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March 17, 2004

MEMORANDUM FOR MEMBERS OF THE GOVERNMENT REFORM SUBCOMMITTEE ON ENERGY POLICY, NATURAL RESOURCES AND REGULATORY AFFAIRS AND SUBCOMMITTEE ON NATIONAL SECURITY, EMERGING THREATS AND INTERNATIONAL RELATIONS

FROM: Doug Ose and Christopher Shays

SUBJECT: Briefing Memorandum for March 24, 2004 Hearing, "The Homeland Security Department's Plan to Consolidate and Co-locate Regional and Field Offices: Improving Communication and Coordination"

On Wednesday, March 24, 2004 at 1:00 p.m., in Room 2247 of the Rayburn House Office Building, the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs will hold a joint hearing with the Subcommittee on National Security, Emerging Threats and International Relations on the Department of Homeland Security's (DHS's) efforts to implement Section 706 of the Department of Homeland Security Act (Pub. L. 107-296). Briefly, Section 706 requires DHS to develop a plan to consolidate and co-locate the former Federal agencies' regional and field offices within the same municipality that were transferred to DHS and to submit a report to Congress by November 25, 2003 (DHS's February 4, 2004 report is attached to this memorandum).

Congress created DHS by melding 22 Federal agencies into a new Department with approximately 180,000 employees and a $29.4 billion Fiscal Year 2004 budget. Many of the former Federal agencies transferred to DHS had (and still have) multiple regional and field offices with overlapping jurisdictions that are now part of a single Department. Recognizing the obstacles that the former regional and field structures would impose upon communication and coordination among and between DHS staff and local first responders, Congressman Doug Ose, working cooperatively with Congressman John Tierney, introduced, and Congress passed, Section 706 of the Act. This bi-partisan enacted amendment is a "good government" provision intended to increase Federal and local preparedness and all hazards responsiveness. Section 706 provides as follows:

> Not later than 1 year after the date of the enactment of this Act, the Secretary shall develop and submit to Congress a plan for consolidating and co-locating –

(1) any regional or field offices of agencies that are transferred to the Department under this Act, if such offices are located within the same municipality; and

(2) portions of regional and field offices of other Federal agencies, to the extent such offices perform functions that are transferred to the Secretary under this Act.

The July 23, 2002 colloquy on the House floor between Congressmen Ose and Tierney provides the legislative history of the enacted amendment. This colloquy includes:

> Mr. Ose: My amendment would require the new department's Under Secretary for Management to develop a consolidation/co-location plan within 1 year. The plan would examine consolidating and collocating regional field offices in each of the cities with any existing regional or field office in the transferred agencies. My amendment would retain at least one Department of Homeland Security office in each of these cities.
>
> The staff in these consolidated/co-located offices would be cross-trained to respond to the full range of functions, which may need to be performed locally. Besides improving Federal preparedness and response, consolidation and co-location should result in overhead and other efficiency savings.
>
> Mr. Tierney: All acts of terrorism, all, as we know, are local; and each community has to be prepared for crisis response and catastrophe management. Since September 11, we have heard from our local first responders from across the country who have risen to the occasion, protecting communities as the first line of defense against terrorism. In my own district, as across America, they have marshaled their resources to track down leads of potential terrorist threats and buy more equipment, from upgraded weapons to technology to biohazard masks and suits. They have increased hazmat training for handling suspicious packages and stepped up patrols around potential terrorist targets, like water and gas supplies, nuclear power plants, harbors and airports. They want the government to work with them, to train them, to communicate with them, and to respond with them to any potential attack. And, now is the time for us to step up and help them. We must respond with cooperation, communication, and with coordination at all levels of government.
>
> But, before we can work with the local first responders, we have to be confident that the Federal agencies can work with one another. ... That is why I join with Mr. Ose in introducing this 'good government' amendment, to ensure that local first responders have primary point of contact and coordination with the Federal Government and to ensure that

field officers work together (148 Cong. Rec. H5697-8, attached to this memorandum).

