suspected terrorists, or those who associate with terrorists. We want to keep them out of our country. Even as we do that, we want to facilitate the movement of people and commerce between our two countries. That is very important.

So how do we do that? Well, we do it with additional resources. We need additional Customs Service inspectors and agents, INS agents, Border Patrol and others.

In the last couple of days the Attorney General has employed National Guard resources to be called to our border. I regret that the Treasury Secretary has not taken similar action with respect to the Customs Service because we have a split with respect to these law enforcement functions in the Federal Government. Part of them are in the Justice Department, part in Treasury. Justice seems much more aggressive on these issues of northern border security than Treasury. I would appeal to Secretary O'Neill to be as aggressive as the Attorney General and, I would ask that the Treasury Department be as aggressive in dealing with the Customs Service in providing the resources and the plans to deal with northern border security as Justice is dealing with both INS and the Border Patrol.

The other day I read of a suspected terrorist who was attempting to go to Canada from the Middle East. He was aboard a ship called the *Ipex Emperor*. He had put himself in a container, on a container ship, furnished with a bed, a toilet, electronics communications equipment, a laptop, two cell phones, a Canadian passport, and documents certifying him as an airplane mechanic among other things. He had quite a home constructed in this container and was being shipped to Toronto, Canada on a container ship.

Those are the kinds of things that we have to be vigilant about. And we will do that with additional resources.

What we want to hear from the governors today and from the States, some of whom have submitted comments, some of whom are here in person, is what does all this mean with respect to State resources and State interests and State needs? This is a partnership dealing with our national security and the States are significant members of that partnership. Part of it is the Federal Government dealing with INS, Border Patrol, the Customs Service, and additional Federal responsibilities.

And then part of it is State and local governments and their resources, interests, and needs. Also State and local governments giving us thoughts about the commerce issues between the United States and Canada.

So that is the purpose of this hearing, to hear these perspectives as we proceed to develop homeland defense and homeland security initiatives here in the Congress working with the Administration.

We have a number of people who will testify this morning, both from the United States Senate, and also governors of several States. We are joined by Senator Stabenow and Senator Schumer.

PREPARED STATEMENT

What I would like to do is begin with statements from the two Senators. Then I will call the Governors up. We will try to be as expeditious as possible. I know several of those who have joined us today have busy schedules today.

[The statement follows:]

PREPARED STATEMENT OF SENATOR BYRON L. DORGAN

We meet today to receive testimony from Northern border governors—the elected officials serving on yet another front in defense of our homeland. These men bring with them the “facts on the ground” from the States as well as their varied perspectives from their lives prior to becoming governor. Gov. Hoeven, from my home State of North Dakota, was CEO of the Bank of North Dakota. Gov. Dean of Vermont is a physician while Lt. Gov. Posthumus of Michigan is a family farmer. A banker, a doctor, a farmer—critical jobs in ordinary times which help form their response to the critical times facing the country and their States today.

This Subcommittee held its first hearing on Northern border security issues less than a month after the terrorist attacks of September 11. Our witnesses then were the Commissioners of the Customs Service and Immigration and Naturalization Service and the hearing focused on their resource needs for defense of our borders. To his credit, the Attorney General, in recent days, has stepped up to the plate and announced on Monday a plan to augment Border Patrol and INS resources and personnel with added men and women from the National Guard. Sadly, the Treasury Secretary has not seen the need to increase Customs Service resources in the same manner, even though many ports-of-entry on the Northern border are jointly staffed with Customs and INS personnel.

We have long been proud—and with good reason—that our border with Canada has been referred to as the longest, undefended border in the world. Thousands of our citizens cross the border every day to go to work, visit family, or shop. North Dakotans farm in Saskatchewan and Manitobans shop in North Dakota. We owe it to the citizens of both of our countries to not allow the September 11 terrorists to change these facts.

Yet we must increase our diligence. Our countries and our States face a new threat.

—The Canadian Parliament is now considering an anti-terrorism bill which would address the potential terrorist threats posed by an estimated 50 terrorist groups or cells known to operate in Canada, including Hamas and the al-Qaeda network.

—Canada was the staging point for Amad Ressaam, the “Millennium bomber”, who planned to bomb the Los Angeles airport but was apprehended by the Customs Service as he attempted to cross into the United States at a border crossing in Washington State.

—Crop dusting manuals were found in the possession of one suspected terrorist arrested in Minnesota, while the owner of a crop dusting business in Watford City, ND was questioned by the FBI in October about a small plane he sold to a Turkish man nearly three years ago.

—The press reported about one gentleman arrested in Italy who was having himself shipped to Canada in a container equipped with a computer, numerous passports and identity papers, and even his own toilet.

—As recently as Monday night, five men were arrested near Alexandria Bay, Canada attempting to illegally enter the United States.

Each of these events points to the need for us to do more to secure our borders. Our witnesses can speak to the increased threat as they see it from their States. They can also share with us the impact that our enhanced threat response has had on trade, travel and tourism in their States as well as their economies. While we can try to be of assistance here in Washington, the fiscal situation we are now facing will greatly constrain our ability to do as much as is probably necessary. This

hearing will explore, then, what State resources are being used to bolster security along the border and what Federal resources you might need.

We look forward to your testimony. Thank you.

Senator DORGAN. So let me begin by calling on Senator Schumer from the State of New York. Senator Schumer, thank you for joining me today.

**STATEMENT OF HON. CHARLES SCHUMER, U.S. SENATOR FROM NEW YORK**

Senator SCHUMER. Thank you, Mr. Chairman, for holding this hearing.

I think I can speak for the rest of my Senate colleagues, particularly those of us who have States along the northern border, when I say that I know of no other Member of Congress who has been so vigilant in the fight to ensure that our northern border gets the resources and personnel it so desperately needs than you have been. And we thank you for that. Your leadership is most needed and most welcome and most effective.

I would also like to thank you for your Herculean efforts to establish the \$28 million Northern Border Initiative which will add 285 Customs officials to the northern border this year, and for your work to secure record funding for the implementation of the Automated Customs Environment System, the ACE System. It is desperately needed to modernize the way Customs processes cargo coming into the country.

Without your efforts, the funding course previously set for the ACE program would have required a 14 or 15 year implementation schedule which, obviously, after September 11 is completely unacceptable.

Mr. Chairman, the events of September 11 shone a light on a situation that everyone in this room has known for a long time. Decades of chronic disinvestment and neglect have left our northern border porous and inefficient and have saddled our points of entry with delays that are beginning to cripple United States-Canadian trade and undermine our national security.

The decision Congress and the Administration must now make is whether to finally address these problems head on, like the way we are finally approaching airline security, or to simply undertake some temporary measures to deal with the most pressing of the September 11 related problems.

So far it is hard to say which course we will actually take. We took a major step forward in passing the Patriot USA Act last month, which authorized the tripling of the number of northern border Customs officers, INS inspectors, and Border Patrol guards. But the Administration has yet to request that these positions be funded.

How can we say we are going to protect our northern border when we do not fund the means to protect it? It just does not make any sense at all. I would hope that the Administration would do the funding. If they are not going to do the funding, they ought not say they are protecting the border because you cannot have one without the other.

Now neither Chairman Dorgan nor Chairman Byrd, who has provided \$270 million for these activities in his homeland security package, can make these increases happen without the unqualified

support of the White House. But as I mentioned, so far support for funding these positions has been tepid at best.

We took another step forward this week with the agreements Attorney General Ashcroft negotiated with the Canadian Government concerning the sharing of FBI information, the coordination of visa policies, and improved coordination between United States and Canadian customs when it comes to border management. The agreement comes with an announcement that 600 National Guard troops will be moved to the northern border to augment our overworked and understaffed Customs and INS agents, who have been working under the highest level security stresses since September 11.

While there is nothing wrong with employing the National Guard, there is a danger this temporary solution will morph into a long-term commitment that will result in our ports of entry being managed by guardsmen who have not been provided with the appropriate training or tools. This must not happen because it is not the appropriate way to manage our borders, and also because we are calling on the Guard to do too much already. Considering the situation in my State of New York, I simply do not know where we will find the guardsmen to deploy to our northern border.

The stakes in this debate, Mr. Chairman, are very high. Nearly \$1.4 billion per day in international trade crosses the border. Over half of the United States' population is within a 10-hour truck ride from the border, and the needs are great.

In Buffalo, New York, at the Peace Bridge crossing, which is depicted right there in the picture to my left, that is the plaza. I have been there many times. There are 5 hour delays to cross the border oftentimes, mostly because only half the booths are open at any one time and travelers must stop on both sides of the bridge, the American side, shown here, and the Canadian side, right over Lake Erie on the other side of Lake Erie.

In Plattsburgh, at the Champlain port of entry, which is 30 miles south of Montreal and has a lot of busy traffic going from the Montreal area south, a crumbling, completely ill-designed, embarrassment of a facility that was thrown up in 1967 is there. Trucks can routinely back up for miles simply because the physical layout of the facility is so inadequate to accommodate the post-NAFTA commercial traffic loads.

Tour buses, which often go to Montreal and other places, sit on line for hours because there is no way to separate the trucks that have to be separated from the tour buses and others that have a different inspection route.

I believe that we cannot afford to treat this as any less important than airport security and it is going to take vision, planning, and additional resources to be able to say that the longest friendly border in the world is safe and secure.

I believe we need the Administration's help on two fronts. First, as I mentioned, budget requests that reflect the true personnel, equipment and facilities needs of Customs and INS at the northern border. We can no longer haggle over whether two new agents is justified for a particular port of entry, or debate for 8 to 10 years what is the appropriate size for a new border facility at Champlain, New York.

And second, a willingness to push the Canadian Government to establish jointly managed Customs facilities at our busiest crossings, in my State at the Peace Bridge and Ambassador Bridge. At our busiest crossings we have to establish one-stop shopping. It is inefficient, very inefficient, so that when crossing at our busiest ports of entry you have to stop at two separate places, obviously it doubles the amount of time. By consolidating these functions, we can make them more efficient.

PREPARED STATEMENT

I thank you, Mr. Chairman, not only for the opportunity to testify at this hearing, which is so needed, but for all the great work you have done on this critical issue.

[The statement follows:]

PREPARED STATEMENT OF SENATOR CHARLES E. SCHUMER

Thank you, Mr. Chairman for holding this hearing. I think I can speak for the rest of my Senate colleagues when I say that I know of no other member of Congress who has been so vigilant in the fight to ensure that our Northern Border gets the resources and personnel it so desperately needs.

I would also like to thank you for your Herculean efforts to establish the \$28.15 million Northern Border Initiative, which will add 285 customs officials to the Northern Border this year and for your work to secure record funding for the implementation of the ACE (automated customs environment) system. This system is desperately needed to modernize the way Customs processes cargo coming into the country. Without your efforts, the funding course previously set for the ACE program would have required a 14 or 15 year implementation schedule, which is simply unacceptable.

Mr. Chairman, the events of September 11 shone a light on a situation that everyone in this room has known for a long time:

Decades of chronic disinvestment and neglect have left our northern border porous and inefficient and have saddled our points of entry with delays that are beginning to cripple U.S.-Canadian trade and undermine our national security.

The decision Congress, and the Administration, must now make is whether to finally address these problems head on—like the way we are finally approaching airline security—or to simply undertake some temporary measures to deal with the most pressing of the September 11 related problems.

So far it is hard to say which course we'll take.

We took a major step forward in passing the Patriot U.S.A. Act last month which authorized the tripling of the number of Northern Border Customs officers, INS inspectors and Border Patrol Guards, but the Administration has yet to request that these positions be funded. Neither Chairman Dorgan nor Chairman Byrd, who has provided \$270 million for these activities in his homeland security package, can make these increases happen without the unqualified support of the White House. But so far the support for funding these positions has been tepid at best.

We took a second step forward this week with the agreements Attorney General Ashcroft negotiated with the Canadian government concerning the sharing of FBI information, the coordination of visa policies, and improved coordination between U.S. and Canadian Customs when it comes to border management.

That agreement comes alongside an announcement that 600 National Guard troops will be moved to the Northern Border to augment our overworked and understaffed Customs and INS agents, who have been working under highest level security stresses since September 11.

While there is nothing wrong with employing the National Guard, there is a danger that this "temporary" solution will morph into a long-term commitment that will result in our ports of entry being managed by Guardsmen who haven't been provided with the appropriate training or tools.

This must not happen because it is not the appropriate way to manage our borders and also because we are calling on the Guard to do too much already. Considering the situation in New York, I simply don't know where we'll find the Guardsmen to deploy to our Northern Border.



The stakes in this debate, Mr. Chairman, are very high. Nearly \$1.4 billion per day in international trade crosses that border. Over half the U.S. population is within a 10 hour truck ride from the border.

And the needs are very great.

In Buffalo, New York—at the Peace Bridge crossing—5 hour delays to cross the border are commonplace, mostly because only half the booths are open at any one time and because travelers must stop on each side of the bridge.

In Plattsburgh—at the Champlain Port of Entry, a crumbling, completely ill-designed embarrassment of a facility that was thrown up in 1967—trucks can routinely be backed up for miles simply because the physical layout of the facility is so inadequate to accommodate the post-NAFTA commercial traffic loads.

I believe that we cannot afford to treat this issue as any less important than airport security, and that it is going to take vision, planning, and, yes, additional resources for us to be able to say that “the longest friendly border in the world” is safe and secure.

I believe that we will need the Administration’s help on two fronts:

(1) Budget requests that reflect the true personnel, equipment, and facilities needs of the Customs Service and INS at the Northern Border. We can no longer afford to haggle over whether two new agents is justified for a particular port of entry, or debate for eight to ten years what the appropriate size is for a new border facility for Champlain, New York.

(2) A willingness to push the Canadian government to establish jointly-managed Customs facilities at our busiest crossings such as the Peace Bridge and Ambassador Bridge. At our busiest crossings, we have to establish “one-stop shopping.” It is so inefficient that when crossing at our busiest ports of entry that you are subject to two separate stops. By consolidating these functions, we can make them more efficient.

