



# U.S. Immigration and Customs Enforcement

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**STATEMENT**

**OF**

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**REGARDING A HEARING ON**

***“THE OUTER RING OF BORDER SECURITY:  
DHS’S INTERNATIONAL SECURITY PROGRAMS”***

**BEFORE THE**

**U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON HOMELAND SECURITY  
SUBCOMMITTEE ON BORDER AND MARITIME SECURITY**

**Tuesday, June 2, 2015 - 10:00 a.m.**

**311 Cannon House Office Building**

## ***Introduction***

Chairman Miller, Ranking Member Vela, and distinguished Members of the Subcommittee:

Thank you for the opportunity to discuss the international engagement and enforcement efforts of U.S. Immigration and Customs Enforcement (ICE). I am honored to provide an overview of our international operations and highlight some successes and the challenges I believe we currently face.

I would like to briefly outline the structure of ICE to help you understand our mission and responsibilities. ICE is divided into two operational components: Enforcement and Removal Operations (ERO) and Homeland Security Investigations (HSI). The role of ERO is to identify, apprehend and, ultimately, remove unlawful aliens from the United States in accordance with law and policy. HSI investigates transnational crime and conducts a wide range of domestic and international criminal investigations arising from the illegal movement of people and merchandise into, within, and out of the United States, often in coordination with other federal agencies.

HSI enforces more than 400 federal laws and regulations with jurisdiction over the investigation of crimes with a nexus to U.S. borders and ports of entry. HSI focuses its broad investigative authority on three operational priorities – border security, public safety, and counterterrorism/national security. Our agency investigates offenses that stem from its traditional customs and immigration authorities: weapons smuggling and illegal exports of defense-related materiel and technology; war crimes and human rights violations; narcotics and contraband smuggling; financial crimes; cybercrimes and child exploitation; human trafficking

and human smuggling; commercial fraud and intellectual property violations; transnational gangs; and document and benefit fraud, to name a few.

I would like to broadly discuss HSI's international operations and note some successes we recently achieved with our foreign partners. One of HSI's most important priorities from an international perspective is to stop threats before they reach our nation's borders. HSI deploys approximately 250 special agents and 170 support staff to 63 offices in 46 countries. HSI works with foreign counterparts to mitigate threats to public safety and national security through investigative activity. In Fiscal Year (FY) 2014, HSI collaborated with international counterparts to arrest over 2,500 suspects abroad, and to seize \$43 million in criminal proceeds, 11,000 firearms, 1 million pounds of narcotics, and \$397 million worth of counterfeit merchandise. These statistics demonstrate HSI's efforts to attack transnational criminal organizations (TCOs) at their root in foreign countries.

### ***Transnational Criminal Investigative Units***

The effectiveness of HSI overseas stems from the quality of relationships we have with our foreign law enforcement counterparts. The relationships we build with foreign authorities are fundamental to attacking TCOs. HSI is particularly proud of the formalized relationships it has established with numerous foreign law enforcement partners through its Transnational Criminal Investigative Units (TCIUs).

TCIUs are investigative units comprised of HSI special agents working alongside foreign law enforcement to investigate common threats. Foreign personnel assigned to our TCIUs undergo a strict vetting process, including a polygraph examination. Upon completion of vetting, candidates must successfully complete a three-week International Task Force Agent

Training course at the Federal Law Enforcement Training Center in Glynco, Georgia. This training is provided by ICE and funded by the Department of State (DOS) Bureau of International Narcotics and Law Enforcement Affairs. I recently attended one of these courses, and I can tell you first-hand that the training we provide to our international partners is top notch. It is based on the training we provide to our own special agents.

Upon completion of training, TCIU members work together with HSI to investigate significant threats. TCIUs facilitate seamless information exchange between HSI special agents and their host nation partners. These units obviously provide a great benefit to the United States, but they also serve the host nation's interest. TCIUs enhance the host country's ability to investigate and prosecute individuals involved in transnational criminal activity that threatens the national security of the partner nation. TCIUs identify targets, collect evidence, share intelligence, and facilitate the prosecution of TCOs, both in-country and through the U.S. judicial system. Currently, HSI has eight TCIUs with more than 200 foreign law enforcement officers. During FY 2014, our TCIUs arrested a combined total of 631 suspects, seized nearly 30,000 pounds of cocaine, more than \$14 million in cash, \$17 million worth of counterfeit merchandise, and numerous firearms from TCOs.

TCIUs routinely accomplish significant outcomes for HSI overseas. Let me highlight two recent successes that underscore the value our units. Last year, HSI special agents and their partners in the Colombian TCIU developed criminal intelligence that resulted in the seizure of 6,910 kilograms of cocaine at the port of Cartagena. The estimated street value of that seizure exceeded \$200 million.