During the May 20, 2003 hearing before the House Select Committee on Homeland Security, DHS Secretary Tom Ridge testified that DHS was planning a "regional concept" that would centralize certain functions, but decentralize other functions at the regional level to establish a point of contact for local officials. On February 4, 2004, DHS submitted its statutorily-required Section 706 report to Congress. The report states that "[t]he overall plan for consolidation and co-location of field and regional offices must include only those changes to the physical portfolio that facilitate improved effectiveness and performance" (p. 1).

The report, however, consists almost entirely of DHS's general 5-7 year plan for consolidation of its physical assets. While assets management is a critical component of the consolidation and co-location process, the report is silent on the enacted Section 706 amendment's goal of facilitating cross-training and "one-stop-shopping" for first responders. The report is also silent on DHS's plan to use consolidated and co-located regional and field offices to improve the level of communication among and between Federal staff and local first responders. To our knowledge, DHS staff responsible for completing the report did not seek and had no knowledge of the legislative history or Congressional intent of Section 706 of the Act.

According to the DHS report, since its creation on February 23, 2003, DHS has consolidated and reassigned the former Immigration and Naturalization Service (INS in Justice), Border Patrol (part of INS), and Customs Service (Treasury) functions into three DHS Bureaus: Citizenship and Immigration Service (CIS), Immigration and Customs Enforcement (ICE), and Customs and Border Protection (CBP). Also, DHS reports that it has made efforts to reach its goal of "one face at its borders" by leasing new facilities and consolidating some facilities in Chicago, Indianapolis and Cincinnati. However, DHS has not yet provided a coherent national consolidation and co-location plan to Congress.

Since its transfer to DHS, part of the former Animal and Plant Health Inspection Service (APHIS in Agriculture), and the former INS and Border Patrol (Justice), Office of Domestic Preparedness (ODP in Justice), U.S. Coast Guard (Transportation), (Customs Service (Treasury), Secret Service (Treasury), and Federal Emergency Management Agency (FEMA) demonstrate little or no change in the structure of their pre-existing regional and field offices. Many regional and district office jurisdictions overlap. In some cities, DHS components are currently co-located, such as ODP and FEMA. In other cities, DHS maintains components situated in different locations within the same municipality. In New Orleans, for example, DHS maintains its Customs Service and Secret Service offices in different locations from its CIS, ODP and Coast Guard components. DHS' New York City components are similarly scattered throughout lower Manhattan.

As explained in Section 706's legislative history, the goal of consolidation and co-location is to improve both DHS and local first responders' preparedness. Staff in consolidated and co-located offices can be cross-trained to respond to the full range of functions which may be needed to meet DHS's local all hazards response needs. Similarly, by providing a "one-

stop-shop" for local first responders, DHS can improve first responder training, preparedness and responsiveness. By centralizing community information, DHS can also provide assistance ranging from grant writing to sharing "best practices" learned from other communities.

We emphasize that this hearing will neither address DHS funding to non-Federal entities nor closing of regional or field offices. Rather, DHS officials will testify to steps that the Department has taken and will be taking to consolidate and co-locate regional and field offices and to improve coordination and cross-training among and between DHS staff and local first responders. The Subcommittees will also hear testimony from experts and local first responders regarding the importance of coordination, training and "one-stop-shopping" with DHS regional and field offices. This hearing is intended to improve the level of communication between DHS and local first responders and assist DHS in developing its regional and field structure plan.

The invited witnesses for the hearing are: Asa Hutchinson, Under Secretary for Border and Transportation Security, DHS; James Lee Witt, President, James Lee Witt Associates, LLP and former Director of FEMA; C. Morgan Kinghorn, President, National Academy of Public Administration; Edward A. Flynn, Secretary, Executive Office of Public Safety, State of Massachusetts, on behalf of the National Governors Association; Karen Anderson, Mayor, City of Minnetonka, Minnesota, on behalf of the National League of Cities; and, Dr. Martin Fenstersheib, Health Officer for the Santa Clara County Public Health Department, San Jose, California, on behalf of the National Association of County and City Health Officers.

