

**TESTIMONY OF
CHAIRMAN MICHAEL T. McCAUL
COMMITTEE ON HOMELAND SECURITY
BEFORE THE
COMMITTEE ON HOUSE ADMINISTRATION
MARCH 5, 2013**

Thank you Chairman Miller, Ranking Member Brady, and Members of the Committee on House Administration, for the opportunity to testify before you, today.

You asked us to prepare three sets of potential budget allocations for the 113th Congress. The first represents a budget of actual funds spent in 2012, the second represents an 11% reduction in 2012's authorized amount, and the third represents a 5% increase from actual spending in 2012.

Before I address your requests, I would like to thank the Committee for the funds the Committee on Homeland Security has received to date, and for those amounts we will receive in the 113th Congress. We recognize that every dollar we receive represents taxes paid by the American people. We are stewards of the peoples' money, and we are obliged to spend it wisely. I am committed to do so. Among our many responsibilities is an equally important obligation to oversee the Department of Homeland Security (DHS), the third largest department in the federal government, and to help develop the laws and policies that guide DHS and help secure the nation. I can think of few responsibilities more important to this Congress and the nation. So while I am here to express our gratitude, I am also here to explain why we must not allow any further reduction in the Committee's funding during the 113th Congress.

As you may know, during the 112th Congress, the Committee on Homeland Security experienced a 14% reduction in its funding levels from the previous Congress. As a result, the Committee's majority and minority staffs had to reduce the number of its personnel, reduced staff salaries, left unfilled staff positions vacant, ended stipends for interns, and limited the Committee's travel and purchases in a most frugal way.

Currently, the Committee on Homeland Security is operating on a budget below that allocated in 2006. At the same time, our current staffing levels include 15 additional personnel from the 2006 levels. You all know the oversight and legislative responsibilities of your respective offices and committee assignments. These efforts require significant resources if we are to fulfill our responsibilities in a meaningful and effective way. As the new Chairman of the Committee on Homeland Security, I feel a particularly strong obligation to ensure we fulfill our responsibilities

in as robust a manner as possible. To that end, we are focused on developing strong legislation in the areas related to Cyber-Security, Border-Security, and DHS authorization(s). We will continue, and enhance, the Committee's oversight of the Department as a whole, with a particular emphasis on its management practices. This is a primary focus for the Committee. DHS is plagued with inefficiencies in its procurement processes, technology development, human resources practices, and general management. DHS lacks a permanent General Counsel, an Inspector General, and a Commissioner for Customs and Border Protection, to name just three examples of a vacuum at the most senior management levels in the Department. This situation is unconscionable and needs to be addressed. It is high time DHS started acting as more than just a holding company for 22 separate agencies. It is time for DHS to act and function as a unified department. Conducting the oversight and developing the legislation to help DHS achieve that mandate is among my highest priorities. This effort requires sufficient staffing and resources to do so.

Our people are our most precious assets and the Committee has an excellent staff on both sides of the aisle. We may not always agree on policy, but in a true spirit of bipartisanship, we make every effort to maximize the Committee's resources and act jointly whenever possible. I believe this is essential to maintaining the Committee's ability to conduct strong oversight and develop meaningful legislation that will become the law of the land.

The Committee has made every effort to limit its expenses. Indeed, we will soon return nearly \$400,000 of our budget from the 2012. Please do not punish us going forward for acting in a fiscally responsible manner in the 112th Congress. To limit our budget for 2013 to the amount spent in the 2012 represents a reduction of 6% from last year. An 11% reduction from our 2012 authorized budget represents nearly \$850,000 in the Committee's budget. You will hear more specifically from Ranking Member Thompson on how these reductions will impact the minority staff. On the majority side, we already experience difficulty in offering competitive salaries. With further reductions in our budgets, we will have to continue to leave unfilled staff positions vacant, limit our ability to travel on committee business and conduct field hearings, and further limit our ability to replace aging office equipment, and limit the purchase of necessary supplies, technology services, and subscriptions essential to the Committee's activities.

DHS includes nearly 225,000 personnel at 22 separate agencies operating across the nation and around the globe. The Department's creation was an enormous undertaking, with huge management and programmatic challenges. Recognizing these challenges and the time it would take, the Government Accountability Office (GAO) in 2003 determined that the creation of the Department would be "high risk" meaning the potential for wasted taxpayer dollars was likely. A decade later, GAO has again concluded in its recently released biennial report that DHS remains "high risk" in implementing key management initiatives critical to mission outcomes, and in the efficient and effective use of the Department's resources. As the report noted, serious deficiencies still exist in how the Department buys technologies to secure the homeland, manages its finances and data, and deals with low morale scores.

To further highlight the need for rigorous oversight, in 2004, DHS had a budget of \$39 billion. Now, it has a budget of almost \$60 billion. Even the Department's most ardent supporters would not argue that it is where it needs to be. Much work remains to ensure the Department's continuing maturity and to further enhance the nation's security. We owe the American people nothing less.

Our committee has a total authorized combined staff of 75 to oversee the Department and its activities. No matter how you slice it, those numbers are already pretty slim to do the Committee's work in an effective and meaningful way and to fulfill our obligations to the American people.

I thank you for this opportunity to speak with you about these important issues. I am happy to answer any questions you may have.