Thank you, Mr. Chairman for the opportunity to testify, and all you have done on these critical issues.

Senator DORGAN. Senator Schumer, thank you very much.

We are joined by my colleague, Senator Reed. Senator Reed, do you have a comment?

Senator REED. I just want to commend you, Mr. Chairman, for holding this hearing. A great deal of attention is typically paid to our southern border, but too little attention is paid to the Northeast and the northern border with Canada. It is a huge source of economic activity between our country and the world. In fact, there are 38 States that Canada is their largest bilateral trade partner.

So this is something we have to pay a great deal of attention to. Again, I commend you for having this hearing.

Thank you, Mr. Chairman.

Senator DORGAN. Senator Reed, thank you.

Senator Stabenow, thank you for joining us.

**STATEMENT OF HON. DEBBIE STABENOW, U.S. SENATOR FROM MICHIGAN**

Senator STABENOW. Thank you, Mr. Chairman, and I, too, would commend you for your ongoing leadership. I am very pleased that in the next panel we will have our lieutenant governor from Michigan, Dick Posthumus, who will also be stressing the importance to Michigan, as well as the entire northern border.

As you know, we formed a coalition, working together as Senators, of both parties who have been advocating for these important needs. Your personal leadership has really helped to keep this process moving. I am very appreciative of that.

The events, as we all know, of September 11 and our Nation’s war on terrorism have further highlighted what were already critical shortages of human and technological resources at our northern border. Now more than ever, Customs, INS, and Border Patrol

need the appropriate staffing, they need the tools, and funding to perform their jobs effectively.

First, Mr. Chairman, I want also to thank you and the members of the subcommittee for providing more than \$28 million in the 2002 Treasury/Postal Appropriations Bill for increasing Customs staffing along the northern border and over \$33 million for Customs inspection technology, which is also very important. This funding will begin to address the personnel and technology shortage along the border, however we need to do more to adequately protect our border. I share your concerns that Treasury move aggressively and quickly to both allocate the resources that have been given, as well as use the other tools at their disposal.

Our northern border with Canada is vital to our national and economic security. Over \$1.4 billion worth of goods and services cross the northern border every day. \$1.4 billion every day, with a significant portion of this trade going to Michigan, more than any other State. This constitutes the largest bilateral flow of goods and services and capital between two countries anywhere in the world.

As you indicated, Mr. Chairman, we are pleased with the wonderful cooperation and partnership that we do have with our Canadian partners.

Among ports of entry between Canada and the United States, four of the seven busiest ports of entry are between the Michigan-Canadian border. We have three bridges and one tunnel. In fact, the Ambassador Bridge in Detroit is the most heavily traveled bridge on the United States-Canadian border.

Before the attacks of September 11, our northern border was already severely understaffed and underfunded. Customs officers on the northern border processed 63 percent, 63 percent of all trucks, 85 percent of all trains, and 23 percent of all passengers and pedestrians entering the country each year. However, our Customs inspectors represent only 14 percent of the currently deployed inspectors in the country. Even though the northern border is twice as long as the southern border. So obviously the inequities are clear. That is why what you are doing is so important.

According to the Canadian-American Border Trade Alliance, at any given time routinely half of the existing processing lanes on the United States-Canadian border remain closed due solely to understaffing of United States Customs and INS inspectors.

The events of September 11 have exacerbated this already critical situation. Enhanced security requirements combined with personnel shortages and overtime limitations are causing serious backups that are resulting in a very severe economic harm in Michigan and throughout the Nation.

This past Monday in Detroit, Attorney General John Ashcroft announced a United States-Canadian agreement to help safeguard our shared border and to coordinate our immigration and border security policies. We are very pleased he was in Detroit. We appreciate his leadership. Part of this agreement includes the maintaining of over 600 National Guard troops at the U.S. border posts for up to a year, to assist with Customs and INS inspections.

The National Guard and local law enforcement, who I might add are volunteering their time at this point, are providing critical as-

sistance to our understaffed Michigan ports of entry but this is only a temporary solution.

The Uniting and Strengthening America Act, which the President signed into law last month, authorizes the tripling of INS, Border Patrol and Customs Service personnel on the northern border and authorizes \$100 million for technology improvements. Now Congress and the Administration must provide the necessary funds to make the staffing increases a reality.

I look forward to working with you, Mr. Chairman, and the other members of the committee to make this happen. The ability of the Customs Service to process people and goods entering the U.S. efficiently and thoroughly is absolutely essential to our economic and national security. The inspectors and agents at our borders are our first line of defense and bear the responsibility for ensuring that no person enters our country who is not authorized to do so. We cannot expect them to do this job well if they are short-staff, working extremely long hours as they are, and working without time-saving technology.

#### PREPARED STATEMENT

Providing funds for these items are necessary so that we can make sure that this is a top priority in fighting our war on terrorism.

Thank you, Mr. Chairman, for your leadership.  
[The statement follows:]

#### PREPARED STATEMENT OF SENATOR DEBBIE STABENOW

Mr. Chairman, thank you for holding a hearing on this very important issue. The events of September 11 and our nation's war on terrorism have further highlighted the critical shortage of human and technological resources on our northern border. Now more than ever, Customs, INS and the Border Patrol need the appropriate staffing, tools, and funding to perform their jobs effectively.

First, Mr. Chairman, I want to thank you and the members of this subcommittee for providing more than \$28 million in the fiscal year 2002 Treasury-Postal Appropriations bill for increased Customs staffing along the northern border, and over \$33 million for Customs inspection technology throughout the country. This funding will begin to address the personnel and technology shortage along the northern border, however, we need to do more to adequately protect our border.

Our northern border with Canada is vital to our national and economic security. Over \$1.4 billion worth of goods and services cross the northern border every day, with a significant amount of this trade going to Michigan—more than any other State. This constitutes the largest bilateral flow of goods, services, and capital between two countries anywhere in the world.

Among ports of entry between Canada and the United States, four of the seven busiest ports of entry are between the Michigan-Canadian border. In fact, the Ambassador Bridge in Detroit is the most heavily traveled bridge on the U.S.-Canadian border.

Before the attacks of September 11, our northern border was already severely under-funded and understaffed. Our Customs officers on the northern border process 63 percent of all trucks, 85 percent of all trains and 23 percent of all passengers and pedestrians entering the country each year. However, our Customs inspectors represent only 14 percent of the currently deployed inspectors in the country, even though the northern border is twice as long as the southern border.

According to the Canadian/American Border Trade Alliance, at any given time, routinely half of the existing processing lanes on the U.S.-Canadian border remain closed due solely to understaffing of U.S. Customs and INS inspectors.

The events of September 11 have exacerbated this already critical situation. Enhanced security requirements, combined with personnel shortages and overtime limitations are causing serious backups that are resulting in very severe economic harm in Michigan and throughout the nation.

This past Monday in Detroit, Attorney General John Ashcroft announced a U.S.-Canadian agreement to help safeguard our shared border, and coordinate our immigration and border security policies. Part of this agreement includes the maintaining of about 600 National Guard troops at U.S. border posts for up to another year, to assist with Customs and INS inspections. The National Guard and local law enforcement (who are volunteering at the border), are providing critical assistance to our understaffed Michigan ports of entry, but this is only a temporary solution.

The Uniting and Strengthening America Act, which the President signed into law last month, authorizes the tripling of INS, Border Patrol and Customs Service personnel on the northern border, and authorizes \$100 million for technology improvements. Now, Congress and the Administration must provide the necessary funding to make this staffing increase a reality. And I look forward to working with you, Mr. Chairman, and the other members of this committee to make this happen.

The ability of the Customs Service to process people and goods entering the U.S. efficiently and thoroughly is absolutely essential to our economic and national security. The inspectors and agents on our borders are our first line of defense and bear the responsibility for ensuring that no person enters our country who is not authorized to do so. We cannot expect them to do this job well if they are short-staffed, working extremely long hours, and working without time-saving technology.

Providing funding for increased staffing and technology along the northern border must be one of our top priorities in our fight against terrorism.

Thank you.

Senator DORGAN. Senator Stabenow, thank you very much.

As I indicated for those who came late, we have two votes beginning at 10 o'clock and I want to try to expedite the hearing because of that. I know others have time constraints.

But let me just ask one question of both of you and if Senator Reed has a question I will recognize him.

We have a balance here between security issues and the ability to facilitate the movement of people and trade. Security must come first, I would expect you would believe, but can you describe—and I see the chart up there that shows long lines of trucks. Senator Schumer, you talked about 4 or 5 hours of wait. Can you describe how you believe this balance ought to be addressed? Are there substantial resources required in your judgment? If so, where? Customs, INS, Border Patrol and other areas?

Senator SCHUMER. I guess the answer to your question, Mr. Chairman, which is right on the money, is less. If you look at that chart there, you will see that there are other booths, but only one is being used. Very simply, if we were to have both the personnel and the computer operations that we need, that line could be greatly reduced.

I guess you have a triangle. You have money at one point, you have security at one point, and you have speed at one point. And to get the latter two points of the triangle, you need the former. Without money, you are going to have either security and huge lines, or you are going to have speed and no security.

Dollars, more personnel, better facilities, better computers. We can have our cake and eat it, too, and the cost is not really that essential. In our post-September 11 world, the old adages do not work. Security is paramount, as you correctly point out. But you do not have to—I mean I guess you would say, in a certain sense, the terrorists want us to sacrifice all the other values in our society to deal with security, and they thought our society was much more brittle than it was and would collapse at what they did.

But we have to respond and with some measured amount of dollars, we can. So I think we need, from my point of view, the Patriot USA Act, which called for the tripling of the three agencies along

the northern border is what should be funded, Customs, Border and INS.

Senator DORGAN. Senator Stabenow?

Senator STABENOW. Mr. Chairman, you raise a very, very important point, particularly in Michigan when we are looking at the just in time supply chain partnership with the auto industry and the need to literally move every day goods back and forth across the border.

I see, as well, this being multiple approaches. We need more staff but we are hearing from the personnel at the borders that without more booths, the physical structure, at some point the staff is not enough.

We also know that there are a number of different pilot projects that have been tried to speed up the process, to pre-authorize and check. The auto industry, again, has been helping to work with the folks at the border to speed up this process.

One of the frustrations I know, I have heard from folks in visiting at the border, is that there have been a number of pilot projects but none have been selected to actually move forward beyond the pilot stage, so that we can broaden what has been tested in limited ways in terms of technology.

So I think the technology dollars are very important, as well. If we can pre-authorize, if we can use certain scanners and cards and other opportunities to do that, we will be able to help move things more quickly.

Senator SCHUMER. You know, Mr. Chairman, if I just might, New York and Michigan are very similar in this. Our largest manufacturing plant is not Delfide, employs over 6,000 people. Forty percent of the trucks, it is in Lockport, about 20 miles east of Niagara Falls. 40 percent of the trucks that leave that plant go right over the border because, just like in Michigan, some of the plants that make the automobiles are in Canada. Some of the plants are in the United States and they need constant commerce and they are getting killed.

Senator DORGAN. Senator Reed?

Senator REED. No, Mr. Chairman, thank you.

Senator DORGAN. We thank both of you. I know a couple of other senators will be coming to testify but they will come after the votes. Thank you for being with us.

Let us ask Governor Hoeven, Governor Dean, Lieutenant Governor Posthumus to come forward.

Let me thank the three of you for joining us today. As I indicated, other Governors will be submitting testimony for the hearing, but we especially wanted to hear from Governors of northern border States who could talk to us from their perspective about northern border security, and also the facilitation of the movement of people and trade across our common border.

Let me begin with you, Governor Hoeven. Let me welcome our governor from North Dakota to the committee. I have had the opportunity to work with Governor Hoeven on many things for some long while and we have been friends for many years. I am proud of the work he does and I am pleased you are here.

**STATEMENT OF HON. JOHN HOEVEN, GOVERNOR, STATE OF NORTH DAKOTA**

Governor HOEVEN. Senator, thank you for this opportunity to be here and to testify on northern border security. I am pleased to be here with Governor Dean and Lieutenant Governor Dick Posthumus, as well. I appreciate the opportunity.

Thank you, Mr. Chairman, and members of the subcommittee. I am John Hoeven, Governor of North Dakota, and I welcome this opportunity to testify on our homeland security, and to share with you some of the challenges that we in North Dakota are experiencing with regard to maintaining heightened security on the northern border.

Like other northern border States, North Dakota has some unique security concerns. North Dakota shares a long, 325 mile border with Canada, and 18 ports of entry. However, we have virtually hundreds of rural, unmanned crossings on small county and township roads. Qualified personnel for border security are in demand by Federal, State, local and private entities. Federal entities usually win the competition because they are able to offer better salaries.

Because of a variety of factors, such as an apparently safe, open and isolated terrain, it would be relatively easy for terrorists to enter our country. U.S. Federal, State, and local communications equipment is not always compatible with the equipment used by Canadian law enforcement authorities.

Several weeks after the terrorist attacks in New York and Washington I appointed a homeland security director to marshal and harmonize our existing State resources to enhance security throughout the State. Today, many North Dakota State agencies have some homeland security responsibilities.

We have taken timely and assertive steps to safeguard our northern border. We have devoted a number of State resources to ensuring both its security and the flow of traffic to facilitate commerce. Our Highway Patrol, Department of Game and Fish, National Guard, and Civil Air Patrol are undertaking intermittent aerial surveillance flights, both day and night using infrared, along our border since September.

This, as you may imagine, is expensive and it has diverted important resources from some of the agencies' regular assignments. At this time, funding for these flights is limited and growing more limited. Our Highway Patrol and law enforcement has provided considerable ground surveillance, as well. Although the Border Patrol has reimbursed some of the cost of local assistance through mutual aid agreements, much of it has not been reimbursed.

State and local resources that have been dedicated to new homeland security missions have diverted resources from conventional law enforcement activities, such as highway safety and the usual crime surveillance.

The North Dakota National Guard has received information as of November 29 indicating that we may be asked to provide additional personnel to support Federal Border Patrol efforts for an initial period of up to 6 months and it may be longer. We have also been asked for additional potential air operations, as well.