Attachments

FAXED TO US 2/6/04

U.S. Department of Homeland Security
Washington, DC 20528

Homeland Security

FEB 4 2004

The Honorable Thomas M. Davis, Chairman
United States House of Representatives
Committee on Government Reform
Washington, DC 20515

Dear Mr. Chairman:

Section 706 of the Homeland Security Act (P.L. 107-296), requires the Department of Homeland Security to submit a report on our plans to consolidate field and regional offices where similar functions are in municipalities.

Enclosed, please find our report that details actions taken to date, plans for specific consolidation and analyzing the longer-term options to meet the Department's mission, while making sound business decision on our use of real property assets.

If you have any questions, please contact the Office of Legislative Affairs at (202)205-4412.

Sincerely,

Pamela J. Turner
Assistant Secretary for Legislative Affairs

Enclosure

U.S. Department of Homeland Security
Homeland Security Act of 2002 (P.L. 107-296); Section 706
Report to Congress on Office Consolidation and Collocation

Purpose

Section 706 of the Homeland Security Act ("the Act") of 2002 states that no later than one year after the date of the enactment of the Act, the Secretary of the Department of Homeland Security (DHS) shall develop and submit to Congress a plan for consolidating and collocating:

1. Any regional offices or field offices of agencies that are transferred to the Department under this Act, if such offices are located in the same municipality; and,

2. Portions of regional and field offices of other Federal agencies, to the extent such offices perform functions that are transferred to the Secretary under this Act.

This report responds to the statutory requirement by presenting the Department's actions to date and its proposed approach to developing a consolidation and collocation plan to Congress as required by the Act.

Background

The Department was established to create an agile organization that takes advantage of modern technology and management techniques to meet new and constantly evolving threats. By minimizing duplication of efforts, realigning related- or same-function business fragments, and improving coordination, the new Department will effectively convert redundant or inefficiently managed resources into a mission-focused team that increases America's security.

As the Department's organization begins to coalesce, the clear mandate is to improve our mission effectiveness. The overall plan for consolidation and collocation of field and regional offices must include only those changes to the physical portfolio that facilitate improved effectiveness and performance. Cost efficiencies and economies of scale that may result are not the primary objectives and any saved resources should be applied to increasing operational effectiveness. The consolidation and collocation strategy will therefore be designed to remain flexible and responsive to mission requirements that continue to be defined and implemented.

Due to the scope and scale of the overall organizational transition still facing the Department, efforts to date have been largely at the directorate or agency levels, and focused on getting newly defined field elements to work effectively together. Although a few field offices may have shifted personnel from one legacy location to another, many have not been able to consolidate or collocate in the short time the Department has been in existence. The Department's efforts to date are presented below followed by its proposed approach to develop a comprehensive consolidation/collocation plan, indicating key steps to finalize the plan.

Current Consolidation and Collocation Efforts

DHS directorates and agencies have begun to undertake several initiatives to increase mission effectiveness, some of which may include consolidation and collocation of existing regional and field offices. In some cases, there is potential for cost efficiencies to be realized either directly or indirectly along with improved mission effectiveness. Although still in the developmental stages, the program objectives and current status of these key initiatives are described below. The overall consolidation and collocation plan will address these initiatives.

Creation of the Bureaus of Immigration and Customs Enforcement (ICE), Customs and Border Protection (CBP), and Citizenship and Immigration Services (CIS)

- The functional realignment of organizational elements within BTS and CIS is designed to improve operational effectiveness and integrate mission performance;
- Legacy customs and immigration investigative agents have been reassigned to ICE along with legacy GSA Federal Protective Service officers;
- A new CBP Officer position unifies the duties and responsibilities of the customs, immigration and agriculture inspectors to create a more effective officer corps at the air, land, and sea ports of entry;
- Staff performing immigration services duties at legacy INS locations have been separated into their own bureau at CIS;
- The Department has procured new office space and DHS personnel have been relocated in order to support programmatic realignments;
- ICE is working on a strategic transformation space plan to finalize the transition of legacy Immigration and Naturalization Service facilities to CIS and ICE. The objective is to first determine where bureaus are collocated and subsequently assess rent information for each. The second part will determine the future housing needs of ICE and CIS based on their mission requirements, including consolidation of Program units. New housing plans will be executed only after

management approval. Part one of the plan is complete. Part two of the ICE plan is currently underway and facilities models will be developed by March 2004. Part two of the CIS plan is underway.

