



**TESTIMONY OF ANTHONY M. REARDON
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BEFORE THE SUBCOMMITTEE ON BORDER AND MARITIME SECURITY
COMMITTEE ON HOMELAND SECURITY
UNITED STATES HOUSE OF REPRESENTATIVES**

**“BANG FOR THE BORDER SECURITY BUCK:
WHAT DO WE GET FOR \$33 BILLION?”**

March 15, 2018

Chairwoman McSally, Ranking Member Vela, distinguished members of the Subcommittee, thank you for the opportunity to deliver this testimony. As President of the National Treasury Employees Union (NTEU), I have the honor of leading a union that represents over 25,000 Customs and Border Protection (CBP) Officers, Agriculture Specialists and trade enforcement personnel stationed at 328 land, sea and air ports of entry across the United States (U.S.) and 16 Preclearance stations currently in Ireland, the Caribbean, Canada and United Arab Emirates airports. CBP’s Office of Field Operations (OFO) pursues a dual mission of safeguarding American ports, by protecting the public from dangerous people and materials, while enhancing the Nation’s global and economic competitiveness by enabling legitimate trade and travel.

In addition to CBP’s trade and travel security, processing and facilitation mission, CBP OFO employees at the ports of entry are the second largest source of revenue collection for the U.S. government. In 2016, CBP processed more than \$2.2 trillion in imports and collected more than \$44 billion in duties, taxes, and other fees. Thank you for this opportunity to discuss how CBP proposes to allocate \$33 billion to fund “Critical CBP Requirements to Improve Border Security.”

As I told the Subcommittee in January when I last testified, the border security issues of utmost concern to CBP OFO employees are the hiring and funding challenges that contribute to ports of entry being chronically understaffed. In that testimony, I shared with the Committee concerns about excessive overtime requirements, temporary duty assignments to the Southwest border ports, challenges to hiring, the impact of staffing shortages on Officer safety and morale, among other issues.

To address the concerns NTEU raised at the January hearing, Ranking Member Vela and other legislators introduced a bill, **H.R. 4940, the *Border and Port Security Act***. This bipartisan

legislation would authorize the hiring of 500 additional CBP Officers and other OFO staff annually until the staffing gaps in CBP's various Workload Staffing Models are met. NTEU strongly supports this standalone CBP Officer staffing bill and urges every member of Congress to support this bill.

I am here today to convey NTEU's concerns with CBP's \$33 billion proposal to fund critical requirements to improve border security. It is my understanding that Congress is considering CBP's \$33 billion funding proposal to implement the Border Security Improvement Plan (BSIP) that was developed pursuant to language in the FY 2017 DHS Appropriations Act (P.L. 115-31) to provide "a risk-based plan for improving security along the borders, including personnel, fencing, and other forms of tactical infrastructure, and technology."

Unfortunately, I have learned that neither the \$33 billion funding proposal nor the BSIP addresses the number one security issue at the 328 U.S. ports of entry and that is a current staffing shortage of over 3,600 positions. Understaffed ports lead to long delays in travel and cargo lanes and also create significant hardship and safety issues for frontline employees. Involuntary overtime and involuntary work assignments far from home disrupt CBP Officers' family life and destroy morale.

There is an existing vacancy rate of nearly 1,145 funded CBP Officers at the ports and, according to CBP's analytic workload staffing model, an additional 2,516 CBP Officers and 731 Agriculture Specialists need to be funded and hired in order to meet 2018 staffing needs (see attachment.) With the existing vacancy of 1,145 funded CBP Officers, this adds up to **a total CBP Officer staffing shortage of 3,645 today**.

For example, the Tucson Field Office is currently experiencing critical shortages of frontline personnel. According to CBP, "these long-term staffing shortfalls continue to stretch the limits of operational, enforcement and training capabilities at the ports of entry. In support of this, Headquarters is soliciting 175 CBP Non-Supervisory Officers to serve in a Temporary Duty (TDY) capacity to support the Tucson Field Office beginning January 7, 2018".

In my January testimony, I told you about how CBP Officers at the critically short-staffed southwest border ports are drafted for excessive overtime hours. All CBP Officers are aware that overtime assignments are an aspect of their jobs. I also shared the story of an Officer who performed 73 hours of overtime at his port during one 80 hour pay period. Long periods of overtime hours can severely disrupt an officer's family life, morale and ultimately their job performance protecting our nation.