It should be noted for the record that we have no fewer than 48 North Dakota agencies, including our Division of Emergency Management, Health Department, Law Enforcement and others now re-directing resources to this effort.

This fall, shortly after the attacks in New York and Washington, a public water supply system in a small North Dakota town along the border called Pembina was tampered with. We responded quickly and efficiently but the incident tied up our State labs, our scientists, chemists and biologists for nearly two weeks.

Heightened security is expensive and it will need to be sustained, thus taxing our State's resources at a time when they are already being taxed because of the terrorist attacks.

Tourism in North Dakota has slowed down. Corporate and business travel is down and is recovering slowly but AAA anticipates that travel will be down about 20 percent through June of 2002. Also, the additional responsibilities of the National Guard and the law enforcement community is burdening our economy at this time, as well.

There are a number of ways that the Federal Government should assist North Dakota and other States in meeting homeland security needs. Fund additional State and local law enforcement resources for staff and materials such as Canadian-American compatible communication equipment. Coordinate the development and implementation of a border security plan that defines State and local responsibilities and Federal responsibilities. Ensure that intelligence from the Federal Government is provided to a single point of contact within the State, from which it can be further disseminated to the appropriate entities. Unify Federal threat assessment information among the various Federal agencies such as FBI, CIA and the Attorney General's Office.

Perhaps most critically, as the costs associated with homeland security rise, the Federal Government needs to provide funding with flexibility to defray the expenses of this effort. The most effective vehicle to do this would be general block grant funding to the States which would enable them to target their needs and reimburse hard-hit State, municipal and county governments. The logical agency to accomplish this task is the Federal Emergency Management Agency, FEMA. In North Dakota, our homeland security coordinator is also the director of our Division of Emergency Management with many years of experience working with FEMA, and that is likely true in other States, as well.

FEMA manages the consequences of terrorist attacks, helps train first responders in terrorism response, and assists States in developing emergency plans. FEMA, moreover, has recently completed a nationwide assessment of State preparedness regarding terrorism and weapons of mass destruction. North Dakota was among the first to participate several weeks ago. The Agency's nationwide assessment results will be presented to Homeland Security Director Ridge, who works closely with FEMA.

FEMA has both the network in place with the States and the experience to effectively coordinate and deliver funding for homeland security without creating any new bureaucracy.

In this era of heightened security, we in North Dakota have had to review our State government policies and procedures regarding

security and emergencies. We are working with our community leaders to integrate and coordinate resources as never before. It is all about preparedness, prevention and response. And today we are asking the Federal Government to support us in that effort.

PREPARED STATEMENT

Again, I want to thank you for the opportunity to present my comments on this issue and on homeland security in general.

[The statement follows:]

PREPARED STATEMENT OF JOHN HOEVEN

Thank you, Mr. Chairman and members of the Subcommittee. I am John Hoeven, Governor of North Dakota, and I welcome this opportunity to contribute to the enhancement of our homeland security, and to share with you some of the challenges that we in North Dakota are experiencing with regard to maintaining heightened security on our northern border.

NORTH DAKOTA'S UNIQUE CONCERNS

Like other northern border States, North Dakota has some unique security concerns.

- North Dakota shares a long, 325-mile border with Canada, with 18 ports of entry. However, we have virtually hundreds of rural, unmanned crossings on small county and township roads.
- Qualified personnel for border security are in demand by Federal, State, local and private entities. Federal entities usually win the competition because they are able to offer better salaries.
- Because of a variety of factors, such as an apparently safe, open and isolated terrain, it would be relatively easy for terrorists to enter our country.
- U.S. Federal, State and local communications equipment is not always compatible with the equipment used by Canadian law-enforcement authorities.

Several weeks after the terrorist attacks on New York and Washington, I appointed a Homeland Security director to marshal and harmonize our existing State resources to enhance security throughout the State. Today, many North Dakota State agencies have some homeland security responsibilities.

NORTH DAKOTA'S CURRENT COMMITMENT OF RESOURCES TO THE NORTHERN BORDER

We in North Dakota have already taken timely and assertive steps to safeguard our northern border.

We have devoted a number of State resources to ensuring both its security and the flow of traffic to facilitate commerce. Our Highway Patrol, Department of Game and Fish, National Guard and Civil Air Patrol undertook intermittent aerial surveillance flights, both day and night, along our border as early as September.

This, as you may imagine, was an expensive undertaking, which diverted important resources from some of those agencies' regular assignments. At this time, funding for these flights is limited, and growing more so.

Our Highway Patrol and local law enforcement has provided considerable ground surveillance. Although Border Patrol has reimbursed some of the cost of local assistance through mutual aid agreements, much of it hasn't been reimbursed.

State and local resources that have been dedicated to these new homeland security missions have diverted resources from conventional law-enforcement activities, such as highway safety and usual crime surveillance.

The North Dakota National Guard has received information as of November 29th indicating that we may be asked to provide up to 74 personnel to support Federal border patrol efforts for an initial period of six months, with a possibility that the period of deployment may be extended. We're told that there could be some additional potential mission for air operations.

It should be noted for the record, as well, that no fewer than 48 North Dakota agencies, including our Division of Emergency Management, Department of Health, and others, are now redirecting resources or adding resources for homeland security.

This fall, shortly after the attacks in New York and Washington, a public water system in a small North Dakota town called Pembina was tampered with. We responded quickly, and efficiently, but the incident tied up our State labs, our scientists, chemists and biologists for nearly two weeks.



## IMPACT ON NORTH DAKOTA'S ECONOMY

Heightened security is expensive, and it will inevitably need to be sustained, thus taxing the State's resources at a time when the terrorist attacks have already had a negative impact on our economy.

—Tourism in North Dakota has slowed.

—Corporate and business travel is down. It's recovering slowly, but AAA anticipates travel will be down by about 20 percent through June 2002.

And the additional responsibility of our National Guard and law-enforcement communities promises to burden our economy more heavily, as well.

## ROLE OF THE FEDERAL GOVERNMENT

There are a number of ways that the Federal government should assist North Dakota and other States in meeting homeland-security needs.

—Fund additional State and local law enforcement resources for staff and materials, such as Canadian-American compatible communication equipment.

—Coordinate the development and implementation of a border security plan that defines State and local responsibilities and Federal responsibilities.

—Ensure that intelligence from the Federal government is provided to a single point of contact within the State, from which it could be further disseminated to the appropriate resources.

—Unify Federal threat assessment information among the various Federal agencies, such as the FBI, the CIA and the attorney general's office.

Perhaps most critically, as the costs associated with homeland security rise, the Federal government needs to provide funding with flexibility to defray the expense of so costly an effort. The most effective vehicle to do this would be general block grant funding, which would enable States to target their needs and reimburse hard-hit State, municipal and county governments. The logical agency to accomplish this task is the Federal Emergency Management Agency (FEMA). In North Dakota, our Homeland Security Coordinator is also the Director of our Division of Emergency Management, with many years of experience working with FEMA, and that is likely true in many other States, too.

FEMA manages the consequences of terrorist attacks, helps train first responders in terrorism response, and assists States in developing emergency plans. FEMA, moreover, has recently completed a nationwide assessment of State preparedness regarding terrorism and weapons of mass destruction. North Dakota was among the first to participate, several weeks ago. The agency's nationwide assessment results will be presented to Homeland Security Director Ridge, who works closely with FEMA.

FEMA has both the network in place with the States and the experience to effectively coordinate and deliver funding for homeland security without creating any new bureaucracy.

## EVERYONE HAS A ROLE

We have been discussing the role of the Federal government, but as President Bush has said, everyone has a role to play in the war against terrorism. This is a message that we have carried throughout the State of North Dakota—and a responsibility that we have willingly assumed. We have told our local and county leaders that they need to form partnerships with Federal, State and local entities, as well as with the private sector, to ensure that our homes and our communities are safe.

On September 11, the United States was attacked by terrorists who thought that they would weaken us. Instead, their attacks strengthened us. They thought they would divide us; instead, they united us—as a nation and a people.

After September 11, we found ourselves living in a new era of heightened security. As citizens of a nation, State, county or city, all of us do indeed have a role to play in Homeland Security, and all of us must work to prepare for, prevent and respond to an emergency situation at any time—anyplace in the nation.

In this new era of heightened security, we in North Dakota have had to review our State government policies and procedures regarding security and emergencies. We're working with our community leaders to integrate and coordinate resources as never before. It's all about preparedness, prevention and response. And today, I am asking that our Federal government support us in that effort.

Thank you very much.

Senator DORGAN. Governor Hoven, thank you very much.

I might note that yesterday, in the Appropriations Committee, Senator Byrd was adding about \$7.5 billion for homeland defense

funds. There is a dispute. The Administration does not want that and indicates it will not accept it at this point, despite the fact that Governor Ridge indicates he needs a substantial amount of resources and will ask for them next year.

But in that \$7.5 billion is \$500 million for grants to State and local law enforcement agencies, just as you have suggested should be done. It is done through the Justice Department rather than FEMA. But no matter the source, I think we need to find ways to provide block grants for State and local law enforcement agencies as they take up the mantle here of providing additional security and relating to additional security needs.

That is true across the country and it is especially true with respect to northern border States because of the contribution that many of you have had to make with respect to northern border security. I also note that you have General Haugen with you. I am going to welcome him. I am going to ask about the National Guard issue when we finish the testimony.

Let me go to Governor Dean. Governor, thank you for being with us and we welcome your testimony.

**STATEMENT OF HON. HOWARD DEAN, GOVERNOR, STATE OF VERMONT**

Governor DEAN. Thank you, Mr. Chairman, Senator Reed, I really appreciate your leadership in this issue.

This is critical. You are from a northern border State. Through many years in the last decade or so we have suffered through extraordinary attention to the southern border and almost none to the northern border so it is very refreshing that Congress is now taking a look at this.

We do need exactly the kind of thing that you have proposed and successfully implemented, or successfully gotten the money for and now it needs to be implemented by the Administration, which is more help on the border.

I will pre-file the testimony, so I will not read the whole thing into the record. But our situation is very much as Senator Schumer, Senator Stabenow and Governor Hoeven have testified. We have 15 border crossings. Some of them are very, very small. The U.S. Border Patrol has only 30 officers assigned to the entire State of Vermont.

I went through the border a few weeks ago. The guy at the border had been on for 21 straight days, 50 hours of overtime in 2 weeks. This cannot continue and security is going to suffer. We absolutely have to have resources.

It is hurting business. I think you have heard from Michigan about what has happened to the automobile industry. On a smaller scale that is happening to every State. We have ski resorts along the border. Some of the people come in by bus. They take the folks off the bus, question each one between 2 and 5 minutes. It may take an hour or more for a bus to get through Customs. That simply destroys individual businesses along the border.

A lot of these States are rural, as North Dakota is, as well as Vermont, \$1 million lost in the ski industry does not sound like a lot of money if you are talking about the automobile industry in

Michigan, but it is a tremendous hit to a very rural and not very populated area.

Clearly more resources are necessary. The two things that I want to address very briefly are first, we have heard from the National Guard and from Tom Ridge the discussion about putting Guard troops on the border to help. In general, I think Governors are in favor of that, although there is some difference of opinion among Governors about whether those troops should be federalized or not. I personally think they should be, but other Governors have concerns about that.

But the point is that that would enhance security and move us toward some of the speed that Senator Schumer was talking about, which is really the essence of whether we are going to do business and have a thriving economy or not.

The second proposal I have is more far-reaching and it is going to take more time, but in the long run it is essential.

Around the middle of October I went to Russia, Eastern Europe, and then the European Union. As you are well aware, when you get to a border in the European Union there may be no checks of any kind because they have not only a customs union but a common immigration policy.

I spend a great deal of time in Canada. 94 percent of our exports go to Canada or are received from Canada. Our trade far exceeds the trade of all other countries combined in Vermont.

We have a free trade agreement with Canada. We need a common immigration policy with Canada. We need to have the Federal Government go up and negotiate immigration rules. We have excellent cooperation between the FBI and the RCMP. The RCMP is a first-rate law enforcement organization. We have the capacity to deal with terrorist cells. We need the cooperation of the Canadian Government, and we frankly need the cooperation of our Government to sit down with the Canadian Government, hammer out an immigration policy that we have in common, so that in the long run, for economic purposes, the border can simply be erased.

That would make an enormous difference in the economy of the northern border States. I think in the long run, if we are going to compete with other regions of the world that have done this, if we are not going to permit the terrorists to attack not only our security but our economy, which they are very effectively doing right now, we are going to have to have very far reaching initiatives such as this.

#### PREPARED STATEMENT

So let me conclude by commending you on your leadership. I deeply appreciate it. We immediately need the reinforcements at the border of the kind that you and your committee have led the way towards. We need to do that right away. But in the long term we cannot lose sight of the fact that what ultimately happens is this border, for commercial purposes, needs to be erased. And that can only be done by having a common immigration policy, common enforcements, and common policies on illegal immigration between the United States and Canada.

thank you very much.

[The statement follows:]

## PREPARED STATEMENT OF HOWARD DEAN

I would like to thank members of the Subcommittee for their consideration of this issue, which is of utmost importance to States along the U.S.-Canadian border, and an entire nation that has drastically altered its view of security since the tragedies of September 11.

First, allow me to describe what a border State such as Vermont has found itself facing in the past three months:

—U.S. Customs has 15 Ports of Entry in Vermont, with 10 of those considered one-person offices. On September 11, that changed. Now we keep at least two officers on duty at each station, and we hope to double the 50 investigators now assigned to Vermont.

—Customs has historically inspected between 6 percent and 10 percent of all commercial vehicles traveling through their ports. On September 11, that changed. Now they try to perform visual inspections of about 75 percent of the traffic. That has resulted in long waits at border crossings in Vermont—in some cases waits of two to three hours during heavy traffic times.