- CBP will be consolidating leases of legacy Customs, INS and APHIS/AQI to effect CBP's goal of one face at the borders. They are renovating two vacant CBP houses, in Curlew and Metaline Falls, WA, for two new Border Patrol stations which are operational in the port office until work is complete in the summer. They are renovating the unused Erie, PA, Port Office to accommodate another Border Station. CBP entered into an agreement with the Coast Guard to use land at the Rochester, NY, Coast Guard facility for another Border Station. They identified leases for a CBP Port Office and an ICE Finance Center in Dallas, TX, which are in the same delineated area and expire in the same timeframe, providing an opportunity for consolidation or collocation. They have also identified various locations for consolidation or collocation of legacy Customs and INS agents in Chicago, Indianapolis and Cincinnati, where leases are expiring at or near the same time.

Tri-Bureau Shared Services

- A September 10, 2003, memorandum outlined the Department's goal to integrate or "share" designated administrative and mission support services among CBP, ICE and CIS, where feasible, in an effort to enhance quality of service and achieve management efficiencies;
- The transition to a shared services environment is not intended to be a workforce reduction, but rather an alignment of job functions with qualified employees at each bureau;
- It will be necessary to realign or reorganize some headquarters and field positions in order to link employees with provider organizations or to address new bureau workloads for cross-servicing and self-supporting services; and,
- The transition of selected functions is to be complete at the end of calendar year 2003.

Delivery of Administrative Services within the Department Headquarters

- The DHS Office of Management examined the numerous administrative services provided at a local level throughout the Department and developed a plan for the Headquarters to provide these same services Department-wide using a shared service model;
- The Department has completed initial analyses and on October 1, 2003, began consolidating administrative services (Mail, Safety & Health, Supply Chain, etc.); and,
- Only programmatic modifications have been implemented at this time and no physical consolidations or collocations have occurred.

Aviation Study

- DHS is conducting a study to identify efficiencies that can result from integrating aviation services and activities across the Department, while accommodating each component organization's unique mission demands for air transport;
- The goal of the study is to identify agency overlap in aviation capability, assets, logistics, training, and acquisitions that can be leveraged in the near term to realize efficiencies in response time and operating expense; and,
- The study is currently in its analysis phase and will be completed in January 2004.

Regional Concept

- President Bush, in the FY04 Budget Submission to Congress in January 2003, indicated that the Department would create "a powerful and logical regional structure by establishing directors within each geographic area that will meet the dual needs of centralized planning and decentralized execution";
- The primary goal of this effort is to improve regional and local area coordination with external partners and integrate internal DHS functions within a region;
- As the Regional Concept is developed, any unnecessary duplicative functions in existing regional or field offices will be eliminated; and,
- The Regional Concept is still in the preliminary stages of analysis.

Key Steps in a Consolidation and Collocation Plan

The Department will develop a strategic real estate and facilities management plan focused on creating a more flexible, effective, efficient and mission-enabling portfolio. A first step will be a high-level analysis to establish a baseline of infrastructure and assets for further study. This analysis will incorporate, where applicable, the findings and recommendations of previous and ongoing studies and analyses. The resulting recommendations will focus the strategic planning process and drive a "closer look" at selected components to better understand the potential opportunities, as well as the implementation efforts required to realize the anticipated benefits.

The Department anticipates taking a four-phase approach to this effort depicted below in Figure A. Phases I, II, and III will address a broad portfolio of DHS assets identified during the initial analysis. Phase IV will pursue the near-term opportunities identified in the previous phases and lay the groundwork for future actions.