Despite the demonstrated CBP Officer staffing needs, it is my understanding that the BSIP seeks the addition of only 63 CBP Officer new hires at the National Targeting Center, but no additional Officers to address frontline staffing shortages at the ports of entry. Apparently, the BSIP proposes that Congress make other monetary investments in OFO facilities, equipment and technology initiatives such as biometric entry-exit and Non-Intrusive Inspection acquisitions, but none of these new investments include funding for additional CBP personnel actually responsible for inspection, interdiction and facilitation of trade and travel at the ports.

The more than 25,000 CBP employees represented by NTEU are proud of their part in keeping our country free from terrorism, our neighborhoods safe from drugs, and our economy safe from illegal trade, while ensuring that legal trade and travelers move expeditiously through our air, sea and land ports. However, frontline CBP Officers and Agriculture Specialists at our nation's ports of entry need relief, and yet the \$33 billion funding proposal to improve border security provides none.

The economic cost of the CBP OFO staffing shortage is staggering. CBP employees at the ports of entry are not only the frontline for illegal trade and travel enforcement, but their role of facilitating legal trade and travel is a significant economic driver for private sector jobs and economic growth. According to CBP Fiscal Year (FY) 2013 data, for every 1,000 CBP officers hired there is an increase in the Gross Domestic Product (GDP) of \$2 billion; \$642 million in opportunity costs are saved (the quantification of time that a traveler could be using for other purposes than waiting in line, such as working or enjoying leisure activities); and 33,148 jobs are added annually. **For every 33 additional CBP Officers hired, the U.S. can potentially gain over 1,000 private sector jobs. If Congress fully staffed the ports with the needed 3,700 additional CBP Officers, 112,000 private sector jobs could be created.**

It is my understanding that the scientifically-developed CBP Workload Staffing Model was not even referenced in the BSIP. In order to address port security nationwide, it is essential that Congress utilize the CBP Officer Workload Staffing Model that shows a staffing shortage of 2,516 CBP Officers and 721 Agriculture Specialists at the ports of entry (not including the 1,145 current CBP Officer vacancies), in making staffing and funding decisions.

It is well known that as we increase staffing between the ports of entry more criminals, terrorists, drug and human smugglers are funneled into the ports of entry further exacerbating the current staffing crisis at the ports. The risk of successful incursions through the ports of entry by terrorists, smugglers and other criminals increase when ports are under constant pressure to limit wait times while working short staffed. If port traffic increases significantly due to squeezing illegal activity there, it will become impossible for CBP Officers and Agriculture Specialists to stop bad actors and bad things from coming through the ports without significantly increasing wait times, which will harm legal international trade and travel. Congress needs to fund CBP hiring up to the level specified in CBP's OFO workload staffing model in order to address existing trade and travel traffic.

According to the Joint Economic Committee (JEC), every day 1.1 million people and \$5.9 billion in goods legally enter and exit through the ports of entry. The volume of commerce crossing our borders has more than tripled in the past 25 years. Long wait times lead to delays and travel time uncertainty, which can increase supply chain and transportation costs. According to the Department of Commerce, border delays result in losses to output, wages, jobs and tax revenue due to decreases in spending by companies, suppliers and consumers. JEC research finds border delays cost the U.S. economy between \$90 million and \$5.8 billion each year.

When discussing “what do we get for \$33 billion”-- the topic of this hearing, it is important to note the funding document does set forth \$1.6 billion to fund 2,516 CBP Officers over five years, but the source of this funding appears to be an increase in the Immigration and

Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) user fees and not a direct up-front appropriation from this \$33 billion pot.