—The U.S. Border Patrol has 30 officers assigned to Vermont. But this agency is in need of improvements in electronic surveillance equipment to “harden” the border. Both border agencies cite the need for enhancements in radio systems for communications between the various law enforcement agencies.

Clearly, manpower is an issue. During the last pay period alone, the Senior Customs Inspector at the Highgate Springs, Vermont, border crossing worked 50 hours of overtime during a two-week period—working 21 consecutive days between days off. On-the-job work injuries have increased due to fatigue, and all vacations have been cancelled.

Yet despite this increase, there are still gaps in the system. An 80-car freight train arrives in St. Albans, Vermont, daily without any inspection at all. And Lake Champlain offers an open welcome mat to boaters in the summer and snowmobilers in the winter—with no inspection.

Secondly, while keeping this border tight from a security standpoint, I need to stress the crucial need for the border to remain economically porous. States along the U.S.-Canadian line have long benefitted from a fairly open relationship on each side. In some cases single towns (even individual houses!) are divided by an imaginary boundary separating our two countries.

Our tourism-based business—not to mention our companies who trade with Canada—need traffic to move through that border in order to stay healthy. Jay Peak, one of Vermont’s premier ski areas that sits near the U.S.-Canadian line, gets 15 percent of its customers bused in from Canada. If it takes 30 minutes to an hour for a bus to pass through the security checks at the border, Jay Peak will lose its bus business and the \$1 million in sales revenue that comes with it.

Additional security at the border will not only keep security tight, but speed inspections to ensure tourists and others seeking legitimate entry can cross quickly and safely into Vermont and other border States. I have seen estimates that Highgate Springs would need at least 17 new inspectors and eight additional support personnel to ease the current border crisis.

It has almost become cliché now to state the obvious: Our lives changed forever on September 11. But there is nothing clichéd in those words for those of us who share a border with another nation, whose lives and economies are intertwined with neighbors in another country, and whose fears are suddenly focused on weaknesses along a border we pray is holding back terrorism.

I appreciate the Committee’s attention to this sensitive security issue. And I thank you for your time, attention and commitment to national security.

Senator DORGAN. Governor Dean, thank you very much. We appreciate you being here.

Governor Posthumus, from the State of Michigan, Governor Engler had called and indicated that he was unable to come but wanted to have you invited to be here, and we are pleased that you are here to present testimony. Why do you not proceed?

**STATEMENT OF HON. DICK POSTHUMUS, LIEUTENANT GOVERNOR,  
STATE OF MICHIGAN**

Lieutenant Governor POSTHUMUS. Thank you, Mr. Chairman. It is a pleasure to be here, Mr. Reed, I bring you greetings from Governor Engler and the residents of the State of Michigan.

In particular to you, Mr. Chairman, and to my good friend, Governor Hoeven, I bring you greetings from the Lakers of Grand Valley State University in Michigan, albeit it not good luck as they prepare for the Division II NCAA football playoffs against the University of North Dakota.

Our country is different today than it was just a few months ago. However, as I have traveled my State and had a chance to talk to mothers, fathers, teachers, auto workers, business leaders, I have been heartened to realize that we still are the same Nation. Our freedoms of religion, speech and the press continue to be held sacred. And in fact, probably are held at a higher esteem today than ever before.

As we have seen, the willingness of neighbors to go the extra mile to help someone in need is more evident today than ever before. Our resolve in defending our Nation and its founding principles is on clear display around the world, even as we sit here this very morning.

Clearly America and Americans passed the test inflicted upon us on September 11 and we passed it with flying colors. As we work to make sure the events of that tragic day are never again repeated, we continue to remember those who gave their lives.

But now we must go forward. As public officials, as leaders, it is our duty to make sure that our country is safe and people are protected, both from physical harm and economic crisis. That is why I am honored to join you and my colleagues from other northern border States to talk about an issue that is critical to our Nation's physical and economic well-being.

The issue is maintaining a safe, efficient and smooth-flowing border crossing with our neighbor Canada. Aside from assuring a basic public health and safety, this has been the largest single issue that Michigan has been faced with since September 11.

Michigan is the proud home, as you know, of the auto industry and the hard-working men and women who keep America driving. Each day more than \$300 million worth of goods, just auto-related goods, go back and forth between Canada and Michigan. That does not even include those that go across by rail.

Many people may not realize it but Michigan is home to one of the busiest ports in America and that is Detroit. We have two of the three busiest international border crossings in the country. And more trade, Senator Stabenow referred to this. But more trade moves across Detroit's Ambassador Bridge each year than between the United States and the country of Japan.

Canada buys more U.S. goods than all 15 countries of the European Union combined and Michigan is the gateway for 40 percent of those goods.

This year more than 28 million vehicles will cross the Ambassador Bridge, the Detroit-Windsor Tunnel, the Blue Water Bridge in Port Huron, and the International Bridge at Sault Ste. Marie. This is more than double the number just 4 years ago.

Because of NAFTA trade between Canada and Michigan has increased more than 10 percent each and every year since 1993. It has meant more cars, more trucks, more people, more goods, more jobs. But unfortunately, it has not meant more workers at the border, as you have heard before.

The Federal Government has an important role in addressing this problem. U.S. commitment to protecting and managing our northern border has been inadequate. Staffing levels of the U.S. Customs Agency and the Immigration and Nationalization Service at the northern border have remained stagnant and increases are long overdue.

For many years Governor Engler, Michigan's congressional delegation and I have called for increased staffing and improved policies for our border crossings. Now the events following September's tragedy has raised that call even higher.

In the hours and days immediately following the attack on our country, heightened security at our border was absolutely essential, as you referred to earlier, Mr. Chairman. However, increased security without increased manpower led to backups stretching 30 hours and delays of up to 16 hours at the Michigan border.

People were unable to get to their jobs. Auto makers relying on just in time delivery of parts closed down plants, sent workers home. Trucks carrying needed supplies and products were left stranded, all at a time when people felt tremendous fear and uncertainty.

Clearly, we had to get people and parts moving again. So Governor Engler called on Michigan's National Guard to assist at the borders. I am proud to say that our troops have performed admirably and have gone above and beyond their call to duty. We are grateful that Federal funds were made available to pay for that initial assignment.

On October 31 the Department of Defense extended funding for the Guard to continue its mission and again, we are thankful.

However, posting the National Guard troops at our borders is not a viable long-term solution for this problem. The Federal Government must step up to the plate and address this situation. It is critical in protecting our homeland and it is critical in allowing for the efficient movement of people and goods.

That is why I am here today, to ask on behalf of the people of Michigan for your help. First, and most importantly, we must have a long-term strategy to assess the staffing levels needed to maintain our border.

Second, we need a complete review of the policies that govern our border with Canada.

Third, Michigan needs Federal dollars to help construct an additional crossing and funding to decrease traffic congestion. This is critical for Michigan, as a gateway to America's number one trade partner.

And fourth, security policies between the United States and Canadian governments and Michigan and local law enforcement need to be reviewed and updated. I would like to just touch on these each.

For Michigan, we believe the staffing is the most immediate concern at the northern border. You have heard that touched on by several other people here today. Since September 11, Federal funding has been authorized to increase the number of border personnel and Michigan thanks Congress, and thanks you, Mr. Chairman, for your leadership on the work that has been done so far.

But the reality is that we cannot sit here this morning and know that that increase is enough. No assessment has been done to really identify how Michigan's border must be staffed in order to provide security and efficiently. It is important that we thoroughly examine the staffing and technology needs of both U.S. Customs and the INS for long-term issues. This is not a short-term problem. As conditions change at the border, we need to be flexible in order to adopt those meeting changes.

Second, Michigan asks for a complete review of all policies governing our border with Canada. We need to work with our Canadian partners and neighbors to rethink how we manage our shared border and create a new, international agreement to make long-term comprehensive improvements that would benefit both countries. These would include improvements like creating a border zone where border agencies can do work even across the border, changing road and traffic configurations, providing off-site pre-inspection areas for businesses that are frequent travelers, and putting in place the best available technology to shorten inspection process.

Right now there are some 1,600 nurses from Canada that travel to Michigan each day, to southeast Michigan to perform their duties. They pose little risk to our national security and fast track type technology is needed. These are just some of the examples of how border polices could be changed.

Third, we feel it is essential to address the infrastructure needs at the border. Michigan and other northern border States cannot afford to meet these needs on their own. I am sure this is not the first time the committee has heard this, but we do need money.

At one time, infrastructure issues were left for the northern border States and Canada to handle by themselves. We have seen that before. Now, because of NAFTA, and because of the attacks on September 11, this is no longer just a State issue. It is a national issue with severe national repercussions. This is why it must be a national responsibility.

The primary focus should be on crossing capacity. Even before September 11, Michigan identified the need for an additional publicly or privately owned bridge or tunnel at or near Detroit. These figures continue to rise. The United States needs a fast track approach to address its international border infrastructure needs.

Senator DORGAN. Governor, I need to ask you to summarize. The vote that was scheduled at 10:00 has just now started and I want to have Senator Clinton be able to testify before she leaves for the vote.

Lieutenant Governor POSTHUMUS. The last issue, the fourth issue, is the need then to work with the border security capabilities between the United States and Canadian governments. Specifically, we need to help the Coast Guard secure a compatible communications system that can work together with Michigan law enforcement in order to make the border secure.

#### PREPARED STATEMENT

Those are really the four basic issues, staffing, policy issues, the issues associated with infrastructure, and the Coast Guard. Those very specifically are the needs that we have today.

[The statement follows:]

PREPARED STATEMENT OF DICK POSTHUMUS

Thank you Mr. Chairman and distinguished members of the committee. I appreciate the invitation to speak to you this morning, and I bring greetings on behalf of Governor Engler and the residents of Michigan.

Our country today is a different place than it was just a few months ago. However, as I have traveled around my State and talked with mothers and fathers, teachers, auto workers, and business leaders, I have been heartened to realize that we are not a different nation.

Our freedoms of religion, speech, and press continue to be held sacred, and in fact, probably hold even greater meaning than before. The willingness of neighbors to go the extra mile to help someone in need is more evident today than ever. And our resolve in defending our nation and its founding principles is on clear display around the world, even as we sit here this morning.

Clearly, America and Americans passed the test inflicted upon us on September 11, and we passed it with flying colors. As we work to make sure the events of that tragic day are never again repeated, we continue to remember those who lost their lives on that day and the bravery they displayed.

Now, we must go forward. As public officials—as leaders—it is our duty to make sure that our country is safe and people are protected, both from physical harm and economic crisis.

That is why I am honored today to join you and my colleagues from other northern border States to talk about an issue that is critical to our nation's physical and economic well-being.

That issue is maintaining safe, efficient, and smooth flowing border crossings with our neighbor Canada. Aside from assuring basic public health and safety, this has been the largest issue Michigan has faced in the wake of the attack on our country.

Michigan is the proud home of the automobile industry and the hard working men and women who keep America driving. Each day, more than \$300 million in auto-related goods cross between Canada and the State of Michigan.

Many people may not realize that Michigan is home to one of the busiest ports in America—Detroit.

Michigan has two of the three busiest international border crossings in North America.

More trade moves across Detroit's Ambassador Bridge each year than moves between America and Japan.

Canada buys more U.S. goods than all 15 countries of the European Union combined and all of Latin America. Michigan is the gateway for over 40 percent of those goods.

This year, more than 28 million vehicles will cross the Ambassador Bridge, the Detroit-Windsor Tunnel, the Blue Water Bridge in Port Huron and the International Bridge at Sault Ste. Marie. This is more than double the number of vehicles just four years ago.

Because of NAFTA, trade between Canada and Michigan has increased more than 10 percent each year since 1993.

It's meant more cars, more trucks, more people, more goods, and more jobs. But unfortunately, it has not meant more workers at our border.

The Federal government has an important role in addressing this problem.

U.S. commitment to protecting and managing our northern border has been inadequate. Staffing levels for the U.S. Customs Agency and the Immigration and Naturalization Service at the northern border have remained stagnant, and increases are long overdue.

For many years, Governor Engler, Michigan's congressional delegation, and I have called for increased staffing and improved policies for our border crossings. The events following September's tragedy have only amplified that call.

In the hours and days immediately following the attack on our country, heightened security at our border was essential. However, increased security without increased manpower led to back-ups stretching 30 miles and delays of up to 16 hours at the Michigan border.

People were unable to get to their jobs. Automakers, relying on "just in time" delivery of parts, closed down plants and sent workers home. Trucks carrying needed supplies and products were left stranded—all this at a time when most people felt tremendous fear and uncertainty.

Clearly, we had to get people and parts moving again, so Governor Engler called on Michigan's National Guard to assist at the borders. I am proud to say that our troops have preformed admirably and have gone above and beyond their call to



duty. We are grateful that Federal funds were made available to pay for that initial assignment. On October 31, the Department of Defense extended funding for the Guard to continue its mission, and again, we are thankful.

However, posting Michigan's National Guard troops at our borders is not a viable, long-term solution to this critical problem. The Federal government must step up to the plate and address the situation. It is critical in protecting our homeland, and it is critical in allowing for the efficient movement of people and goods across our border.

That is why I am here today: To ask, on behalf of the people of Michigan, for your help.

First, we must have a long-term strategy to assess the staffing levels needed to maintain our border.

Second, we need a complete review of the policies that govern our border with Canada.

Third, Michigan needs Federal dollars to help construct an additional crossing and funding to decrease traffic congestion. This is critical for Michigan, as the gateway to America's number one trade partner.

And fourth, security policies between the U.S. and Canadian governments and Michigan and local law enforcement need to be reviewed and updated.

I want to talk about each of these.

For Michigan, we believe that staffing is the most immediate concern at the northern border.

Since September 11, Federal funding has been authorized to increase the number of border personnel, and Michigan thanks Congress for the work it has done so far to address this issue.

But the reality is that we cannot sit here this morning and know that increase will be enough. No assessment has been done to really identify how Michigan's border must be staffed in order to provide security and efficiency.

It is important that we thoroughly examine the staffing and technology needs of both U.S. Customs and the INS for the long-term. This is not a short-term problem, and it cannot be solved with short-term solutions.