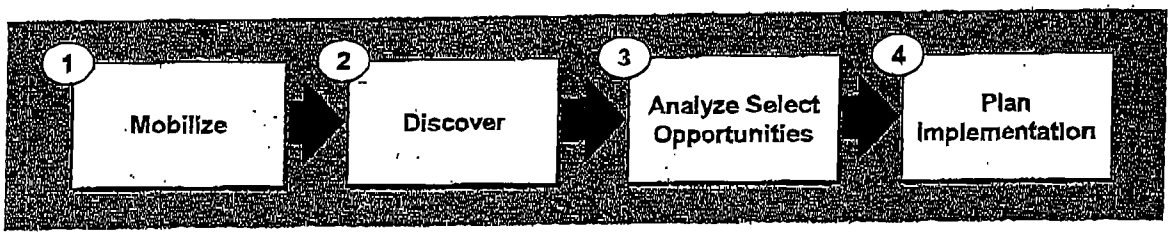

Figure A – Four Phases

Phase I (Mobilize), the first phase of the consolidation/collocation endeavor, focuses on formulating a strategic level planning and evaluation process for real estate and facilities management. By defining and establishing the planning process, DHS will have a guide to develop strategies for the selected components. This step will also develop objectives for the real estate strategy for the Department and seek out and establish best practice benchmarks. We expect this step to take about 2 months to complete.

Phase II (Discover) serves a critical purpose in the overall strategy planning process. The activities in this phase are focused on the following: identifying the strategic vision; analyzing existing strategies; and, reviewing the required portfolio and occupancy data. The purpose of this phase is to develop a detailed, baseline understanding of the selected components within DHS with regards to the use and occupancy of their portfolios. This phase will begin during the time of Phase I and is expect to take about 2 months to complete.

In addition to strategic visioning work sessions, Phase II will involve a series of interviews with senior management representatives, as well as the review of DHS HQ policies related to real estate and facilities. This will build a shared vision for the future strategic direction of the selected components.

The discovery activities completed in Phase II will facilitate the identification and prioritization of selected consolidation and/or collocation prospects based on numerous criteria, which may include but are not limited to geographic proximity, existing occupancy conditions, lease expirations, and various mission directives.

Phase III (Analyze Select Opportunities), encompasses a series of activities, including but not limited to the following: conduct on-site interviews; perform market analyses; continue to identify and refine internal and external best practices; execute a portfolio gap analysis; incorporate existing real estate and facilities strategies where appropriate; and, evaluate the high-level costs, impacts, and benefits of implementing improvements at these selected opportunities.

This phase will build on portfolio analyses ongoing in Customs and Border Protection, and will include beginning projects for immediate success, both for properties that are geographically dependent (for example, field offices) as well as property types that are independent of geography (maintenance or data centers, for example). This phase is expected to begin at the end of Phase I, and is expected to take 5 to 7 months to complete.

The outcome of Phase III is the development of strategies that work to integrate and satisfy the selected components' operational and asset requirements, mitigate the risks uncovered during the discovery baseline effort, and address the opportunities identified in the previous phase.

Phase IV (Plan Implementation), is focused on continued near-term opportunities and setting a course on ongoing strategies to provide timely support to mission requirements, while basing decisions on sound business principles. For sites where consolidation or collocation activities are anticipated in the 18-month to three-year time frame, high-level strategy implementation plans will be developed. The opportunities analyzed in Phase III will be considered using site-specific data to determine the implementation cost, hurdles and feasibility. Planning for specific future actions will also take place in Phase IV.

Anticipated Timeline for Plan Development

Given the scope and scale of the DHS organizational transformation, the Department anticipates that between 12 and 24 months will be required to complete proper study and analysis. However, we expect to develop the initial evaluation and strategy within 6 to 10 months. In addition, the implementation of the recommended collocation and consolidation strategy for real property and facilities is expected to require 3-7 years, or more, to complete. Factors affecting this timeframe include the need to balance mission requirements, contractual obligations, and lease structures, as well as account for the time required to develop needed capital asset management plans, budget submissions, and execute the approved projects.