These user fees cannot be increased without enacting legislation. This proposal to increase these user fees have been part of the Administration's budget submission since FY 2014 to fund the hiring of new CBP Officers to meet the workload staffing model's staffing gap. This user fee increase proposal is again in the FY 2019 budget request, even though the Committees with jurisdiction have never shown any interest or even held a hearing to discuss this legislative proposal. **I am reluctantly coming to the conclusion that there is no serious effort by Congress at this time to fund the hiring of critically needed CBP officers in either the FY 2019 budget or the \$33 billion border security funding proposal, which will result in ongoing border security gaps.**

CBP employees also perform critically important agriculture inspections to prevent the entry of animal and plant pests or diseases at ports of entry. The U.S. agriculture sector is a crucial component to America's economy generating over \$1 trillion in annual economic activity. According to the U.S. Department of Agriculture, foreign pests and diseases cost the American economy tens of billions of dollars annually. For years, NTEU has championed the CBP Agriculture Specialists' Agriculture Quality Inspection (AQI) mission within the agency is critical to U.S. economic security and NTEU has fought for increased staffing to fulfill that mission, yet CBP's agriculture security is apparently not discussed in either the BSIP or the \$33 billion funding proposal.

CBP's Agriculture Resource Allocation Model (AgRAM) shows a need for an additional 721 frontline CBP Agriculture Specialists and supervisors to address current workloads through FY 2018; however, the FY 2019 budget proposal and the BSIP provides no additional funding to raise the total number of Agriculture Specialist positions to 3,149 as called for by the AgRAM.

Because of CBP's key mission to protect the nation's agriculture from pests and disease, NTEU urges the Committee to include the hiring of these 731 CBP Agriculture Specialists to address this critical staffing shortage that threatens the U.S. agriculture sector in the \$33 billion funding proposal.

The CBP Canine Program is also critical to CBP's mission. The primary goal of the CBP Canine Program is terrorist detection and apprehension. The working CBP canine team is one of the best tools available to detect and apprehend persons attempting entry into the country to organize, incite, and carry out acts of terrorism. The Canine Program's secondary goal is detection and seizure of controlled substances and other contraband, often used to finance terrorist and/or criminal drug trafficking organizations.

Currently, there are 1,500 authorized canine teams but, as with all CBP resources, there is a shortage of canine teams at the ports of entry. At JFK international airport, NTEU has learned that there are only four OFO canine teams assigned there. Many dog teams at international airports have been sent to southwest border ports to alleviate shortages there. At one southwest border port, NTEU was told that the port only has 24 of the 38 authorized canine teams. By CBP's own allocation, this port is short 14 dogs and handlers. There is no funding in the \$33

billion funding proposal to add any new canine detection teams at the ports of entry. NTEU urges Congress to include the funding to add additional OFO dog teams to the \$33 billion package.

CBP plays a major role in addressing the nation's opioid epidemic--a crisis that is getting worse. Since 2014, we have seen an escalation of deadly synthetic drug usage, specifically fentanyl, in the U.S. The majority of fentanyl is manufactured in other countries such as China, and is smuggled primarily through the international mail and express consignment carrier facilities (e.g. FedEx and UPS) and through ports of entry along the southwest border.

Due to the ongoing OFO staffing shortages, CBP Officer numbers at Express consignment hubs are extremely low. For example, at the FedEx hub in Memphis there are 38 million imports and 48 million exports equaling 86 million in total package volume for the past year. There are approximately 24 CBP Officers screening all 86 million of these shipments, and on average, about 15 CBP Officers on the main overnight FedEx 'sort' shift.

Considering the volume at the FedEx hub, the port requires a minimum of 60 CBP Officers to increase the legitimate flow of freight and ensure successful interdiction of these Chinese chemicals. NTEU does commend CBP Memphis for outfitting a new 2-person chemical team with laser equipment that can detect dangerous synthetic drugs thereby reducing the number of dangerous chemical shipments that the CBP Officers must handle. However, these dangerous chemicals are still handled nightly by CBP Officers.

The scourge of synthetic opioid addiction is felt in every state and is a threat to the nation's economic security and well-being, yet there is no funding in this \$33 billion package to increase CBP Officer staffing at the Express consignment hubs or the ports of entry where synthetic opioids are entering the country.

FY 2019 Budget Request

The Administration recently released its FY 2019 budget submission to Congress. The budget requests \$47.5 billion in DHS discretionary budget authority. The DHS budget request would raise spending levels enacted in the fiscal 2017 omnibus law by \$3.6 billion, an 8.5 percent increase.

The FY 2019 DHS budget request provides \$14.2 billion in discretionary budget authority for CBP of which \$211 million is requested to hire and support an additional 750 Border Patrol Agents and support personnel.