As conditions at the border change, we need to be flexible in order to adapt and meet changing needs.

We have to be certain that border personnel have the resources they need to perform their duties completely and efficiently, not only this year and next, but in ten and twenty years as well.

Second, Michigan asks for a complete review of all policies governing our border with Canada.

We need to work with our Canadian partners and neighbors to rethink how we manage our shared border and create a new international agreement to make long-term, comprehensive improvements that would benefit both countries.

These would include:

- improvements like creating a "border zone," where border agencies can do their work even across the border;
- changing road and traffic configurations, where necessary, to provide for the smoothest possible movement of traffic;
- providing off-site, pre-inspection areas for businesses that are frequent travelers, and;
- putting in place the best available technology to shorten the inspection process.

Right now, there are more than 1,600 Canadian nurses who work in the Detroit area. They pose little risk to our national security, and fast-pass type technology would get them between work and home more quickly without compromising security.

These are just some of the examples of how our border policies must be reviewed.

Third, we feel it is essential to address the infrastructure needs at the border. Michigan and other northern border States cannot afford to meet these needs on our own. I'm sure this isn't the first time your committee has heard this, but we need money.

At one time, infrastructure issues were left for the northern States and Canada to handle. Now, because of NAFTA and because of the attacks of September 11, this is no longer a State issue. It is a national issue with severe national repercussions. That is why it must be a national responsibility.

The primary focus should be on crossing capacity. Even before September 11, Michigan identified the need for an additional publicly or privately owned bridge or tunnel at or near Detroit. Again, figures continue to show that traffic between Michigan and Canada grows more than 10 percent each year. It will not be long before our current crossings will be unable to carry all the traffic efficiently.

The United States needs a fast-track approach to address its international border infrastructure needs, and the Federal government must take financial responsibility for maintaining the border crossings that are so important to our country's economic well-being and our national security.

A Federal role is warranted and needed.

And lastly, Michigan asks for a review of border security capabilities and policies between the U.S. and Canadian governments.

Because of the Great Lakes, Michigan is home to 18 U.S. Coast Guard stations. Current funding levels, however, limit Coast Guard activities in the Great Lakes region to mainly search and rescue operations related to summer recreation. They are limited in the resources they have to help protect our border, and Michigan asks that the Coast Guard be given the funding it needs to keep our shores safe.

At this time of heightened security, communication between law enforcement agencies is critical. The Coast Guard needs a secure and compatible communications system so that it can work together with Michigan law enforcement to make sure our borders are secure.

In addition, similar to the current arrangement with officials managing America's southern border, we ask that a forum for intelligence sharing be established between U.S., Canadian, State and local law enforcement officials.

Please make no mistake, Michigan is very aware that these are not easy issues to address. International agreements and differences in U.S. and Canadian laws present difficult and unique challenges. But if there was ever a time to focus on what will help make our crossings both safer and more efficient, that time is now.

The responsibility for this lies with all of us. But in this area, we look to Washington D.C. for leadership, resources, and assistance.

I know that Michigan and our fellow border States, their Governors and State legislatures, the private sector and bridge operators, stand ready to work with you and the Bush Administration to make the changes needed to address these concerns in a comprehensive and thorough way.

Thank you again for the invitation to be here this morning, and I look forward to working with you further on these very important issues

Senator DORGAN. Governor, thank you very, much.

Senator Clinton, your colleague, Senator Schumer, was with us earlier this morning. We appreciate your joining us. As I indicated, a vote has just begun, there are 12 minutes remaining on the vote. Why do we not take your testimony after which I will have a recess.

**STATEMENT OF HON. HILLARY RODHAM CLINTON, U.S. SENATOR FROM NEW YORK**

Senator CLINTON. Mr. Chairman, I will submit my statement for the record.

I wanted to support you in your efforts, which we appreciate greatly, and this committee's commitment to following up on these suggestions from the first panel and then from this panel of distinguished Governors.

New York is the most populous State along the northern border. From Plattsburgh to Watertown to Buffalo, we are facing the same challenges that we have just heard described from Michigan. And it is time for us to pull together a comprehensive strategy, with the resources that will put northern border security on the same level as the border on our south has always been considered.

I have asked Governor Ridge to appoint one person who could be our contact person, to work with all of these different interests and needs. I hope that that will be done in the Office of Homeland Security so that we can all coordinate our efforts to achieve the goals that we are seeking.

## PREPARED STATEMENT

Although I applaud the Attorney General with the announcement this week that there will be National Guard forces that will be posted along the border, that is not a permanent solution. We need to have the commitment of resources that will enable us to not only utilize the personnel we need along the border to expedite scenes like this at the Peace Bridge, but also we need to better utilize technology. Since the border is so long, there is no way we can post people along it, but we should do better than your orange cone, Mr. Chairman.

So with that, I thank you very much for this important hearing. [The statement follows:]

## PREPARED STATEMENT OF SENATOR HILLARY RODHAM CLINTON

Thank you for the opportunity to testify on the important subject of northern border security. I appreciate the leadership that Senator Dorgan has shown on insisting that additional resources be allotted to protect our northern border.

Management of the border is an important issue to all of us who represent States along the U.S.-Canada border. Indeed, I have heard from constituents in Buffalo, Plattsburgh and elsewhere along the New York's border with Canada about their concerns with how the border is protected and managed. However, this issue is should be of concern to all Americans. Border security is also homeland security. And homeland security begins with border security.

Our border with Canada is the longest, most peaceful and open border in the world. And we want to keep it that way, because both America and Canada benefit from the free flow of goods and people back and forth. At the same time, the border can be exploited by those who mean to do us harm. There are steps we can and should take to beef up security at the border without inhibiting the flow of commerce and tourism between our two nations.

For too long, northern border security has received the short end of the stick when it comes to Federal resources. But the Federal government must provide for the permanent, long-term protection of our northern border.

While northern border security has received increased attention since September 11, it is important that we not repeat the mistakes of recent years and underfund security along the U.S.-Canada border. Indeed, a Justice Department report last July disclosed that only 4 percent of border patrol agents work along the U.S.-Canadian border. Let's not forget that it was an alert official stationed along the border between Canada and the United States who helped stop a potential terrorist attack on our country around the time of the Millennium.

Attorney General Ashcroft's request earlier this week to temporarily add National Guard soldiers, aircraft, intelligence and additional personnel to the northern border is an important step in making the U.S.-Canada border more secure. However, this is only a temporary fix.

The Attorney General's announcement is a clear demonstration of the importance of securing the northern border and the need for more permanent solutions to the problems faced by the INS, Customs and other agencies with responsibility for policing the border.

Our northern border security needs cannot wait until the next budget cycle. Indeed, Homeland Security Director Tom Ridge's warning this week of the possibility of another terrorist attack demonstrates the urgency of dealing with northern border security immediately.

The Homeland Defense Package, reported out of the Appropriations Committee yesterday, provides a significant amount of resources for the Northern Border. It would provide \$591 million for border security—most of which would go to the Northern border—including more INS border patrol agents and customs inspectors as well as facility improvements.

We can use technology more effectively—high-tech equipment than can improve our surveillance along the border. That is why last week, I signed on to co-sponsor the bipartisan Enhanced Border Security and Visa Entry Reform Act of 2001 which contains provisions to improve the resources, training, and technology available to our border personnel.

We must also improve the coordination among the number of agencies involved in various aspects of border security. It is disappointing that the Treasury Depart-

ment and the Customs Service were not included in the Attorney General's recent announcement concerning additional National Guard soldiers, aircraft, intelligence and other personnel to the northern border.

In order to maximize the coordination of United States government agencies in northern border security, I have asked Tom Ridge to appoint a full-time staff person within his office with responsibility for northern border issues. We need to have a point person who we can go to address the various northern border issues that arise.

Thank you for the opportunity to testify on this important issue.

Senator DORGAN. Senator Clinton, thank you very much.

I might just point out, the U.S. Customs Service has 1,037 inspectors on the northern border, 2,200 inspectors on the southern border. The Border Patrol has 500 uniformed agents on the northern border, 9,000 on the southern border. So you can see the resource difference.

I did not bring the orange rubber cone today, because I think people are tired of seeing it. But as I have said, it cannot walk, cannot talk, cannot shoot, and cannot tell a terrorist from a tow truck. It just sits there after 10 o'clock at night, at many of these locations along our northern border.

The polite people who come through illegally actually get out of the car and move the cone, I am told, and then put it back. But those who are not so polite go through at 60 miles an hour and shred that orange rubber cone.

We have two votes and we are going to have a 15 minute recess. I will be back in 15 minutes. Are the governors able to stay? I hope you are able to stay for 15 minutes, I do want to ask some questions about the National Guard.

We have General Lowenberg, who is also here from the State of Washington, and General Haugen. I hope perhaps you would be able to be here as well, in case we have some questions. Are you able to stay for 15 minutes?

We will be in recess for 15 minutes.

The hearing will be back in session.

I understand that a couple of the Governors had to leave. I regret that it took longer than was expected on the floor of the Senate. Senator Thurmond is 99-years-old and they wished him Happy Birthday. He stood up and responded by saying I love all you men, and love the women even more. That was Senator Thurmond's response today, we are delighted to have him with us.

If I might ask the two Adjutant Generals to come forward just for a moment. Governor Posthumus, thank you for staying. I regret the inconvenience but we were able to get the testimony on the record and I will inquire of the Governors by written questions to them.

I want to ask specifically about the National Guard function first, and then Governor Posthumus, perhaps you can give me your judgment about a couple of other things relating to the Customs Service.

On the National Guard issue, Generals, you know that Attorney General Ashcroft indicated that he was going to ask for the assistance of the National Guard, and I believe that is now underway. Can I ask, what kind of training exists in the National Guard that makes that a good fit for the northern border?

My own view of it, without having a lot of information, is that that is an adequate temporary approach to assign some National

Guard resources to the northern border, but it is certainly not something that probably works beyond a temporary approach. I am specifically interested in whether this is something that fits with the training that National Guard troops have? Do either of you want to take a crack at that?

**STATEMENT OF MAJOR GENERAL TIMOTHY J. LOWENBERG, CHAIRMAN, HOMELAND SECURITY, ADJUTANTS GENERAL ASSOCIATION OF THE UNITED STATES**

General LOWENBERG. Senator Dorgan, if I may respond first, I am Chair of Homeland Security for the Adjutants General Association of the United States, and I have been working very closely with the Executive Secretary, Secretary White, within DOD on this issue and others on how the National Guard would be used.

In fact, for more than 12 years, thousands of National Guardsmen have been used in every State to support INS, Border and Customs in the counter-drug mission. Many of the functional elements of what is being needed right now for augmentation of these Federal agencies along the northern border is virtually indistinguishable from what we have been doing for a long time with regard to drug interdiction efforts. We are simply looking for terrorism related materials as opposed to a specific focus on illicit drugs.

So in that respect, it does fit within the skill set of a lot of our soldiers and airmen who have been engaged for a long time supporting Federal agencies, as well as local law enforcement agencies in these efforts.

I would agree with those who testified previously before the committee that although this is an appropriate use of the National Guard in Title 32 status, which preserves the proper role of the Governors and the States as a partner with the Federal Government, that it should be, and must be, an interim transitional measure, leading the pathway to a more permanent, civilian agency solution.

Senator DORGAN. General Haugen, do you have some notion, based on what Attorney General Ashcroft announced, of how many North Dakota Guardsmen might be employed?

**STATEMENT OF MAJOR GENERAL MICHAEL HAUGEN, ADJUTANT GENERAL OF NORTH DAKOTA**

General HAUGEN. Yes, sir, Senator. Right now, the current thinking is we will have 44 National Guard members assigned to the Customs Service with another 10 to INS. They are still reviewing the possibility of using aviation assets either in a surveillance role or in a response role. In other words, a helicopter that could carry a team to an incident or a sighting.

The issue of training, if I could also address that a little bit, we have many National Guard members who are law enforcement personnel in their civilian occupation, or are trained in related occupations. There will be some specific training for all National Guard members, as there was in airport security, by the FAA. And so the uniqueness of this will be covered in their training.

However, basic security measures are something that every National Guard member is trained in as a soldier in his normal course of training.

Senator DORGAN. How long will the rotation be for those that you assign? Will you do it on a rotating basis?

General HAUGEN. Again, as General Lowenberg said, the Title 32 possibilities are much more friendly to the Guard than the Title 10, because as a Title 32 member we can schedule you, rotate you at a convenience of the Guard member. If we do Title 10, then people are activated for like the 6 month period.

So it is much better for the individual Guard member with his civilian occupation or whether she may be going to school, or whatever their outside occupation would be. So that is a thing that can be varied and determined by the individual, as well as the needs of the Border Patrol and the National Guard.

General LOWENBERG. Senator Dorgan, in Title 32, Governors also retain access to those soldiers and airmen for responding to State emergencies which may temporarily override the ongoing efforts at the border. Where if a soldier or airman has a particularly unique skill, they can be withdrawn to respond to a State emergency and another soldier or airman can be substituted with prior training for the Customs agent mission. That is not possible in Title 10 status.

Title 32 duty also permits us to require of the soldiers and airmen that they attend all of the regular unit training assemblies and annual training, so that the unit readiness and the war-fighting capability of the National Guard units is not degraded at all. In Title 10 status, we lose all control over those members and there is immediate unit wartime readiness degradation.

Senator DORGAN. Governor Posthumus, I agree with your testimony that we need additional resources, and we are having a battle here in Congress on that issue right now. If nothing is done with respect to homeland defense or homeland security in funding now, it will occur either in a supplemental or in the regular appropriation next year, which means that perhaps mid-year next year or October 1st additional resources would be triggered.

We have this discussion going on with the Administration,—I guess discussion is a kind word to describe it—between Senator Byrd who has added \$7.5 billion roughly to the defense appropriations bill and the Administration that says no, we do not want that now.