Next Steps

The Department of Homeland Security intends to mobilize a team to commence the initial high-level analysis early in 2004. Concurrently, the Department will define its strategic real estate and facilities planning process and develop a criteria based decision framework to evaluate the identified consolidation and collocation options. The

Department will keep Congress informed of the status of this plan and any progress made on its consolidation and collocation objectives.

requirements for tighter security. It is time to provide them with the tools and the technology they need and to send them a clear message that we value the work that they do.

In addition, I believe that we can integrate existing technologies to increase interagency cooperation and data flow, thereby eliminating overlap and waste and streamlining processes, all while being mindful of civil rights. Moreover, leveraging technology will also serve to increase binational cooperation.

Rather than constructing an old fashioned triple layered wall along the border, a wall that creates a false sense of security, endangers border patrol agents and diverts our needed resources, we should shelve old methods and embrace the new methods that this Department of Homeland Security will undoubtedly employ.

I urge my colleagues to allow this new department the flexibility to develop its own priorities without burdening them with antiquated projects and defeat this amendment.

Mr. HUNTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have respect for my colleague, but let me just say that the opposition which has been stated to the border fence is, at best, bizarre. When we started this fence, Mr. Chairman, there were 300 drug trucks a month full of cocaine and marijuana which were hurtling across the border in these uncontrolled areas, in this mountainous region, the region extending from Otay Mesa to the Pacific coast. We had scores of border patrolmen who were hurt and injured because they were pelted with rocks from the other side of the border and we had an average again of about 10 people a year murdered by the armed gangs, many with automatic weapons, which moved back and forth across what was known as a no-man's land. In fact, it was so bad that Joseph Wampaugh wrote the book "Lines and Shadows" about this no-man's land that existed on the U.S.-Mexican border. Since we have built that fence, the first 12 miles of fence, we have totally eliminated the 300 drug trucks a month that were coming across, we have knocked down the 12 murders to almost zero, and people that live on both sides of the border have expressed, and the border patrol reports are very clear, that this fence has been a center of stability, it is a modern fence, it is a double fence, it has a large overhang, it has not hurt anybody. In fact, it has prevented 10 murders a year.

The idea that you do not complete the last 2 miles of that fence once again, Mr. Chairman, is, at best, a bizarre notion. I would hope that we would be rational and simply build the last 2 miles of what the border patrol has said is one of the greatest deterrents to illegal crossing and could be a deterrent to the crossing of a terrorist organization into that area just a few miles south of the biggest naval base on the west coast.

Ms. PELOSI. Mr. Chairman, I yield the balance of my time to the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Chairman, I think the area we are talking about is one that we believe now with our new technologies and with some greater priorities that are set as well with the community, that we can provide the protection that we need, that we can provide the protection for the agents, but we can also do what is best for this last 2 miles, especially in an area that has a lot of binational crossings.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. HUNTER).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 10 printed in House Report 107-615.

AMENDMENT NO. 10 OFFERED BY MR. OSE

Mr. OSE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. OSE:

At the end of title VI add the following:

SEC. . CONSOLIDATION AND CO-LOCATION OF OFFICES.

Not later than 1 year after the date of the enactment of this Act, the Secretary shall develop and submit to the Congress a plan for consolidating and co-locating—

(1) any regional offices or field offices of agencies that are transferred to the Department under this Act, if such offices are located in the same municipality; and

(2) portions of regional and field offices of other Federal agencies, to the extent such offices perform functions that are transferred to the Secretary under this Act.

The CHAIRMAN. Pursuant to House Resolution 502, the gentleman from California (Mr. OSE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

As a subcommittee chairman over on Government Reform, I would like to offer this good-government amendment which relates to the regional and field offices in the proposed department. Before I do that, I want to make sure that I compliment my good friend the gentleman from Massachusetts (Mr. TIERNEY) who is the subcommittee ranking member with whom I have worked very closely in analyzing the President's bill and drafting bipartisan amendments to perfect it. The President's proposal includes moving agencies which currently have 10 different regional and field office structures into the new department. Neither the President's bill nor the special committee's substitute mentions any changes in these regional and field offices, although changes could be made under the select committee's section 763(a) reorganization authority, to consolidate, alter or discontinue organizational units.

