



TESTIMONY OF

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“An Examination of the Maritime Nuclear Smuggling Threat and Other Port Security and
Smuggling Risks in the U.S.”

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Chairwoman McSally, Chairman Hunter, Ranking Members Vela and Garamendi, and distinguished Members of the Subcommittees, it is an honor to appear before you today to discuss the role of U.S. Customs and Border Protection (CBP) in maritime cargo security, a role that we share with the Department of Homeland Security (DHS) agencies that join me today.

As the lead DHS agency for border security, CBP works closely with our domestic and international partners to protect the Nation from a variety of dynamic threats, including those posed by containerized cargo and commercial conveyances arriving at our air, land, and sea ports of entry (POE). CBP's security and trade facilitation missions are mutually supportive: by utilizing a risk-based strategy and multilayered security approach, CBP can focus time and resources on those suspect shipments that are high-risk which, in turn, allows CBP to expedite legitimate trade. This approach incorporates three layered elements to improve supply chain integrity, promote economic viability, and increase resilience across the entire global supply chain system:

- *Advance Information and Targeting.* Obtaining information about cargo, vessels, and persons involved early in the shipment process and using advanced targeting techniques to increase domain awareness and assess the risk of all components and factors in the supply chain;
- *Government and Private Sector Collaboration.* Enhancing our Federal and private sector partnerships and collaborating with foreign governments to extend enforcement efforts outward to points earlier in the supply chain; and
- *Advanced Detection Equipment and Technology.* Maintaining robust inspection regimes at our POEs, including the use of non-intrusive inspection equipment and radiation detection technologies.

These interrelated elements are part of a comprehensive cargo security strategy that enables CBP to identify and address the potential use of containerized cargo to transport radiological weapons, such as "dirty bombs," radiological dispersal devices (RDD), or other dangerous materials, before they arrive at our Nation's border.

Advance Information and Targeting Capabilities

CBP's multilayered approach to cargo security necessitates substantial domain awareness and intelligence to effectively identify and address high-risk shipments. Statutory and regulatory requirements for the submission of advance information, and the development of rigorous targeting capabilities at the National Targeting Center (NTC), enable CBP to detect potential threats before a vessel or shipment arrives.

The Trade Act of 2002,¹ which provides statutory support for our 24-Hour Advance Cargo Manifest rule, requires importers and carriers to submit to CBP advance electronic cargo information for all inbound shipments in all modes of transportation. Furthermore, CBP requires

¹ Pub. L. No. 107-210

the electronic transmission of additional data, as mandated by the Security and Accountability for Every Port (SAFE Port) Act of 2006,² through the Importer Security Filing and Additional Carrier Requirements rule (also known as “10+2”). This advance information requirement is a critical element of CBP’s targeting efforts at the NTC and enhances CBP’s capability to identify high-risk cargo without hindering legitimate trade and commerce.

The NTC, established in 2001, coordinates and supports CBP’s anti-terrorism activities related to the movement of cargo in all modes of transportation – sea, truck, rail, and air. Using the Automated Targeting System (ATS), NTC proactively analyzes advance cargo information before shipments depart foreign ports. ATS incorporates the latest cargo threat intelligence and national targeting rule sets to generate a uniform review of cargo shipments, and provides comprehensive data for the identification of high-risk shipments. ATS is a critical decision support tool for CBP officers working at the NTC, the Advanced Targeting Units at our POEs, and foreign ports abroad.

Collaboration with Government and Private Sector Partners

CBP’s advanced targeting capabilities are further strengthened by our extensive partnerships with other agencies, both domestically and abroad. We work closely with our DHS partners, including the U.S. Coast Guard, U.S. Immigration and Customs Enforcement (ICE), and the Science and Technology Directorate (S&T) to coordinate cargo security operations and deploy advanced detection technology. Furthermore, in 2011, the CBP Commissioner, USCG Commandant and ICE Director signed the cross-component Maritime Operations Coordination (MOC) plan. The plan addresses the unique nature of the maritime environment and sets forth a layered, DHS-wide approach to homeland security issues within the maritime domain, ensuring integrated planning, information sharing, and increased response capability in each area of responsibility. CBP also collaborates with the Domestic Nuclear Detection Office (DNDO) as well as with numerous agencies within the Departments of Defense, Energy, Health and Human Services, Commerce, Justice, and Treasury to promote real-time information sharing.