In 2013, Panamanian authorities developed information on a North Korean vessel transiting the Panama Canal from Cuba to North Korea. The vessel's manifest described its

cargo as sugar. Panamanian authorities selected the vessel for inspection, and the TCIU discovered 240 tons of munitions, radar equipment, and two MiG fighter jets concealed beneath 20 million pounds of sugar. The military materiel violated United Nations Security Council Resolution 1718, and was seized by Panamanian authorities based on the professional work done by the TCIU.

We plan to expand the TCIU program to Mexico this year and to Jordan, Kenya, and the Philippines in FY 2016.

### ***The Visa Security Program and PATRIOT***

As you know, the Homeland Security Act directs DHS to assist in the identification of visa applicants who seek to enter the United States for illegitimate purposes, including criminal offenses and terrorism-related activities. The visa adjudication process often presents the first opportunity to assess whether a potential visitor or immigrant poses a threat to the United States. The Visa Security Program (VSP) represents HSI's front line in protecting the United States against terrorists and criminal organizations by preventing foreign nationals who pose a threat to national security from entering the United States.

Within HSI's international footprint, we deploy specially-trained agents overseas to screen and vet visas at 21 high-risk locations in order to identify potential terrorist and criminal threats before they reach the United States. HSI accomplishes this vitally important role by conducting targeted, in-depth reviews of individual visa applications and applicants prior to visa issuance, and making recommendations to consular officers to refuse or revoke visas when warranted. HSI actions complement the consular officers' screening, applicant interviews, and

reviews of applications and supporting documentation. ICE will expand visa security operations at four additional posts this year, which will bring the total to 25.

ICE and U.S. Customs and Border Protection (CBP), in collaboration with DOS, have initiated an automated program to enhance visa security efforts. The Pre-Adjudicated Threat Recognition Intelligence Operations Team (PATRIOT) initiative is the automated screening of visa application information against DHS holdings prior to the applicant's interview. The process includes in-depth vetting of applicants identified as potentially having derogatory information, who may be of investigative interest, or ineligible to receive U.S. visas. The PATRIOT initiative takes a risk-based approach and uses interagency resources from ICE, CBP, DOS, and the Intelligence Community to identify national security and public safety threats.

In FY 2014, the VSP reviewed over two million visa applications, which resulted in the refusal of more than 8,600 visas. Over 5,000 of these refusals were because the applicants had some suspected connection to terrorism or terrorist organizations. In addition, the VSP enhances visa vetting by increasing automated data exchange between DOS and the CBP National Targeting Center (NTC). The NTC provides tactical targeting and analytical research to prevent terrorist and terrorist weapons from entering the United States. The flow of online visa information to DHS systems is now automated and information is sent back to DOS using an automated interface. ICE will leverage these modernization efforts to increase investigations of visa applicants who pose the greatest threats to national security.

Furthermore, ICE deploys VSP personnel to the NTC to augment and expand current operations. The co-location of VSP personnel at the NTC helps increase both communication and information sharing. The NTC conducts pre-departure vetting of all travelers on flights

bound for the United States. Vetting identifies high-risk passengers who should be the subject of no board recommendations to carriers, including those whose visas have been revoked.

### ***Coordination with the U.S. Department of State***

Effective border security requires broad information sharing and cooperation among U.S. agencies. In October 2006, ICE entered into to a memorandum of understanding (MOU) with the DOS Bureau of Consular Affairs in order to exchange visa and immigration data. The agreement allows ICE and DOS to exchange information contained in each other's electronic databases pertaining to foreign persons seeking entry into the United States. This exchange of information allows Consular Affairs personnel to query and access ICE and CBP records. Consular Affairs personnel can then take into consideration prior violations when adjudicating visa applications for foreign persons who have applied to enter the United States. The exchange of information allows ICE enforcement personnel to query the DOS Consular Consolidated Database and access passport and visa application information of persons under investigation by ICE. This information sharing also acts as an exchange for ongoing criminal investigations. If, for example, a suspect of an ongoing HSI criminal investigation applies for a visa, ICE and DOS employees can collaborate to achieve an advantageous outcome.

In January 2011, ICE signed an MOU outlining roles, responsibilities, and collaboration between ICE, Consular Affairs, and the Diplomatic Security Service. To facilitate information sharing and reduce duplication of efforts, ICE and DOS conduct collaborative training and orientation prior to overseas deployments. Once they are deployed to overseas posts, ICE and DOS personnel work closely together in working groups, meetings, training and briefings, and engage in regular and timely information sharing.

