



U.S. Immigration and Customs Enforcement

STATEMENT

OF

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REGARDING A HEARING ON

“BORDER SECURITY: FRONTLINE PERSPECTIVES
ON PROGRESS AND REMAINING CHALLENGES”

BEFORE THE

UNITED STATES SENATE

COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS

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9:30 a.m.

INTRODUCTION

Chairman Carper, Ranking Member Coburn, and distinguished members of the Committee:

On behalf of Secretary Napolitano and Director Morton, thank you for the opportunity to appear today to discuss the significant progress U.S. Immigration and Customs Enforcement (ICE) has made over the past decade to successfully secure the border, our strategic approach to interior enforcement, our work investigating, disrupting and dismantling transnational criminal organizations (TCO), and our path forward.

Over the last ten years, we have made tremendous strides and realized considerable enforcement achievements. For the past three years, for example, ICE Homeland Security Investigations (HSI) has achieved a record number of criminal arrests, which culminated with fiscal year (FY) 2012 increases of nearly 25 percent over FY 2010. These record arrests in FY 2011 and FY 2012 followed from successful investigations of commercial fraud, child exploitation, strategic/counter-proliferation, human trafficking, and financial crimes.

Today, ICE is the largest and principal criminal investigative agency within the Department of Homeland Security (DHS) and one of the three DHS agencies charged with administering and enforcing the nation's immigration laws.

Investigative Accomplishments over the Past 10 Years

Since its inception, ICE has achieved impressive results protecting our nation's borders and enhancing public safety. ICE now has more than 20,000 employees with a presence in all 50 states, the District of Columbia, and 48 foreign countries, representing DHS's largest investigative law enforcement presence abroad. In the past ten years, ICE has become the

second-largest federal criminal investigative agency, with responsibility for enforcing over 600 federal statutes. We promote homeland security and public safety through the enforcement of federal laws governing border control, customs, trade and immigration.

ICE has improved border security by increasing our presence on the Southwest Border and strengthening our relationships with our law enforcement partners both domestically and internationally. For example, we established the Border Enforcement Security Task Force (BEST) program, which leverages over 765 federal, state, local, and foreign law enforcement agents and officers representing over 100 agencies. Today, we have 35 BESTs located across 16 states and Puerto Rico. To address threats internationally, we also created Transnational Criminal Investigative Units (TCIUs), which are bilateral, multi-disciplined investigative units led by HSI with international law enforcement membership. Currently, we have 12 TCIUs operating in 10 countries to promote investigative cooperation with host governments.

Since the creation of DHS, ICE has also taken a leading role in coordinating domestic and international law enforcement action among our law enforcement partners through several multi-agency centers that we lead – including the National Intellectual Property Rights Coordination Center, the Export Enforcement Coordination Center, the National Bulk Cash Smuggling Center, and the Cyber Crimes Center, among others – and by our robust participation in task forces led by other agencies, such as the FBI-led Joint Terrorism Task Forces and the Organized Crime Drug Enforcement Task Forces.

In an effort to ensure measurable progress and achievement in the most efficient manner possible, in FY 2011, ICE launched the Significant Case Review Process. This process prioritizes our investigative resources to dismantle and disrupt the most egregious and dangerous

criminal organizations and individuals. Since FY 2011, as a result of our work, we have disrupted and/or dismantled over 175 TCOs and individuals.

ICE-HSI has also seen a significant increase in seizures of currency, counterfeit goods, and many other forms of contraband. In FY 2012, HSI initiated over 43,000 new investigations and made more than 32,000 criminal arrests around the world. During this same period, we set an agency record with the seizure of \$774 million in currency and negotiable instruments, more than double the amount seized by HSI during the previous year, as well as the seizure of 1.5 million pounds of narcotics and other dangerous drugs, and \$175 million worth of counterfeit goods.

In FY 2012, we also focused on the victims of the criminal acts we investigate and recorded the rescue of approximately 650 victims who were either hostages or trafficking victims, including 250 of whom were victims of child sexual exploitation.

Illicit Pathways Attack Strategy (IPAS)

Last year, ICE developed the Illicit Pathways Attack Strategy (IPAS). IPAS supports the Administration's Strategy to Combat Transnational Organized Crime, an initiative launched in July 2011, which seeks to integrate federal resources in order to combat transnational organized crime and related threats to national security and public safety while urging foreign partners to do the same.

As a key partner in this effort, ICE's IPAS is working to identify and dismantle high risk smuggling and trafficking routes, pathways, and integrated networks that support Transnational Organized Crime (TOC). ICE's IPAS initially focused on combating human smuggling. Future iterations of the strategy will focus on weapons trafficking, human trafficking, intellectual

property theft, cybercrime, illicit finance, and counter-proliferation. IPAS is a coordinated strategy to identify illicit pathways and attack criminal networks at multiple locations along the illicit travel continuum. The concept involves:

- Attacking criminal networks within and beyond our borders;
- Prioritizing networks and pathways that pose the greatest threats;
- Participating in and facilitating robust interagency engagement; and
- Pursuing a coordinated, regional approach that leverages international partners.

Our first IPAS focused on high-risk human smuggling in the Western Hemisphere in order to identify and target human smuggling organizations and their pathways across the globe. ICE-HSI is the lead federal agency responsible for investigating human smuggling, and this core mission function directly impacts national security, public safety, and human dignity. Human smuggling is also a crime that converges with other threats. For example, many human smuggling networks rely upon corrupt public officials to facilitate their efforts. Mexican drug cartels earn large quantities of money by charging human smugglers for permission to use their drug routes to enter the United States.