CBP has participated in numerous joint-operations that led to the interdiction of illicit shipments. For example, Project Zero Latitude was developed due to escalation of foreign and domestic narcotics interceptions involving sea containers of produce and seafood shipments, particularly involving Ecuador. At the NTC, CBP conducted an analysis of historical ATS information and cocaine seizure data. The analysis enabled NTC to identify several smuggling trends that will facilitate the identification of future suspect shipments.

Close collaboration with our Federal partners increases information sharing, which, in turn, enhances CBP’s domain awareness, targeting capabilities, and ability to intercept threats at, or approaching, our borders. CBP continues to extend our cargo security efforts outward through strategic partnerships with foreign countries through the development of international cargo security programs and initiatives.

² Pub. L. No. 109-347

International Partnerships

One of CBP's most effective international cargo security programs is the Container Security Initiative (CSI). This initiative was established in 2002 with the sole purpose of preventing the use of maritime containerized cargo to transport a weapon of mass effect (WME)/weapon of mass destruction (WMD) by ensuring all containers identified as potential risks for terrorism are inspected at foreign ports before they are placed on vessels destined for the United States. Through CSI, CBP officers stationed at CSI ports abroad and the NTC in Virginia work with host countries' customs administrations to identify and mitigate containers that may pose a potential risk for terrorism based on advance information and strategic intelligence. Those administrations use a variety of means, including detailed data assessment, non-intrusive inspection (NII), radiation detection technology, and/or physical examinations to screen the identified high-risk containers before they depart the foreign port.

CBP works closely with host country counterparts to build their capacity and capability to target and inspect high-risk cargo. Today, in addition to weapons-detection, many CSI ports are now also targeting other illicit materials, including narcotics, pre-cursor chemicals, dual-use technology, stolen vehicles, weapons and ammunition, and counterfeit products. Furthermore, advancements in technology have enabled CBP to increase the efficiency of CSI operations without diminishing effectiveness by conducting more targeting remotely at the NTC. CBP's 60 CSI ports in North America, Europe, Asia, Africa, the Middle East, and Latin and Central America currently prescreen over 80 percent of all maritime containerized cargo that is imported into the United States. We anticipate that percentage to increase in the near future. Under a revised Declaration of Principles signed on June 23, 2015, CBP and the General Administration of Customs of the People's Republic of China have agreed to expand cooperation to address all cargo hazards, increase information sharing and collaboration, and conduct joint inspections in additional ports in China.

CBP's strong working relationship with our foreign partners is also exemplified by the Secure Freight Initiative (SFI) in Qasim, Pakistan. Through SFI-Qasim, 100 percent of containerized maritime cargo is scanned (by both radiation detection and imaging equipment) prior to lading onboard a U.S.-bound vessel. All targeting of containers and monitoring of the scanning is done remotely via live video feed by CBP officers working at the NTC. Physical examinations are conducted at Port Qasim by Pakistani Customs officials and Locally Engaged Staff hired and vetted by the U.S. Consulate General in Karachi. These physical examinations are also monitored by live-feed at the NTC.

Creating the process for real-time data transmission and analysis in Qasim required the development, installation and integration of new software and equipment. CBP partnered with the Department of Energy to deploy networks of radiation detection and imaging equipment in Qasim. Port Qasim continues to showcase the SFI program in a country where the government and terminal operators support the initiative, and where construction of dedicated facilities is possible. From constructing the scanning site to providing adequate staffing levels for SFI, the Government of Pakistan remains a strong partner in deploying SFI operations.

In addition to Port Qasim, Pakistan, CBP is now also scanning 100 percent of all U.S.-bound cargo containers from the Port of Aqaba, Jordan, using trained and vetted foreign-service

nationals. In July 2016, the Port of Aqaba will be fully functional and able to transmit scan data in real-time to the NTC. Similar to implementing operations in Qasim, CBP received the full support of the Government of Jordan to implement 100 percent scanning in Aqaba. In addition to that support, successful implementation of 100 percent scanning was possible due to the low to medium volume of U.S.-bound cargo processed through the port, and the small percentage of transshipped cargo, which allowed scanning equipment to be placed at the entrance to the port so as not to hinder the flow of cargo movement.

The impact of these programs has been amplified by the close collaboration between CBP and Department of Energy's Office of Nuclear Smuggling Detection and Deterrence (NSDD). Many CSI ports integrate into their operations partner country radiation detection equipment deployed by NSDD. In a similar fashion, CBP and NSDD collaborated in the detection equipment installation at the SFI operations in Qasim. The strong coordination between CBP and NSDD extends to information and resource sharing that enhances the security of maritime supply chain.