My amendment would require the new department's under secretary for management to develop a consolidation/collocation plan within 1 year. The plan would examine consolidating and collocating regional and field offices in each of the cities with any existing regional or field office in the transferred agencies. My amendment would retain at least one Department of Homeland Security office in each of these cities.

Staff in these consolidated/collocated offices could be cross-trained to respond to the full range of functions which may need to be performed locally. Besides improving Federal preparedness and response, consolidation and collocation should result in overhead and other efficiency savings.

Five examples of existing and different regional or field office networks are in the Agriculture Department's Animal and Plant Health Inspection Service, known as APHIS; the Justice Department's Immigration and Naturalization Service; the Department of Transportation's Coast Guard; the Department of Treasury's Customs Bureau; and the Department of Treasury's Secret Service.

I urge my colleagues to support this government efficiency amendment. I want to reiterate my appreciation for the time and effort and participation of my good friend from Massachusetts whom I would now like to recognize to elaborate on how helpful collocation could be for local first responders.

Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. TIERNEY).

□ 2400

Mr. TIERNEY. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of this amendment that was, as was said, to make a plan regarding the consolidation of officers and the crosstraining of Federal employees that ought to be consolidated into the new Department of Homeland Security. I want to thank and commend the gentleman from California (Mr. OSE) with whom I serve in the Committee of Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs. As he stated, we have had the opportunity to work together in a bipartisan way to suggest improvements to the bill, and I thank him for his leadership.

In the course of this debate we must keep the focus where it truly belongs: on marshaling our country's best ideas and resources and skills to coordinate our fight against terrorism, streamline government, and make Americans safer. We need to do this for the families who lost loved ones on September 11 and in the October anthrax attacks, for the American people who expect us to protect them, and for our children so that future generations may grow up in a free and open society.

Nowhere is it felt more keenly than our local communities. All acts of terrorism are, as we know, local; and each community has to be prepared for crisis response and catastrophe management. Since September 11, we have

heard from our local first responders from across the country who have risen to the occasion, protecting communities as the first line of defense against terrorism. In my own district, as across America, they have marshaled their resources to track down leads of potential terrorist threats and buy more equipment, from upgraded weapons to technology to biohazard masks and suits. They have increased hazmat training for handling suspicious packages and stepped up patrols around potential terrorist targets like water and gas supplies, nuclear power plants, harbors and airports. They want the government to work with them, to train with them, to communicate with them, and to respond with them to any potential attack. And now it is time for us to step up and help them. We must respond with cooperation, with communication, and with coordination at all levels of government.

But before we can work with the local first responders, we have to be confident that the Federal agencies can work with one another. Coleen Rowley's bureaucratic nightmare was a cautionary tale. We simply must train personnel within different agencies that have different cultures and different skills to talk to one another, to share information before disaster strikes.

That is why I join Mr. OSE in introducing this "good government" amendment, to ensure that local first responders have a primary point of contact and coordination within the Federal Government and to ensure that these field officers work together.

No matter how Congress resolves the issue of who is in and who is out of this agency, and I frankly hope that we will end up with a leaner 21st century response rather than a bloated 19th century structure, we are not going to effectively fight terrorism from Washington, D.C. Any respected Department should consist of agencies that can work together, Mr. Chairman. And, again, I thank the gentleman from California (Mr. OSE) for helping to work with this problem.

Mr. OSE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. OSE).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 11 printed in House Report 107–615.