But that \$7.5 billion would fund additional Customs Service agents, inspectors, canine units and other things, to beef up Customs, INS and Border Patrol on the northern border. It would be useful, certainly, for you as well to—and I am sure you and Governor Engler will do this—but to visit with the Homeland Security Chief and the White House about this.

The question is not whether we need resources. Everybody understands we do. The question is when we get them and how we employ them. In my judgment, the sooner the better. I would assume you feel the same way?

Lieutenant Governor POSTHUMUS. Absolutely, Mr. Chairman. And I might add, as important as the Guard have been to our border protection since September 11, especially in Michigan and I am sure other northern border States, we have to continue to emphasize that that really has to be a temporary solution.

In the case of the Michigan Guard, and I would expect that is true in most cases, they do not have the full authority of the Cus-

toms agents, even though they are there. They are there unarmed, while agents are armed. I think most people assume they are armed. And they are not necessarily trained in the same way that Customs agents have been.

So that, as I mentioned earlier, it is our number one request to both you and it will be the number one request to Secretary Ridge and the President, that we one, fund the increase of personnel. But maybe just as important, do an analysis of what our personnel needs really are. We really do not know, because a full analysis has not been done.

In part because of September 11, but before that because of NAFTA, the amount of traffic has increased at just phenomenal rates all across the northern border States. And we have not really come to grips with that.

So I guess I will take you up on that, we will definitely be talking to the Secretary.

Senator DORGAN. Terrorists are not going to wait until we get all of our resources in place. We need to understand there is an urgency here with respect to border security. That urgency exists with respect to every border because I think the terrorists will find our weakest link when trying to enter this country.

At a previous hearing I held, we had testimony about the need for the Advanced Passenger Information System to be sent to Customs by the air carriers that are bringing people into our country. I was able to get that done on the Airport Security Bill, so that is now a requirement. Customs is working on that. The carriers, if they do not comply after the 60 days, they will be invited to land their airplanes in some other country.

It is very simple. If the carriers are not going to comply with giving us advance information about who is coming into our country, we say land somewhere else. The carriers that are not complying and have not been complying are Pakistan, Saudi Arabia, Egypt, Kuwait among others. Kuwait has now come into compliance.

My sense is you have to worry about all of your borders and the northern border has been kind of the step-child of security issues. I think the only way we are going to provide enhanced security is to work together.

I do not know that we will ever provide the significant Federal resources that one would like on a 4,000 border to be sure that you are covering everything. That is why I believe, even as we add resources, we are going to have to look to the States. Although I think the National Guard deployment must be temporary, I think in the long-term there will always be an integration of Guard and all State resources with what we are trying to do at the Federal level to improve and enhance security.

Let me just ask on another front, what is the morale and the mood in the National Guard these days in your States and across the country?

General LOWENBERG. Morale could not be higher, Senator. As I travel throughout not only our State but throughout the United States, and speak with soldiers and airmen on duty at the airports, their morale is sky-high. They are so proud to be contributing to the enhanced security of the American public that they would not choose to be any other place.

And that is also true, obviously, for our soldiers and airmen who are serving around the world. Most of our States have soldiers and airmen who are serving in a half dozen countries on any given day of the week. That is the modern National Guard. We are very proud to serve.

General HAUGEN. I would echo General Lowenberg's comments and I have traveled all around and seen soldiers from other States at airports. I try and observe people's actions with them. I think many times individuals come up and just simply thank them for being there. Again, it is a good feeling for our soldiers, that they are providing security to the traveling public.

Of course, we are also, beyond those airports, all around the world and sometimes even here in Washington we are right above your heads.

Senator DORGAN. You do not mean that literally. Yes, you do mean that literally.

General HAUGEN. Yes, I do mean that literally, Senator.

Senator DORGAN. The Happy Hooligans. I mentioned yesterday in the Defense Appropriations Committee, when we talked about the aging aircraft that we are flying, that the Air National Guard in Fargo, the Happy Hooligans, were the ones that were scrambled at Langley on September 11 to fly over the United States Capitol and Washington, D.C.

I pointed out that they have won the William Tell award three times for being the best fighter pilots in the world. And the best fighter pilots are flying the oldest airplanes, which is not a very fair approach, it seems to me, in the way that we allocate some of these resources.

But the point I was making, and the point Senator Domenici and others made, is that we have an aging fleet of aircraft that we have to find a way to deal with.

Let me again apologize for the inconvenience of the two votes which required our Governors to leave, but that happens. We have other Governors who will be submitting statements.

Senator Cantwell was intending to be here but also was delayed because of the two votes and she will submit a statement for the record.

Senator DORGAN. Governor Posthumus, thank you for joining us and we will continue these discussions with the Administration and with Secretary O'Neill and the Treasury Department and others with respect to northern border security.

#### ADDITIONAL SUBMITTED STATEMENTS

The subcommittee has received a statement from Senator Levin, and various Governors which we will insert in the record.

[The statements follow:]

#### PREPARED STATEMENT OF SENATOR CARL LEVIN

Mr. Chairman and Members of the Committee, thank you for the opportunity to submit testimony on the important issue of Northern Border security. I am pleased you are holding this hearing to shed light on the needs of the Northern Border that has long been neglected. Unfortunately it took the tragedy of September 11 and the subsequent need for heightened security along our borders to draw attention to the chronic resource shortages that have existed on our Northern Border.



The Northern Border is 4,000 miles long. The Southern Border is 2,000 miles long. While much has been done over the last decade to improve security on our border with Mexico, the Northern Border has largely been ignored. For example, only 1,773 Customs Service personnel are present at our border with Canada, while 8,300 protect our Southern Border. Similarly, while 8,000 Border Patrol agents monitor our 2,000 mile Southern Border, only 300 are stationed at our 4,000 mile Northern Border. So, 96 percent of our Border Patrol agents are assigned to a border that is only half as long as the one to which 4 percent of agents are assigned.

Attorney General John Ashcroft has acknowledged the problem. He said, "We have very frequently placed a lot of our resources along the southern border with Mexico, and we've been a—done a pretty good job of curtailing what had been an unrestrained flow there. We have 9,000 people [INS] on the southern border. We have fewer than 500 people [INS] on the northern border, and that northern border is 4,000 miles long. We do need to improve our border security, and we're in the process of not only asking for the congressional help to get that done, but in the reorganization and reconstitution of what we're doing here."

This policy of neglect must be corrected without delay and we are in the process of doing so.

Although hugely understaffed, we process a large percentage of the country's commercial traffic. The Northern Border has 6 of the top 8 truck border crossings in the country, including number one which is Detroit's Ambassador bridge. Our Customs officers on the Northern Border process 62 percent of all trucks, 85 percent of all trains, and 23 percent of all passengers and pedestrians entering the country each year. However, our Customs inspectors represent only 14 percent of the currently deployed inspectors in the country, and their numbers have remained essentially static since the 1980s.

Southeast Michigan is our nation's busiest Northern Border crossing and a significant commercial corridor. The port of Detroit is among the busiest ports in the country and growing. Southeast Michigan is home to 5 international border crossings. The Detroit Region has half of all Northern border crossing traffic yet has only 10 percent of the INS inspectors assigned to the Northern border and 24 percent of the Customs inspectors assigned to the Northern border.

Customs and INS inspectors at the Port of Detroit have been overwhelmed in recent years as traffic at the airport, seaport, tunnel and bridge has greatly increased. Tightened security on our borders as a result of the September 11 attacks has aggravated this problem.

The new security measures at the border have a tremendous impact on our economic well being. Auto plants wait days for critical parts. Hospitals can't perform vital services when doctors and nurses are trapped in long lines at the bridge and tunnel. We need to find a permanent solution to the staffing shortfall at our borders so that we are able to perform essential security inspections without causing unreasonable backups that hurt our economy. Hiring additional inspectors is an essential step to increasing the security while decreasing the delays at the border.

The current arrangements at Michigan's border crossings are temporary and fragile. Much of the backlog was resolved only with the help of dedicated local law enforcement officials working overtime, the Michigan National Guard, and volunteers. We are grateful for the recent Federal commitment to increase the number of National Guard at the Northern Border and are relying on them to help protect our border and keep traffic and commerce flowing smoothly. However, we need to move quickly to put permanent staff and technology in place so that we never again have the 12 hour border crossing delays experienced in Southeast Michigan in the days and weeks immediately following September 11.

Congress has taken some important steps to achieve this goal, but we are not there yet. It takes time to hire and train new people. The fiscal year 2000 Treasury Postal Appropriations bill provides an additional \$28 million for Customs to institute a Northern Border initiative including hiring approximately 285 additional Customs officers. The Commerce Justice State fiscal year 2002 Appropriations bill provides for \$66.3 million for 570 new border patrol agents across the nation and \$25.4 million for 348 new land border ports-of-entry INS inspectors across the nation. Particular attention will be paid to the needs of the Northern border. Congress also tripled staffing levels for INS, Customs and Border Patrol staffing on the Northern Border in the anti-terrorism bill. A portion of the \$40 billion emergency supplemental should also go to staffing up and security our Northern Border.

Improved border security involves more than just more money. It requires changing policies and practices that don't make sense. On November 13th I held a hearing of the Permanent Subcommittee on Investigations to highlight an obvious gap in our border security.

The U.S. Border Patrol is the uniformed law enforcement arm of the Immigration and Naturalization Service (INS) with the responsibility of combating alien smuggling and illegal entries other than at ports of entry. Ports of entry such as airports, bridges and highways are the only places where people may legally enter the United States. They are also the places where INS officers and Customs Agents review persons, papers and luggage to decide whether to allow someone into the United States.

The Permanent Subcommittee on Investigations looked at how people who attempt to enter the country illegally at places other than these official ports are arrested and processed by the Border Patrol. When persons are arrested by the Border Patrol, the large majority voluntarily returns to their country of origin, usually Mexico or Canada. The others, perhaps as many as one-third of those arrested on the Northern Border, are given a notice to appear at a removal hearing. The Border Patrol decides whether the person should be detained, released on bond or, as is often the case, released on his or her own recognizance while awaiting a hearing. This hearing can take several months to occur.

In fiscal year 2001 at the Detroit Border Patrol Sector—which encompasses all of Michigan—the Border Patrol arrested more than 2,100 people. A significant percentage of these people were arrested while actually attempting to enter the U.S. illegally. Most of these 2,100 were voluntarily returned to their country of origin. However, more than one-third were given a notice to appear at a removal hearing. Reports from Border Patrol agents indicate that the vast majority of the latter group were released on their own recognizance pending their hearing. The INS wasn't able to tell us how many of the persons arrested in this situation and released fail to show up for their scheduled hearing. However, by looking at related statistics and ballpark estimates, we estimated that the number is at least 40 percent and possibly as high as 90 percent.

The conclusion is inescapable: the vast majority of people arrested by the Border Patrol while attempting to enter the U.S. illegally who don't voluntarily return to their own country are released on their own recognizance. Most of those released don't show up for their removal hearing and little or no effort is made to find them.

As I said at my Subcommittee's hearing, this is a dysfunctional and absurd system that makes a mockery of our immigration laws. When we release persons into the country who are without an address, without ties, without any record of who they are, we're abdicating our responsibility to the larger community. This is a practice that has to stop. On November 13th, I asked the INS and Border Patrol to report to me on the steps they plan to take to close these enforcement loopholes. If the response is unsatisfactory, I plan to introduce legislation to accomplish it.

In conclusion, we need a combination of temporary and permanent solutions to address the gaps in funding and policy that affect security and commerce at our Northern Border. I am pleased the administration is calling for additional National Guard that have been assisting at the border. However, we must get the posts permanently and adequately staffed with Customs and INS officials so that we don't have to rely on temporary fixes. We also need to find a way to compensate our local law enforcement volunteers and secure funds for technology. We should also consider performing reverse Customs inspection of vehicles entering tunnels and crossing bridges on the Northern Border. With the increased security risks to our nations infrastructure in the post-September 11 climate, it seems obvious that inspecting vehicles for bombs or explosives AFTER they enter our tunnels or cross our bridges is illogical. To rectify this security vulnerability, we must work with our neighbors to establish a reverse inspection program to inspect vehicles before they have the chance to endanger or destroy important transportation infrastructure. And finally, we need to make common sense changes to our law enforcement and immigration policies to ensure the safety of our people and the integrity of our laws. We are an open and generous country and we welcome persons from around the world who want to contribute their hard work to help build a better America. But we also have a duty to protect ourselves and our country from people who would do us harm.

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PREPARED STATEMENT OF SENATOR JUDD GREGG

Thank you, Chairman Dorgan and Senator Campbell, for the opportunity to submit a statement as part of your hearing regarding security on the northern border in the wake of the events of September 11, 2001.

For the last several years, many of us have attempted without success to alert the Border Patrol and the Immigration and Naturalization Service (INS) to the security vulnerabilities on the northern border. We were ignored. All eyes in the past Administration, and, frankly, this Administration, were turned to the Southwest border. Even when terrorists were caught red-handed on the East and West Coast

with bomb-making material, having crossed the northern border without question or concern, we could elicit no interest or support in beefing up our security posture on the northern border.

Let me cite just one recent example. Armed with a report documenting gross overcrowding at Border Patrol stations on the Southwest border and undermanning at Border Patrol stations on the northern border, the Senate Commerce, Justice, State (CJS) Subcommittee attempted to direct new Border Patrol agents to the U.S.-Canadian border. Of 430 new agents funded in fiscal year 2001, the Senate proposed deploying a mere 65 to the northern tier—1 new agent for every 62 miles of our 4,000-mile northern border. The Border Patrol insisted that only 15 be so assigned. After a lengthy wrangle, the House sided with the Border Patrol, the Senate was outvoted, and we in the north had to share 15 new Border Patrol agents—1 new agent for every 267 miles.

Prior to September 11, 2001, many ports of entry on the northern border were guarded by nothing more than a yellow cone. In effect, we ran an honor system. And, of course, that was only for border crossers foolish enough to attempt a crossing at a port of entry. Travelers with more nefarious intentions were free to cross our border wherever they chose, because the Border Patrol had a minimal presence in rural areas. Huge swaths of territory on the northern tier heard the footfalls of a Border Patrol agent once in a blue moon, if at all. To compensate, the Senate CJS Subcommittee attempted to force remote sensors to the northern border. Even this modest effort was met with resistance from the Border Patrol and INS. Seems no one was concerned.