All trading nations depend on containerized shipping for the transportation of manufactured goods, which underscores the importance of these two programs. Each year, about 108 million cargo containers are transported through seaports around the world, constituting the most critical component of global trade. Almost 90 percent of the world's manufactured goods move by container, and about 40 percent arrive by ship. Collaboration with foreign counterparts provides increased information sharing and enforcement, further secures the global supply chain, and extends our security efforts outward.

Private-Sector Partnerships

In addition to CBP's targeting capabilities, and our partnerships with Federal and foreign partners, a critical component to CBP's effort to extend our cargo security to the point of origin is our effective partnership with the private industry. CBP works with the trade community through the Customs Trade Partnership Against Terrorism (C-TPAT) program, which is a public-private partnership program wherein members of the trade community volunteer to adopt tighter security measures throughout their international supply chains in exchange for enhanced trade facilitation, such as expedited processing. C-TPAT membership has rigorous security criteria and requires extensive vetting and on-site visits of domestic and foreign facilities. This program has enabled CBP to leverage private sector resources to enhance supply chain security and integrity.

C-TPAT membership has grown from just seven companies in 2001 to more than 11,000 companies today, accounting for more than 54 percent (by value) of goods imported into the United States. The C-TPAT program continues to expand and evolve as CBP works with foreign partners to establish bi-lateral mutual recognition of respective C-TPAT-like programs. Mutual Recognition as a concept is reflected in the World Customs Organization's Framework of Standards to Secure and Facilitate Global Trade, a strategy designed with the support of the United States, which enables Customs Administrations to work together to improve their capabilities to detect high-risk consignments and expedite the movement of legitimate cargo. These arrangements create a unified and sustainable security posture that can assist in securing and facilitating global cargo trade while promoting end-to-end supply chain security. CBP currently has signed Mutual Recognition Arrangements with New Zealand, the European Union,

South Korea, Japan, Jordan, Canada, Taiwan, Israel, Mexico, and Singapore and is continuing to work towards similar recognition with China, Brazil, the Dominican Republic, India and other countries.

Advanced Detection Equipment and Technology

In addition to deploying technology and personnel abroad under programs like CSI, CBP has made strides in strengthening detection equipment capabilities in domestic seaports. Non-Intrusive Inspection (NII) technology enables CBP to detect materials that pose potential nuclear, radiological, and other materials, such as concealed contraband. Technologies deployed to our Nation's land, sea, and air POEs include large-scale X-ray and Gamma-ray imaging systems, as well as a variety of portable and handheld technologies. NII technologies are force multipliers that enable us to screen or examine a larger portion of the stream of commercial traffic while facilitating the flow of legitimate cargo. We continue to work closely with S&T to identify and develop technologies to improve our NII capabilities.

CBP currently has 307 large-scale NII systems deployed to, and in between, U.S. POEs. These systems enable CBP officers to examine cargo conveyances such as sea containers, commercial trucks, and rail cars, as well as privately owned vehicles, for the presence of contraband without physically opening or unloading them. This allows CBP to work smarter and faster in detecting contraband and other dangerous materials. As of Sept. 30, 2015, CBP has used the deployed NII systems to conduct more than 81 million examinations, resulting in more than 18,400 narcotics seizures, with a total weight of more than 4.1 million pounds, and more than \$79.2 million in currency seizures.

An integral part of the CBP comprehensive strategy to combat nuclear and radiological terrorism is the scanning of all arriving conveyances and containers with radiation detection equipment prior to release from the POE. In partnership with DNDO, CBP has deployed nuclear and radiological detection equipment, including Radiation Portal Monitors (RPM), Radiation Isotope Identification Devices (RIID), and Personal Radiation Detectors (PRD) to 328 POEs nationwide.³ Utilizing RPMs, CBP is able to scan 100 percent of all mail and express consignment mail and parcels; 100 percent of all truck cargo, 100 percent of personally owned vehicles arriving from Canada and Mexico; and nearly 100 percent of all arriving sea-borne containerized cargo for the presence of radiological or nuclear materials. Since the inception of the RPM program in 2002 through May 2016, CBP has scanned more than 1.2 billion conveyances for radiological contraband, resulting in more than 3.9 million alarms, all of which have been successfully adjudicated at the proper level.