AMENDMENT NO. 11 OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Ms. VELÁZQUEZ:

In section 734 of the bill, insert before the first sentence the following:

(a) OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION.—

At the end of section 734 of the bill add the following new subsection:

(b) SMALL BUSINESS PROCUREMENT GOALS.—

(1) IN GENERAL.—The Secretary shall annually establish goals for the participation by small business concerns, by small business concerns owned and controlled by service-disabled veterans, by qualified HUBZone small business concerns, by small business concerns owned and controlled by socially and economically disadvantaged individuals, and by small business concerns owned and controlled by women (as such terms are defined pursuant to the Small Business Act (15 U.S.C. 631 et seq.) and relevant regulations promulgated thereunder) in procurement contracts of the Department.

(2) DEPARTMENT GOALS NOT LESS THAN GOVERNMENT-WIDE GOALS.— Notwithstanding section 15(g) of the Small Business Act (15 U.S.C. 644(g)), each goal established under paragraph (1) shall be equal to or greater than the corresponding Government-wide goal established by the President under section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)).

(3) INCENTIVE FOR GOAL ACHIEVEMENT.— Achivement of the goals established under paragraph (1) shall be an element in the performance standards for employees of the Department who have the authority and responsibility for achieving such goals.

The CHAIRMAN. Pursuant to House Resolution 502, the gentlewoman from New York (Ms. VELÁZQUEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York (Ms. VELÁZQUEZ).

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself as much time as I may consume.

I rise today to ensure that the new Department has access to the innovative resources this Nation's small businesses can offer in the defense for our country.

The amendment offered with my colleagues from California and New Mexico makes sure that the American taxpayer gets the best value for the dollar and that the new Department of Homeland Security has access to the best work and highest technology by requiring the new agency to open up its estimated $37 billion market to our Nation's small businesses.

America's small businesses are the top innovators in the global economy. In an age when high technology will help keep us one step ahead of those who will do us harm, we cannot afford to ignore the contributions our small companies can make. When the private sector corporations need a job done quickly, they look to nimble, fast-working small businesses.

Unfortunately, small businesses face many obstacles when trying to win contracts from Federal agencies. The Velázquez-Issa-Wilson amendment will tear down barriers to part of that market by requiring the new Department of Homeland Security to have a small-business goal that is at least the statutory minimum of 23 percent.

The amendment also adds accountability to the process by including goal achievement in Federal contracting officers' performance evaluations.

I close by asking my colleagues to get this new agency off to a good start. In a new era where we must be smarter and faster than our foe, we cannot afford to ignore the smartest and fastest of them all, America's innovative small businesses.

I urge support of the bipartisan Velázquez-Issa-Wilson amendment.

Ms. VELÁZQUEZ. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 12 printed in House Report 107–615.

AMENDMENT NO. 12 OFFERED BY MR. HASTINGS OF FLORIDA

Mr. HASTINGS of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. HASTINGS of Florida:

At the end of title VII, insert the following new section:

SEC. 7 . REQUIREMENT TO COMPLY WITH LAWS PROTECTING EQUAL EMPLOYMENT OPPORTUNITY AND PROVIDING WHISTLEBLOWER PROTECTIONS.

Nothing in this Act shall be construed as exempting the Department from requirements applicable with respect to executive agencies—

(1) to provide equal employment protection for employees of the Department (including pursuant to the provisions in section 2302(b)(1) of title 5, United States Code, and the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (Pub. L. 107–174)); or

(2) to provide whistleblower protections for employees of the Department (including pursuant to the provisions in section 2302(b)(8) of such title and the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002).

The CHAIRMAN. Pursuant to House Resolution 502, the gentleman from Florida (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Chairman, I yield myself such time as I may consume.

I would like to preface my remarks by thanking the majority leader and the minority whip and all of our colleagues who serve on the Select Committee on Homeland Security. In my judgment, they have done an outstanding job, notwithstanding the time constraints and other obstacles that they have been confronted with. I guess there is some comfort as a Member of this body in knowing that future legislation obviously will assist in refining the product that we will conclude with on tomorrow, and I also know that it is comforting to send a message around the world that this body is capable of responding to all challenges.

Mr. Chairman, I rise to introduce an amendment which adds a new section to title VII to H.R. 5005. The additional