## ***Human Smuggling and Human Trafficking Investigations***

Investigating human smuggling and human trafficking organizations is one of our highest priorities. HSI is the principal federal agency for enforcing U.S. laws related to international human smuggling and human trafficking. Let me explain the difference between human smuggling and human trafficking. Human smuggling is a transportation-based crime that violates the integrity of the border and the immigration system. Human trafficking, on the other hand, is a crime against a person involving the exploitation of an individual, and is often referred to as modern day slavery.

HSI has developed a comprehensive, victim-centered approach to aggressively target human traffickers. HSI investigates various forms of human trafficking, including sex trafficking, in which a commercial sex act is induced by force, fraud, or coercion, or in which the victim is a minor; and labor trafficking, in which the victim is forced or coerced into labor against his or her will. HSI's foreign offices focus on two lines of effort to counter human trafficking: operational coordination with foreign counterparts and building foreign partner capacity. In FY 2014, HSI provided human trafficking training or outreach to 10,650 international partners in 723 instances. We also are fully committed to the DHS Blue Campaign, which unifies the Department's outreach efforts.

In response to last year's crisis of unaccompanied Central American children arriving at U.S. borders in unprecedented numbers, HSI initiated Operation Coyote to target human smuggling organizations. The operation was designed to stem the flow of illegal Central American migration, including that of unaccompanied children. HSI deployed additional personnel to Mexico and Central America to leverage partners and focus efforts on human smuggling investigations.



To date, Operation Coyote has resulted in HSI opening 482 investigations, 1,037 criminal arrests, and the seizure of more than \$1.2 million in currency. HSI special agents assigned throughout Central America routinely share criminal intelligence with foreign partners and build capacity in human smuggling and human trafficking enforcement. In collaboration with international partners, HSI identified 15 major human smuggling organizations operating in Central America and Mexico in FY 2014. Six of these organizations have been dismantled and the remaining nine organizations have been disrupted.

HSI continues to work closely with CBP. In December 2013, HSI established a permanent presence at the NTC, and created the NTC-Investigations Division (NTC-I) to enhance collaboration of our shared border security mission. The establishment of the NTC-I provides HSI with an increased presence to work alongside CBP subject matter experts in support of the entire U.S. border security continuum, from CBP interdictions and HSI investigations to the joint exploitation of intelligence and cross-cutting border enforcement efforts.

As part of our overarching efforts to combat human smuggling and human trafficking, we also lead two interagency initiatives. The Human Smuggling Cell harnesses DHS's unique access to trade and financial data to develop information on individuals or organizations involved in human smuggling, and serves as the coordination center for all HSI investigative operations to combat human smuggling organizations. In addition, the interagency Human Smuggling and Trafficking Center works with HSI's foreign offices to exchange information with foreign governments and organizations to prevent human smuggling, human trafficking, and the criminal facilitation of clandestine terrorist travel.

## ***Counterterrorism and Counter-Proliferation Investigations***

Secretary Johnson has directed DHS components to continue to focus on counterterrorism activities as a top priority. At ICE, we seek to leverage our expertise and the investigative methodologies to counter criminal and terrorist organizations. Both sets of bad actors seek to exploit legitimate U.S. trade, travel, and financial systems in furtherance of their financial or ideological objectives.

Within HSI, our goal is to prevent terrorist attacks against the United States before they materialize by ensuring that our various investigative programs, and domestic and international field offices, collaborate within the Intelligence Community and with federal, state, local, tribal, and international law enforcement partners. HSI is the second-largest contributor of federal task force agents to the Federal Bureau of Investigation's Joint Terrorism Task Forces (second only to the FBI itself), which rely on our investigative expertise and broad enforcement authorities.

HSI also contributes to the federal government's efforts to prevent foreign adversaries from illegally obtaining U.S. military products and sensitive technology, including weapons of mass destruction and their components. HSI's Counter-Proliferation Investigations (CPI) program oversees a broad range of investigations related to export law violations. CPI targets the trafficking and illegal export of conventional military equipment, firearms, controlled technology, and materials used to manufacture weapons of mass destruction, including chemical, biological, radiological, and nuclear materials. HSI enforces U.S. export laws involving military items and controlled dual-use goods, as well as products going to sanctioned or embargoed countries.

As part of these efforts, HSI leads the Export Enforcement Coordination Center (E2C2), a multi-agency center that serves as the government's clearinghouse for the exchange of

information and intelligence related to export enforcement. The E2C2 serves as a conduit between federal law enforcement agencies and the Intelligence Community for export licensing and enforcement activities.