When the RPM alarms on a conveyance or package, the conveyance or package is referred to secondary inspection. If it is a conveyance, the driver and all passengers are removed from the vehicle. A RIID is then used to determine if the cause of the radiation alarm is due to an isotope used in medical treatments. Otherwise, using the RPM printout page, the CBP officer will complete a 360 degree scan of the conveyance using a RIID. Once the source of the radiation is

³ As of June 1, 2016, CBP currently has 1,293 RPMs, 2,673 RIIDs, and 33,394 PRDs operational systems deployed nationwide.

localized, the officer uses the RIID to identify the radiation isotope. The results are referred for technical analysis through the CBP Laboratories and Scientific Services Directorate Teleforensic Center.

As part of CBP's NII recapitalization plan, older technology will be phased out and replaced with more modern and state of the art technology. As part of the joint CBP/DNDO RPM Program Executive Plan, older RPMs will be replaced with more capable technology that is more effective and significantly more efficient. CBP's RIID fleet is in the middle of a major recapitalization. Within the last three years, 27 percent of the RIIDs have been replaced with more precise technology. DNDO has also awarded contracts to replace the remainder over next few years subject to the continued availability of funding. DNDO has also awarded a contract for Human Portable Tripwire (HPT) devices for TSA, USCG and CBP – specifically the U.S. Border Patrol (USBP). The device, for USBP operations, is intended to augment their current suite of radiation detection equipment and to help expedite the adjudication of benign radiation alarms, stemming primarily from medical patients traversing through USBP checkpoints. USBP has conducted limited user evaluation of these systems and plans, will deploy an initial quantity in Fiscal Year (FY) 2016, and will derive a wider deployment strategy based on the utility of the system in full operations.

CBP and DNDO continue to collaborate with port and terminal operators to enhance the Department's agility, responsiveness, operational efficiencies, and unwavering commitment to our mutually supporting objectives of safety, security, and prosperity. Two key examples of this are our current project with Port of Los Angeles' Trans Pacific Container Service Corporation (TraPac), LLC Terminal and the Middle Harbor Terminal Redevelopment Project. CBP is currently re-engineering our operations in support of TraPac. TraPac is investing in technology and infrastructure towards an automated terminal that will support both the targeted NII X-ray/gamma-ray imaging of targeted commerce, and the 100 percent mandated radiation scanning⁴ of all incoming commodities at the TraPac terminal. CBP, DNDO and TraPac have developed a new and innovative manner for the TraPac Intermodal Container Transfer Facility on-dock rail application utilizing conveyor systems that will transport cargo containers past RPM detector units in fixed positions inside the automation area. This innovative solution will make significant operational improvement to both CBP and TraPac.

The Middle Harbor Terminal Redevelopment Project, sponsored by the Long Beach Container Terminal (LBCT) at the Port of Long Beach, combines two aging shipping terminals into the greenest, most technologically advanced container terminal in the world. With the Panama Canal expansion, the Middle Harbor Terminal will now be able to accommodate super ships, at a maximum of two 18,000 TEU vessels and one 8,000 TEU vessel.⁵ The first super ships arrived in Spring 2016, and the terminal is projected to handle 3.3 million TEUs per year by 2019. The terminal will be a state-of-the-art fully automated container terminal, and will utilize automated guided vehicles to move the intermodal cargo containers throughout the terminal, which will streamline CBP's cargo screening processes while allowing them to scan the increased cargo without affecting the flow of trade. In FY 2015, CBP worked with LBCT to develop operational

⁴ Security and Accountability For Every Port Act of 2006 (or SAFE Port Act, Pub.L.109-347)

⁵ TEU stands for Twenty-Foot Equivalent Unit, which is used to describe a ship's cargo carrying capacity.

requirements, verify concepts of operations, complete an operational assessment, and develop standard operating procedures to support this project. CBP officers will utilize two fixed high-energy large-scale NII systems and RPMs. Officers will no longer utilize the mobile x-ray systems. Additionally, the port has upgraded the optical character recognition system, new road ability islands, transponders for truck identification and a new energy storage building for the automated vehicles.

In conjunction with CBP's many other initiatives (C-TPAT, ATS, NTC, 24-Hour Rule, and CSI), advancements in cargo screening technology provides CBP with a significant capacity to detect illicit nuclear and radiological materials and other contraband and continues to be a cornerstone of CBP's multilayered cargo security strategy.