Worse yet, even at ports of entry that were manned some part of the day or some part of the year, inspections were cursory and lines were long because of inadequate staffing and the sheer number of travelers. Besides the obvious security concerns raised by “glance and go” inspections, congestion at northern ports of entry, and the wait times that result, were crippling trade and tourism on the border. In Detroit, peak wait times have climbed to 2–2½ hours, in Seattle the same, and travelers at smaller entry ports in New England are waiting 2–3 hours. In the last five years, the number of immigration inspectors has actually declined. Today, of 104 ports of entry, 85, or 82 percent, are manned at 50 percent or less of workload requirements and the four worst, all on the northern tier, are manned at less than 15 percent.

How things have changed since September 11, 2001. The \$30,300,000 provided by the supplemental for 323 new immigration inspectors and support staff will increase total staffing by almost 20 percent, sharply reducing wait times and allowing ports of entry to operate around the clock, seven days a week. A similar increase provided in the fiscal year 2002 CJS bill will double the benefits.

Of course, having surged personnel to the northern border, we must also provide the facility funding necessary to house and support immigration inspectors and personnel from Customs, Agriculture, and other sister agencies. The INS is confronted with a \$1,500,000,000 backlog in construction. It is my understanding that Customs faces a \$1,000,000,000 backlog. Some of this may overlap, but much of it certainly does not. Though the so-called “stimulus” section of the Defense Appropriations bill includes \$300,000,000 for INS construction, there is no guarantee that these funds will survive the process before us. If they do not, we must dedicate ourselves to properly funding facilities on the northern border.

Mr. Chairman, the deficiencies that confront us on the northern border are real. They have long been ignored. It is my hope that events like those of September 11 will call attention to the very serious problems that have long existed on the northern border. I look forward to working with you and Mr. Campbell to address security shortcomings as we see fit. Again, I appreciate the opportunity to participate in the hearing before your Subcommittee.

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PREPARED STATEMENT OF JUDY MARTZ, GOVERNOR, STATE OF MONTANA

Thank you, Mr. Chairman, and members of the Subcommittee. I thank the Subcommittee for the invitation to submit testimony for this hearing, and appreciate the opportunity to share with the Subcommittee the challenges that the State of Montana faces in dealing with the issue of northern border security.

In October of this year, I established the Homeland Security Task Force for the State of Montana. This Task Force brings together representatives from: the Office of the Governor; the Montana congressional delegation; State legislators; the Montana Departments of Justice and Corrections; local fire, emergency medical services and law enforcement; the Montana National Guard; the FBI; the Office of the U.S. Attorney; the U.S. Postal Service; Montana Disaster and Emergency Services and other Federal, State, and local agencies.

The mission of the Task Force is to coordinate efforts to prevent, prepare for and protect against terrorist attacks within Montana, and when necessary, detect, respond to, and recover from such attacks. Montana's Task Force also coordinates with President Bush's Office of Homeland Security.

Security of our northern border is an important component of the Task Force's mandate.

Montana's border with Canada is approximately 550 miles long. This includes nexus with three Provinces: British Columbia, Alberta, and Saskatchewan. The Blackfoot Nation in Montana has 50 miles of this border and Glacier National Park 40 miles. There are 11 Montana counties along this border. There are 15 official ports of entry along this 550 miles of which only three operate 24 hours per day. It is estimated that there are 180 border crossings; 12 of which are paved; the remainder are gravel, dirt and primitive trails. The U.S. Border Patrol has two regional offices for Montana. The Havre, Montana office handles the east side of the Continental Divide and the Spokane, Washington office on the west side.

The events of September 11 were a catalyst for what are and should be on-going efforts at the local, tribal, State and Federal levels to analyze potential threats and the governments' ability to prevent and respond to them. This collaborative effort is crucial.

One of the areas that we believe needs particular attention is that of communication between Federal and local law enforcement in the area of intelligence. Intelligence gathering is crucial to threat detection and prevention efforts. Montana is one of only a few States that does not have a State intelligence system therefore making exchange of information with Federal law enforcement agencies difficult. A central repository for intelligence information would enable local law enforcement officials to respond in a pro-active manner to information furnished by Federal law enforcement agencies and our Canadian counterparts. This could be one of the most efficient and cost-effective measures to improve the security of our northern border.

Like many other States, Montana does not have a shared public safety radio communications system, the absence greatly hinders communication between local, State and Federal agencies. This inefficiency was proven during Montana's 2000 wildfires, when coordination efforts of local fire departments, the U.S. Forest Service, State Forestry, local sheriffs and the Montana Highway Patrol were severely hampered.

Such a system would significantly assist border States in identifying terrorist and other criminal threats along the northern border. It would also improve State and local response times to day-to-day threats or critical incidents.

The costs of such a system, however, are prohibitive. It is estimated that the cost to the State of Montana would be between \$150-\$160 million.

I have been working with the Havre Sector of the U.S. Border Patrol, which services 452 miles of border area between Montana and Canada, to detect and prevent illegal entry and smuggling. Limited resources at all levels contribute to the challenges and make it impossible to precisely evaluate the full extent of potential threats.

The northern border presents such threats that, we believe, are underestimated and increasing. Illegal immigration, drug trafficking, and smuggling are continuous challenges. Because of the large geographic area of the border and limited resources, it is difficult to track exactly what is going back and forth. A true quantitative analysis needs to be conducted so local, tribal, State and Federal agencies can better understand the threat and plan accordingly.

To help address these issues, Montana has several emergency management related relationships with Canada. The Prairie and Western Regional Emergency Management Councils coordinated by FEMA, the Canadian/U.S. hazardous materials agreements coordinated by EPA, and the Northwest Compact for mutual aid. Montana is also a member of the Pacific North West Economic Region dealing with security issues for utilities on both sides of the border. Energy and water systems do not stop at the border and are heavily interdependent on each country.

Canadian intelligence has reported that approximately 350 people have been identified as possible terrorists or associated with terrorists in Canada. Additionally, they have identified 50 organizations suspected of aiding terrorists. Montana's Attorney General reported recently that a known terrorist had crossed the Canadian border into Montana after September 11.

I am studying options to support border security measures utilizing the Montana National Guard. But increased Federal support to aid the efforts of the U.S. Border Patrol and other agencies involved in border security are also crucial to addressing these issues.

Tremendous strain has been put on State and local budgets in the aftermath of September 11. As a national border, the Federal government needs to pay its fair

share of the increased costs that have been caused due to these events, and work to adequately protect the citizens of northern border States.

Many States are having to hold special legislative sessions to deal with the economic impact of September 11. Montana is not being forced into such a session, but the aftermath of that day only continues to strain all sectors of our nation's economy.

Continued vigilance and fiscal discipline will not prevent us from feeling long-term economic ramifications. State and local budgets—particularly those of local law enforcement—are feeling the severe strain of increased security measures. This is in addition to other terrorism related situations—that have nothing to do with the border—but have an effect such as anthrax hoaxes and false alarms.

It is estimated that current immediate costs for Montana would total approximately \$500,000. Such costs would include expanding Montana's emergency management capability, installing electronic surveillance systems and conducting a security vulnerability study for the Capitol, creating an intelligence gathering capability in our Justice Department. Recurring costs are estimated at over \$3.8 million over the next several years, given the information we currently have to make such an estimate. At this time, the State of Montana has limited funds to address some one-time costs. However, there are not sufficient funds to cover all one-time or any recurring costs of additional security.

Border security, if not done properly and with foresight to look at the cascading implications, could have a very detrimental impact upon communities, the State and the national economy. It is critically important that any significant changes in border crossings and commerce involve departments of commerce, emergency management and law enforcement. We have many of the mechanisms in place to address these issues. We need, however, a significant increase in resources to staff these processes.

In conclusion, one of the most important steps the Federal government could take to support State and local efforts to secure our northern border is to improve intelligence gathering capability and communication between Federal, State, tribal and local law enforcement.

A shared public safety radio communications systems would significantly improve the ability of local law enforcement to respond to border threats.

We would also encourage Federal officials to work with States to provide adequate resources to bolster the U.S. Border Patrol, Customs and Immigration agencies so that all issues specific to the border with our Canadian neighbors can be addressed in a professional partnership.

Thank you

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PREPARED STATEMENT OF GARY LOCKE, GOVERNOR, STATE OF WASHINGTON

Chairman Dorgan, members of the Subcommittee, I appreciate this opportunity to submit testimony to you regarding the post-September 11 security and economic impacts along Washington's Canadian border, and the need for additional staffing and other resources at border crossings.

I want to thank you for your kind invitation to present testimony in person. However, because of unavoidable scheduling conflicts, I am not able to be with you today.

In submitting this testimony, I join Washington's hard-working congressional delegation and other northern tier governors in addressing this critical issue.

Senator Patty Murray was able to include language in the Commerce, State, and Justice Appropriations bill directing INS to earmark additional agents for the northern border. Senators Murray and Maria Cantwell were also instrumental in including an appropriation in the Anti-Terrorism authorization bill increasing the number of northern border personnel. Senators Cantwell and Murray, as well as U.S. Representative Rick Larsen, have been working hard to obtain funding for expanded technological initiatives to eliminate backups and increase security at our borders.

In addition, Representative Larsen coordinated requests for additional border agents. Representatives Norm Dicks, George Nethercutt, and Jennifer Dunn have also been instrumental in lending support and leadership on border security issues.

As Governor of Washington, which has one of the busiest border crossings in the nation, I urgently request your assistance in providing resources to enhance security along our shared border with Canada. In the face of mounting terrorist threats and the documented apprehension of terrorists entering the United States across the Canadian border, current border staffing shortfalls expose our nation to an unacceptable risk of security lapses.

In addition, heavy traffic congestion and delays at major crossings resulting from tighter security are causing severe financial and other problems in many border communities. The terrorist attacks of September 11 hit Whatcom County in Washington State particularly hard when long backups resulted in a 52 percent reduction in discretionary border traffic. The impacts on tourism and border-related businesses have been profound, especially in a county that recently experienced shut-downs of two major manufacturing plants and the resulting layoffs.

Business activity information we received from local communities shows that for the cities of Blaine, Lynden, Sumas, and Bellingham, retail sales from Canadian shoppers this year are off 50 percent from last year. In Whatcom County, the taxable retail sales attributable to Canadian traffic have fallen by 50 percent. That translates into over \$100 million in lost sales this year.

All of this has occurred at a time when the State as a whole is suffering a severe economic downturn, with the highest unemployment rate in the nation. In addition, over this same period of time, the value of the U.S. dollar has appreciated relative to Canadian currency, which makes the price of our goods and services higher for Canadian consumers.

Given the current threat level, we believe the risks associated with inadequate protection along the full extent of the border between the two countries should be dealt with immediately. In this connection, we are encouraged by recent statements from the Administration that National Guard troops will be made available for deployment at border crossings and along the extent of the border.

This is in keeping with a request to President Bush that I initiated last month from northern tier governors (letter attached). We told the President that we stand ready to activate National Guard troops to augment border control security staffing at the crossings, as well as in patrol and reconnaissance missions along the border. In the same manner as the Guard was activated for airport security, use of the Guard for border security must be carried out under Title 32, Section 502(f) of the United States Code "in the service of the United States." Since border security is clearly a Federal responsibility, it should not be a State Duty Status undertaking or subject the States to any expense or potential tort liability.

Having acknowledged that border security is a Federal responsibility, I remind the committee that the manner in which border security is carried out has a direct and significant impact on each border State and our border communities. That is why use of the National Guard under Title 32 is so appropriate. Title 32 duty allows the Guard to be used in the service of the Federal government while retaining a State role in the overall mission execution.

Title 32 duty also assures equal pay and benefits for equal service regardless of the Guard member's duty location. Unlike State-funded State Active Duty, all National Guard members performing border crossing and point of entry security duties in Title 32 status would receive the same pay and benefits regardless of their State of service.

In asking the President to assign these missions to the National Guard in Title 32 status, the governors were also mindful that, for more than a decade, thousands of National Guard soldiers and airmen have been performing virtually indistinguishable duties in

Title 32 status. I refer, of course, to the National Guard Counter-Drug Program in which Guard soldiers and airmen, with the consent of the Governors of the several States, have been actively augmenting the operations of the Border Patrol, Customs, and INS. The proposed missions at northern border crossings and ports of entry, for the most part, are an expansion of the same operational functions, albeit with a refined focus on terrorism instead of the current drug interdiction focus.

Using the National Guard in Title 32 status, instead of federalizing individual Guard volunteers in Title 10 status, also ensures significant Air Force as well as Army participation in border security. Because of the joint nature of each State's National Guard command structure, we have been able to execute airport security missions with both Army and Air National Guard personnel, thus minimizing the impact on the wartime operational readiness of both Federal military services.

The governors stand ready to execute expanded border crossing and port of entry missions in the same Title 32 multi-service manner. Using current Title 10 forces or Guard members in Title 10 status would diminish the contributions of the several States in support of national security, disproportionately impact the Army and the readiness of its units for overseas missions, and place Federal military personnel on a collision course with the proscriptions of the Posse Comitatus Act—an Act, by the way, that is as relevant and compelling today as when it was enacted.

Use of the National Guard must be a short-term strategy giving way, as quickly as possible, to a more appropriate permanent enhancement of border security using civilian, as opposed to military, personnel.

We sincerely appreciate the increased Federal staffing already provided at many crossings, including those in Washington State. However, it is critical that additional border staffing be made available through the emergency supplemental appropriations process, in addition to the staff increases that have been included in preliminary appropriations bills for Customs and Immigration agencies. I join our congressional delegation in support of full funding of border agents. They have made additional inspection and Border Patrol agents a major priority.

