



Committee on  
**HOMELAND SECURITY**  
Chairman Michael McCaul

*Opening Statement*

February 15, 2013

**Media Contacts:** Mike Rosen, Charlotte Sellmyer  
(202) 226-8417

---

**Statement of Chairman Jeff Duncan (R-SC)  
Subcommittee on Oversight and Management Efficiency**

**“DHS 10 Years Later: How Wisely is DHS Spending Taxpayer Dollars?”**

**February 15, 2013**

**Remarks as Prepared**

Next month marks ten years since the creation of DHS through the Homeland Security Act of 2002. The terrorist attacks on September 11, 2001 forced us to fundamentally rethink the threats our nation faces and our approach to defending the homeland. As the 9/11 Commission Report documents, “before 9/11, no executive department had, as its first priority, the job of defending America from domestic attack. That changed with the creation of the Department of Homeland Security.”

DHS was established to (1) prevent terrorist attacks within the U.S.; (2) reduce America’s vulnerability to terrorism; and (3) help America recover from any attacks that may occur. However, DHS also faced the massive challenge of creating a new organization by integrating 22 separate federal agencies and components into a unified department.

It is important to always remember the gravity of the issues DHS faced in its inception and how those experiences affect the Department’s current responsibilities to protect critical infrastructure; develop countermeasures against chemical, biological, radiological, and nuclear threats; secure our borders and transportation systems; and manage the federal government’s response to terrorist attacks and major disasters.

Today, we seek to assess how wisely DHS is spending American taxpayer dollars. Has it been successful in meeting its mandate established by the Homeland Security Act of 2002? We know that there have been 54 publicly known attempted terrorist attacks on the U.S. that have been thwarted since 9/11. However, incidents such as the 2009 attack at Fort Hood that killed 13 Americans, 2009 Christmas Day “underwear” bomber, and 2010’s attempted car bombing in Times Square remind us to remain ever vigilant. But are foiled terrorist attacks a good measure of DHS’s success or are there other criteria the American people should use to evaluate DHS?

Today, many Americans question how DHS uses the resources entrusted to it. In 2004, DHS had a budget of \$39 billion. Now, it has a budget of almost \$60 billion, employs more than 225,000 people, operates in over 75 countries, and is the third largest federal agency.

Congressional watchdogs have issued thousands of reports with ways to improve the efficiency of DHS and save taxpayer dollars. The Government Accountability Office exposed billions of dollars in cost overruns that major DHS acquisition programs have incurred. As we learned yesterday, DHS remains on GAO’s “high risk list” in several areas including the Department’s management. In addition, the DHS Inspector General has identified over \$1 billion in questionable costs. However, DHS has yet to implement these cost savings opportunities.

In November 2012, the Inspector General also identified significant challenges in how the Department protects the homeland and manages its operations. The report noted difficulties for TSA in securing our airports, for CBP in identifying travelers entering the United States, and for FEMA in determining whether to declare events Federal disasters despite spending \$4.3 billion in response efforts annually. The IG also stated that much more work remains for DHS to efficiently manage its finances, consolidate old legacy databases to efficient data systems, and improve acquisition outcomes.

Other examples of unacceptable waste by DHS have also been revealed:

- A recent Congressional investigation found that TSA has over 3,500 administrative staff in headquarters with an average salary over \$100,000. These figures don’t include the number of TSA screeners across the country, which ballooned to almost 48,000 in 2011, resulting in TSA spending over \$3 billion (half its budget) a year in payroll, compensation, and benefits.
- According to press reports, DHS generously doled out \$61 million in salary awards in 2011 despite hard economic times and reduced take-home pay for many hard-working Americans.

- Since its inception, DHS has also spent more than \$35 billion in homeland security grants. A recent Senate report documents how DHS prioritizes its grant funding with DHS employees using grant funds to pay a \$1,000 fee for a conference at the Paradise Point Resort & Spa where they participated in zombie apocalypse training.
- Other examples exist of DHS spending money on children's mascots, overpriced law enforcement training materials, and even bagpipes for Customs and Border Protection.

While DHS has taken steps to improve its day-to-day management, I believe that the American people still deserve better. We are over \$16 trillion in debt. Hard working families have had to make difficult budget decisions; DHS must do the same. The numerous examples of DHS programs with cost overruns, schedule delays, and performance problems cannot continue in this constrained budget environment. We must help ensure DHS becomes a better steward of taxpayer dollars.

This ten-year anniversary of the creation of DHS presents the Subcommittee with an opportunity to reflect on what has worked, what has not, and where DHS needs to improve. Recommendations by today's witnesses will help us better understand the issues that DHS faces and identify ways to help DHS improve, and I look forward to their testimony.

###