There is no new appropriated funding request to hire additional CBP Officers at the ports of entry other than 63 new CBP Officer positions at the National Targeting Center. The Administration is requesting that Congress pass legislation to raise the COBRA user fee by \$2.75 and the Immigration User fee by \$2 to support the hiring of new Customs and Border Protection Officers.

As noted earlier in this testimony, these user fee increases have been proposed in every budget request since FY 2014 and Congress has not taken any action to increase the COBRA user fee to fund the hiring of new CBP Officers.

Additionally, the Administration is calling for a government wide pay freeze for all federal civilian employees for calendar year 2019. NTEU strongly opposes a pay freeze proposal for all federal employees, including for DHS and CBP, which have already struggled to recruit and retain law enforcement officers in recent years, and which comes amidst the backup of planned private-sector average 3 percent pay increases in 2018.

As Congress finalizes FY 2018 funding in the next few weeks, and begins consideration of FY 2019 funding for CBP, Committee members should authorize \$1.6 billion in direct appropriations to meet the CBP Officer and CBP Agriculture Specialist staffing requirements through FY 2018 and 2019, as stipulated in CBP's own Workload Staffing Model and to oppose a calendar year 2019 pay freeze.

A funding proposal of concern to NTEU is a \$297 million contract that CBP recently awarded to Accenture Federal Services “to manage the full life cycle of the hiring process from job posting to processing” of 7,500 CBP Border Patrol, Air and Marine, and OFO new hires. NTEU has seen reports that the 5-year contract cost is approximately \$39,600 per hire—nearly the same as the starting salary of a CBP Officer. NTEU strongly believes that these federal funds would be better spent actually hiring new CBP employees using CBP’s in-house human resources department rather than in contracting out to a private sector consultant “to augment our internal hiring capabilities.”

The best recruiters are likely current CBP Officers. Unfortunately, morale continues to suffer because of staffing shortages and a threatened pay freeze, and the Administration’s proposed cuts to retirement, health care, and workers’ compensation programs. In addition to being overworked due to excessive overtime requirements, temporary duty assignments are a major drag on employees, especially those with families. Based on their experiences, many Officers are reluctant to encourage their family members or friends to seek employment with CBP. I have suggested to CBP leadership that they look at why this is the case.

NTEU strongly believes that addressing OFO hiring shortages by funding needed new CBP Officer and Agriculture Specialist to fill the FY 2018 staffing gap will do more to improve morale and encourage peer-to-peer recruitment than funding a private contractor to help recruit and hire new CBP employees.

Recommendations

To address the dire staffing situation at the Southwest land ports, as well as other OFO staffing shortages around the country, it is clearly in the nation’s economic and border security interest for at least \$1.6 billion of the \$33 billion funding proposal to be provided in up-front, no-year appropriations to fund an increase in the number of CBP Officers, CBP Agriculture Specialists, and other CBP employees as stipulated in CBP’s various workload staffing models.

In order to achieve “Critical CBP Requirements to Improve Border Security” that must include the long-term goal of securing the proper staffing at CBP to address workloads, NTEU recommends that Congress take the following actions:

- Provide \$1,632 billion in direct appropriations to fund the hiring of 2,516 CBP Officer needed new hires;
- Fund 721 CBP Agriculture Specialists needed new hires and additional canine teams;
- Restore recruitment and retention awards, and other incentives; and
- Restore cuts in mission support personnel that will free CBP Officers from performing administrative duties such as payroll processing, data entry and human resources to increase the numbers available for trade and travel security and facilitation.

Congress should also redirect the recently enacted increase in customs user fees from offsetting transportation spending to its original purpose of providing funding for CBP Officer staffing and overtime, and oppose any legislation to divert additional fees collected to other uses or projects.

The CBP OFO employees I represent are frustrated and their morale is low. These employees work hard and care deeply about their jobs and their country. These men and women are deserving of at least \$1.6 billion of the proposed \$33 billion funding package to provide more staffing and resources to perform their border security jobs better and more efficiently. Further, these CBP employees, along with all other federal workers, should not be forced to see their paychecks and promised benefits slashed.

Thank you for the opportunity to deliver this testimony to the Committee on their behalf.