HSI frequently enables its foreign partners to make significant seizures or arrests in this realm based on our criminal intelligence. For example, in June 2013, special agents assigned to Mexico provided specific information to Mexican authorities that resulted in the seizure of 98 firearms, including assault rifles, a .50 caliber rifle, grenade launchers, numerous handguns, and 30,000 rounds of ammunition from the Gulf Cartel.

In September 2014, acting on time-sensitive information from a domestic investigation, HSI special agents provided criminal intelligence to Spanish authorities that resulted in the discovery of 90 assault rifles and handguns hidden in secret compartments inside a vehicle exported from the United States to Lebanon. These cases highlight HSI's abilities to leverage its network of foreign law enforcement contacts to achieve desirable outcomes.

### ***Financial Investigations***

HSI must target its resources to the command and control elements of a TCO. Often the critical node of a TCO is its finances. The goal of all HSI's financial investigations is to deny TCOs their ill-gotten gains. HSI continually evaluates current threats and adapts its efforts to stay ahead of developing trends. For instance, HSI focuses on several emerging trends, including interstate funnel accounts, which are high-activity accounts with multiple deposits from numerous sources by TCOs to move illicit proceeds within the interior of the United States; trade-based money laundering, through which TCOs transfer illicit proceeds disguised as

legitimate international trade; and virtual currencies, which TCOs use to disburse illicit proceeds with the benefits of anonymity, liquidity, and international accessibility.

HSI financial investigations focus on identifying the methods by which TCOs move, store, and attempt to legitimize illicit proceeds through money laundering, bulk currency smuggling, and other financial and trade-related crimes. HSI has enjoyed great success in this area in recent years. For example, an HSI New York money laundering investigation recently revealed that HSBC Bank was the financial institution of choice for Mexican drug cartels, which deposited hundreds of millions of dollars in illicit proceeds into accounts at that bank. That investigation revealed major compliance shortcomings on the part of HSBC, which ultimately resulted in the criminal forfeiture of \$1.9 billion.

In another example, from this past fall, an investigation led by our offices in Los Angeles and Bogota, Colombia targeted drug cartels that laundered illicit proceeds through a complex, trade-based money laundering scheme involving retail stores in the Los Angeles Garment District. In this case, HSI seized more than \$142 million in currency, bank accounts, and property—an agency record for the largest seizure to occur in one investigation in a single day.

### ***Child Exploitation Investigations***

HSI has a long and successful history in investigating and disrupting the sexual exploitation of children, principally involving two categories of crimes: production/distribution of child pornography and child sex tourism. HSI employs the latest technology to collect evidence and track the activities of individuals and organized groups sexually exploiting children through the use of websites and peer-to-peer trading. HSI leverages the unique resources of its

Cyber Crimes Center, which enables special agents with specialized expertise, resources, technical advice, and training to assist in a variety of cybercrimes.

HSI works with several well-regarded institutions to investigate child exploitation. For example, HSI receives law enforcement tips from the National Center for Missing and Exploited Children's CyberTipline regarding suspected crimes of sexual exploitation committed against children. HSI has shared thousands of leads with foreign law enforcement to rescue children from lives of abuse, fear, and shame. HSI also partners with the Virtual Global Task Force, which seeks to build relationships between international law enforcement agencies, non-government organizations, and private industry to help protect children from transnational child sexual exploitation.

Many times, our special agents encounter evidence of the sexual abuse of children online, but are initially unable to determine who or where the suspects or victims are located. The HSI Victim Identification Program combines technological and investigative capabilities and resources to rescue child victims of sexual exploitation. HSI analyzes and enhances material that depicts abuse to identify clues that may lead to the identity of the victim, suspect, or geographic location.

HSI's technical expertise and its relationship with foreign law enforcement recently saved a child. In early 2014, British police reported to HSI's office in London that they had witnessed a suspect abuse an infant in a live Internet forum. Working together, HSI and its British counterparts combed through digital clues and determined the suspect appeared to reside in California. Within seven hours of British police witnessing this unconscionable act, HSI's office in Los Angeles located and arrested the suspect, and rescued his three month-old infant son. Thanks to quick actions of HSI and its partner, the suspect was recently convicted and

sentenced to 21 years in prison and, indeed, the child's life was changed for the better. I can think of no better example of the value of our foreign partnerships.

***Conclusion***

I am grateful for the opportunity to appear before you today and for your continued support of ICE and its law enforcement mission. I am confident that we will continue to build upon the momentum we have generated as a result of our considerable operational achievements around the world. HSI remains committed to working with this subcommittee to forge a strong and productive relationship going forward to help prevent and combat threats to our nation.

I would be pleased to answer any questions.