These networks also are involved in bulk cash smuggling, trade-based money laundering, illicit finance schemes, and the use of hawalas and other money or value transfer services to move, transfer, and launder their proceeds. In November 2012, for instance, our special agents in Miami arrested two individuals for alien smuggling as part of Operation Rota Caribe, an Extraterritorial Criminal Travel Strike Force and IPAS-designated human smuggling investigation. The individuals owned and operated “stash” houses in the Bahamas, and smuggled migrants into the South Florida area. On March 21, 2013, these two individuals were sentenced to serve 60 months and 36 months, respectively, in prison.

In January 2013, as part of the same investigation, two additional individuals pled guilty in the U.S. District Court for the Southern District of Florida to multiple counts of alien smuggling for financial gain. They operated a travel agency in Brazil where they recruited and facilitated smuggling ventures from Brazil through the Bahamas to the United States. They were also sentenced on March 21, 2013, to sentences of 60 months and 46 months, respectively.

The IPAS combines traditional law enforcement investigations and prosecutions with efforts to overtly disrupt and deter the underlying criminal activity. Experience has shown that if we simply try to disrupt criminal activity by focusing law enforcement action in one geographic area, criminal organizations will quickly adapt and shift to an area where detection or interdiction by law enforcement is less likely. HSI's goal is to not only stop individual criminals, but also to stop or reduce the criminal activity and dismantle the entire criminal enterprise.

Strategic Approach to Worksite and Visa Overstay Enforcement

Two important areas where our strategic approach to enforcing border security has yielded positive results are investigations involving worksite violations and visa overstays. HSI conducts criminal investigations of employers who exploit or abuse their employees and who have a history of knowingly and repeatedly employing an illegal workforce. This type of employer violation will often involve alien smuggling, document fraud, human rights abuses or other criminal, immigration or customs violations having a direct nexus to the employment of unauthorized workers. HSI is pursuing a comprehensive worksite enforcement strategy to deter unlawful employment and drive a culture of compliance with the nation's employment-related immigration laws. In April 2009, HSI released a revised worksite enforcement strategy that

focuses on enforcement (criminal investigations of employers), compliance (the use of Form I-9 inspections and debarment) and outreach to create a culture of compliance.

The success of our approach to worksite enforcement is evident in the results. In FY 2012, HSI initiated a record 3,904 worksite enforcement investigations, more than any previous fiscal year dating back to FY 2007. In FY 2012, HSI criminally arrested 240 employers for worksite-related violations, surpassing the previous high of 221 in FY 2011. During that same period, 165 employers were indicted and 150 employers were convicted. In FY 2012, HSI also issued a record 3,004 notices of inspection to employers, which surpassed the prior year's record of 2,496 and was greater than ten times more than the 254 notices of inspections served in 2007. In FY 2012, ICE issued 495 final orders – documents requiring employers to cease violating the law and directing them to pay fines – totaling nearly \$12.5 million in fines, compared to the two issued for just over \$26,500 in FY 2007. The \$12.5 million for fines imposed last fiscal year represents the highest amount of fines imposed for a FY since the creation of ICE in 2003.

Finally, in FY 2012, ICE assisted in improving the integrity of the federal contracting and benefit processes by debarring a record 142 businesses and 234 individuals—preventing unscrupulous companies and serious individual offenders from engaging in future business with and receiving benefits from the federal government. Through this aggressive approach to worksite enforcement, ICE is bringing employers into compliance with the law.

HSI prioritizes the criminal prosecution of employers who knowingly hire undocumented workers, abuse and exploit their workers, engage in the smuggling or trafficking of their alien workforce, or facilitate document or benefit fraud. Our special agents are trained to look for

evidence of these activities and we work closely with the U.S. Attorneys' Offices to obtain indictments and prosecute offenders.

Beyond worksite enforcement, ICE-HSI plays an important role in enforcing the law related to visas, including working with the U.S. Department of State in combating visa fraud. Our Compliance Enforcement Unit (CEU), created in 2003, was the first national program dedicated to the enforcement of nonimmigrant visa violations to help confront the problem of visa overstays and other status violations, thereby enhancing national security. In 2010, HSI expanded the responsibilities and mission of the CEU by establishing the Counterterrorism and Criminal Exploitation Unit (CTCEU).

The CTCEU's goal is to prevent terrorists and other criminals from exploiting the nation's immigration system through fraud. This is accomplished through broad intelligence-driven criteria on subjects that exhibit similar characteristics of known violent extremist organizations and their participants. We also use specific intelligence-driven criteria, such as known terrorist travel routes, which focuses HSI investigations on those subjects that are considered to pose a higher risk to national security. HSI's CTCEU accomplishes its mission by reviewing the immigration status of known and suspected terrorists, combating criminal exploitation of the Student and Exchange Visitor Program, and leveraging HSI's expertise with partnering agencies in identifying national security threats. In FY 2012, for instance, CTCEU initiated 3,203 national security investigations on visa overstays/violators, which resulted in 1,374 arrests, of which 123 were criminal arrests.

CONCLUSION

Thank you again for the opportunity to appear before you to discuss the progress we have made to combat public safety and national security threats, including TCOs, over the past ten years, and to outline for the committee just a few examples of our strategic approach to border security. I am confident that we will continue to build upon the momentum we have generated as a result of our considerable investigative achievements.

I would be pleased to answer any questions you may have.