We have also requested the President to consider reinstatement of programs that speed up entry of low-risk, pre-approved travelers, if this action is warranted after assessment of security risks. With the events of September 11, the regional consensus is to upgrade the PACE CANPASS program. This popular, dedicated commuter lane program has been closed since the attacks due to security concerns. The program needs to be reinstated and upgraded with new technology developed at the Blue Water Bridge between Michigan and Ontario. An additional \$1.2 million for USINS is necessary to complete the upgrade.

I join our congressional delegation and other northern tier States in urging quick action by Congress and the President to further enhance border security and relieve the severe economic pressures on our border communities.

Thank you.

THE NORTHERN TIER GOVERNORS,  
*November 16, 2001.*

President GEORGE W. BUSH,  
*The White House,*  
*Washington, DC 20500.*

DEAR PRESIDENT BUSH: As governors of northern tier States, we urgently request your assistance in enhancing security along our shared border with Canada. In the face of mounting terrorist threats and the documented apprehension of terrorists entering the United States across the Canadian border, current border staffing shortfalls expose our nation to an unacceptable risk of security lapses. Heavy traffic congestion and delays at major crossings are also causing severe financial and other problems in many border communities. Given the current threat level, we believe the risks associated with inadequate protection along the full extent of the border between the two countries should be dealt with immediately.

To address these concerns, we urge you to request, and we stand ready to activate, National Guard troops to augment border control security staffing at the crossings, as well as in patrol and reconnaissance missions along the border. In the same manner that the Guard was activated for airport security, use of the Guard for border security must be carried out under Title 32 of the United States Code "in the service of the United States." It should not be a State Duty Status undertaking or subject the States to any expense or potential tort liability.

We sincerely appreciate the additional Federal assistance already provided at many crossings. However, we urge you to expedite assignment of additional Federal staffing at all northern tier border crossings. We also request that you consider reinstatement of programs that speed up entry of low-risk, pre-approved travelers, if this action is warranted after assessment of security risks. Activation of the National Guard must be a short-term strategy giving way, as quickly as possible, to a more appropriate permanent enhancement of border security.

We recognize you are facing urgent demands on many fronts, and we applaud your leadership during this time of deep crisis in America. We stand ready to assist you in this important undertaking and urge your immediate attention to this critical national security issue.

Sincerely,

GOVERNOR GARY LOCKE,  
*Washington.*

GOVERNOR JOHN ENGLER,  
*Michigan.*

GOVERNOR JUDY MARTZ,  
*Montana.*

GOVERNOR DIRK KEMPTHORNE,  
*Idaho.*

GOVERNOR ANGUS S. KING, JR.,  
*Maine.*

GOVERNOR TONY KNOWLES,  
*Alaska.*

## PREPARED STATEMENT OF GEORGE E. PATAKI, GOVERNOR, STATE OF NEW YORK

Thank you for the opportunity to present a statement on behalf of the State of New York. The tragic events of September 11 have clearly challenged and changed our nation. The United States has long been the envy of the world for our free and open society, a luxury that many of us took for granted before September 11. What makes this such an efficient and prosperous nation also leaves us vulnerable. The recent tragedies have shown us the importance of prudent security measures, and the need to eliminate security vulnerabilities, including and especially those along our nation's borders. Yet as the nation steps up efforts to provide safety and security to its citizens, and to appropriately protect its borders, it must also be mindful of the need to preserve the flow of people, goods and information, flows which keep the nation's economy strong. New York, more directly than other States, bears tremendous economic and physical costs from the terrorist attacks. As New York State moves towards recovery, we are continually looking for ways to expand economic opportunities even as we seek to provide a safer and more secure environment.

The economic significance of our nation's and New York State's relationship with Canada is clear. Canada is the United States' largest trading partner, transacting over a billion dollars in trade each day in 2000. One-third of the value of this U.S.-Canadian trade passes through New York's infrastructure, notably to/from Ontario at the Peace and Lewiston/Queenston bridges in Buffalo, NY, and to/from Québec in eastern New York at the Champlain/Lacolle border. Of this trade, approximately two-thirds travels through New York to other destinations, making New York State an important link to national and international trade.

While these statistics clearly demonstrate the importance of the current New York/Canadian trade relationship, the need to grow this relationship promises to become even more significant as world markets change and emerge. Over the past decade, there have been tremendous changes in international trading relationships. Following the collapse of the Soviet Union in 1991, the world has gone from two distinct trading zones, the Communist bloc and the Free World, to one integrated global market, based on functionally defined continental trading blocs. The unification of the world's markets, coupled with tremendous technological developments, have changed the structure of business, blurring national lines. Rather than maintain an internal perspective, the nation and individual States must think internationally and globally.

In our own country, the North American Free Trade Agreement has given rise since 1994 to the North American trading bloc, and has shifted trade from the traditional east-west patterns, to a north-south focus. In recognition of this, Congress has established a growing number of high priority transportation corridors to focus investment opportunities, including the Transportation Equity Act for the 21st Century's (TEA-21's) National Corridor Planning and Development Program and the Coordinated Border Infrastructure Program. The Coordinated Border Infrastructure Program in particular has created new opportunities for New York to work with our Canadian partners on joint border infrastructure initiatives.

In the context of changing global trends and the reality of post September 11, New York and the nation must work cooperatively with our border nations to seek security solutions that recognize the growing importance of international crossings. Trade and traffic between New York State and Canada has been growing. Since 1995, commercial truck traffic increased to nearly four million crossings, a growth of nearly 25 percent. Overall, highway crossings along the New York/Canadian border reached 25.2 million in 2000. Other modes of surface transportation are also important. Combined trade for all surface transportation modes between New York State and Canada, by value, totaled \$31.3 billion in 2000 making New York the second largest state trading partner with Canada and the fourth largest NAFTA trading partner. This led New York State to develop strong relationships with our Canadian neighbors well before September 11.

As recent examples, I met with Ontario Premier Harris in Niagara Falls this past June in our first ever New York/Ontario Economic Summit. The focus of this successful two day event was on trade, tourism, economic development and transportation. As part of this event, New York State and Ontario signed a Memorandum of Understanding and Cooperation agreeing to work jointly and cooperatively to:

- promote job creation and transportation infrastructure improvements along the border;
- foster technological exchanges;
- support trade development;
- collaborate on tourism initiatives;
- preserve our national resources; and
- identify issues to bring to the attention of our respective national governments.



Since this successful Summit, working groups have been meeting to pursue these initiatives, and are using these developing relationships to address the safety and security needs of post September 11.

For our part, Premier Harris and I met again on October 16 to discuss the impact of security on trade and the economy in light of the September 11 attacks. We discussed holding separate roundtable sessions with business and government leaders to gain their insights into these issues. Ontario held its roundtable on November 2, followed by a Western New York Roundtable on Border Issues on November 28. The results of these sessions will be used to develop and submit a series of recommendations to appropriate Federal and State governments in the United States and Canada.

With our Québec neighbors, I met in April with Québec Premier Landry to more formally open a dialogue on a number of issues, including trade and the flow of traffic through the borders. Québec and New York also worked together this summer to raise the awareness of New York State citizens to the many facets of Québec culture. The Québec/New York 2001 event, largely organized by the Chambre de Commerce du Québec and the Plattsburgh Chamber of Commerce, was a special three week event during the summer of 2001, that brought Québec culture to New York State citizens through a flotilla of small ships descending Lake Champlain. This event was to culminate in the signing of an agreement between our State and the Province of Québec on September 15 at the World Trade Center in New York City. Tragically, this event had to be postponed, but Premier Landry and I did meet on November 29 in New York City to renew the dialogue.

The focus of this meeting was to ensure optimum security throughout North America while maintaining the smooth flow of people and goods between our nations. As a result of this positive meeting, New York State and Québec have agreed to work together on security and trade issues, to continue to pursue coordinated infrastructure improvements, and to hold a Québec-New York summit next spring. Similar to the efforts underway and formalized at the Federal level earlier this week by Attorney General Ashcroft and Canadian Officials, including Solicitor General MacAulay and Immigration Minister Caplan, Premier Landry and I also both supported the establishment of a North American Security Perimeter.

In a demonstration of the strong relationships we have established with Québec at all levels of government, New York State Department of Transportation Commissioner Joseph Boardman joined Québec's Ministry of Transportation, Guy Chevette on December 3 to announce a \$75 mCAN investment on the Québec side of the border to complement the over \$100 mUS in improvements that are underway or programmed along the northern I-87 corridor in New York and the funding being pursued at the Champlain/Lacolle border facility. This was followed on December 4 with a joint agreement signed by the Chambre de Commerce du Québec and the Plattsburgh Chamber of Commerce to establish a Québec/New York corridor.

The September 11 attacks have clearly had an impact on New York State security efforts. In response to September 11, I established the New York State Office of Public Security, charged with overseeing, coordinating, and directing the State's resources related to the detection and identification of, response to, and prevention and recovery from terrorist attacks perpetrated in the State. The Office of Public Security is the State's primary contact with the national Office of Homeland Security. The Office is also tasked with developing a comprehensive statewide strategy to secure New York State from acts of terrorism or terrorist threats. This is a large mission, but a critical one. In its initial efforts, the Office of Public Security has arranged a series of meetings to address transportation security issues and concerns, coordinating efforts both in the New York City metropolitan area and upstate New York with transportation and law enforcement officials. Clearly, security and transportation must work together.

Immediately following September 11, our border traffic with Canada saw a decline and the State's border crossings experienced significant delays. As a result of increased security, delays ranged from one to two hours at crossings in central New York, including the Thousand Islands, Ogdensburg and Seaway International Bridges, to five to six hours at the Champlain/Lacolle crossing in eastern New York on I-87, to 10 to 12 hours at the major commercial crossings in Western New York, the Peace Bridge and the Lewiston-Queenston Bridge. In addition, due to the need to shift inspection personnel, the Whirlpool Rapids Bridge in Niagara Falls was closed to traffic immediately following the attacks, and remains closed. While these delays are significant, the drop-off in traffic at this time may have masked potentially longer delays as the nation adjusted to new and extensive security requirements.

In the weeks following September 11, the additional border delays were eliminated, and commercial traffic, while still down in the range of 10 percent across the

state, is returning to normal levels. The economic impact of the loss in commercial traffic is difficult to determine, since the value of cargo contained in the trucks is undetermined. Notably, however, the borders are still experiencing a loss in passenger traffic, on the order of 20 percent across the state, which will certainly play a role in tourism.

While increased security measures have not significantly increased delays at New York's border crossings, they still raise the question of reliability of flow to the businesses which use these facilities. Businesses rely on suppliers to deliver on-time product shipments. If long unanticipated delays occur, major business disruptions could result. Thus, border security measures must continue to ensure reasonable predictable reliable crossing times.

Increased security does not have to be inconsistent with increased border efficiency. One promising area to improve both the security and the fluidity of border crossings is the integration of rapidly improving intelligent transportation system (ITS) and commercial vehicle operations (CVO) technologies at our nation's border crossings. Integrating ITS/CVO systems nationally and internationally could provide huge benefits, by automating functions and/or pre-clearing low risk traffic, allowing limited border staff to focus on other tasks and higher risk travelers.

Some examples of these technologies include:

- New York's EZPass transponder for automated toll collection. These transponders are now being deployed at the Peace Bridge in Buffalo, and will be deployed at the Lewiston/Queenston bridge in Buffalo in 2002. The next generation of these transponders will potentially provide the basis for integrating customs, immigration and commercial vehicle credentialing and safety screening protocols for efficiently moving cross border traffic.
- The promising NEXUS technology, a smart card that provides background information on the driver to border inspectors. NEXUS was being piloted at the Blue Water Bridge in Michigan, but the pilot has been suspended following September 11.
- Integrated data systems such as the International Trade Data System (ITDS), a U.S. Federal Government initiative to coordinate, standardize and ultimately simplify Federal international trade and transportation data by providing information to the multitude of agencies who require data at the border through one system. ITDS was to begin its pilot efforts in Buffalo this fall. This pilot also has been placed on hold since September 11.

While it is clear that our nation's security needs must be reviewed and integrated into these technologies, they could provide major assistance to improving both security and efficiency. Promising ITS technologies are one element, however these must be coupled with modern efficient border crossing facilities (including, for example, dedicated lanes for pre-cleared traffic), and adequately and appropriately staffed border stations to both ensure security with maximum efficiency.

In this regard, New York State looks to the Federal government to provide funding for the development and deployment of ITS and CVO technology, modern data systems, the realization of border improvements such as the General Service Administration's \$35 million Port of Excellence improvement project at the Champlain/Lacolle crossing, and to provide funding for more border personnel along the Northern border. Specifically, the recently signed USA Patriot Act committed to increased protections at the Northern border with Canada including authorizing funds necessary to triple Border Patrol, Customs, and Immigration and Naturalization Service (INS) personnel on the Northern border, and authorizing \$50 million each to INS and Customs to make improvements to the technology and acquire the necessary equipment for the Northern border. Funding should be provided to fulfill these important commitments.

Finally, New York State looks to the Federal government to ensure that funds provided to the States for border security and border infrastructure development such as those provided under the Transportation Equity Act for the 21st Century (TEA-21's) Border Infrastructure Program, are provided equally to the Northern and Southern borders. Further, TEA-21's Border Infrastructure and National Corridor Planning and Development programs share the same pot of money, and are administered together. While there is no official breakdown of border versus corridor projects, it is clear that border projects represent the minority of grant awards, dropping from about one-third of the projects awarded in 1998, to just over 15 percent of the funds provided in 2001. In light of September 11, important border facility needs should receive equal treatment.

New York recognizes that there are challenges ahead, but as we refocus following September 11, there is also an opportunity to provide positive changes that move us forward. New York State looks forward to working with this Subcommittee and

Congress to find appropriate ways to protect our nation's citizens, but to remain strong economically.

I thank you for this opportunity to comment.

CONCLUSION OF HEARINGS

Senator DORGAN. This hearing is recessed.

[Whereupon, at 11:07 a.m., Wednesday, December 5, the hearings was concluded, and the subcommittee were recessed, to reconvene subject to the call of the Chair.]