CBP Small Vessel Programs and Physical Vessel Surveillance

In addition to the nearly 700 cargo ships that arrive in U.S. POEs daily, the maritime domain supports the commercial fishing industry and its 110,000 fishing vessels, as well as millions of recreational boaters. Most traffic on U.S. waterways and within ports involves legitimate boaters and commercial operators, but it can also involve those engaged in illegal or dangerous activities. A key requirement for enhancing U.S. national security efforts is the ability to identify those who intend to do harm hiding within the sizable majority of people engaged in legitimate activities.

While the *Maritime Transportation Security Act of 2002* (MTSA) and the *International Convention for the Safety of Life at Sea* (SOLAS) require many commercial, passenger, and fishing vessels to operate with an Automatic Identification System (AIS), a tracking system to, among other things, increase maritime awareness, the requirement does not cover many small vessels. The United States Coast Guard (USCG) estimates that, combined with unregistered watercraft, there are approximately 17 million small vessels⁶ operating in U.S. waterways; the majority of these vessels is not required to utilize AIS. Therefore, detecting and assessing the risk of small vessels is particularly challenging. We continue to work closely with S&T to identify and develop technologies to improve our small vessel surveillance, detection and tracking capabilities. This includes investments in data integration, information sharing, and land, air and space based sensor systems.

Operators of small pleasure vessels, arriving in the United States from a foreign port or place are required to report their arrival to CBP immediately upon arrival.⁷ CBP also requires a face-to-face inspection unless the operator and passengers qualify for an alternate inspection program. In support of the DHS *Small Vessel Security Strategy*,⁸ and as part of CBP's comprehensive effort to improve the security of our Nation's borders while enhancing legitimate travel specifically for

⁶ "Small vessels" are characterized as any watercraft, regardless of method of propulsion, less than 300 gross tons. Small vessels can include commercial fishing vessels, recreational boats and yachts, towing vessels, uninspected passenger vessels, or any other commercial vessels involved in foreign or U.S. voyages. DHS, *Small Vessel Security Implementation Plan Report to the Public*, January 2001, page 1. <http://www.dhs.gov/xlibrary/assets/dhs-uscg-small-vessel-security-strategy-report-to-public-012011.pdf>.

⁷ 19 CFR 4.2

⁸ *DHS Small Vessel Security Strategy*, April 2008 (<https://www.dhs.gov/xlibrary/assets/small-vessel-security-strategy.pdf>).

small boaters, CBP utilizes several alternate inspection programs such as the Canadian Border Boater permit (I-68), Nexus Marine program, and the Small Vessel Reporting System (SVRS).

SVRS, a voluntary, online program to report the foreign travel of small vessel operators and passengers, was developed to better track small vessels and make it easier to identify suspicious or unknown vessels. Enrollment in SVRS includes completing an online application, attending a face-to-face interview with a CBP officer, and, if needed, providing biometrics for verification. Once enrolled, participants are able to submit a “float plan” consisting of biographical information of all persons intending on traveling, vessel registration information, and itinerary information. By enrolling and submitting a float plan, participants may not have to appear in person for inspection by a CBP officer each time they enter the United States. Participants are still required to report via telephone their arrival in the United States.

In addition to enforcing reporting requirements, CBP uses an array of vessels and aircraft to provide critical aerial and maritime surveillance of known air, land, and maritime smuggling routes to detect, monitor and disrupt illicit activities before they reach the shore. Within the “customs waters”⁹ of the United States, or at any place within the United States, CBP Air and Marine Operations (AMO) agents may board a vessel for the purpose of enforcing customs law, and to use all necessary force to compel compliance.¹⁰ Additionally, AMO has jurisdiction over any American vessel on the high seas,¹¹ and vessels subject to U.S. jurisdiction under the *Maritime Drug Law Enforcement Act*,¹² which concerns the trafficking of controlled substances aboard vessels in extraterritorial waters. These authorities enable AMO to extend the zone of security surrounding our maritime border and littorals of the United States.

In their capacity as CBP law enforcement agents, AMO agents have a critical role in the enforcement of immigration laws in the maritime environment.¹³ AMO is uniquely positioned – organizationally, via broad enforcement authorities and jurisdiction, and with unequaled specialized training, equipment, and domain awareness capability – to protect America’s security interests beyond the nation’s border in source and transit zones, between ports of entry, in our coastal waters, and within the nation’s interior. Similar to other investigative agencies, AMO agents recruit confidential sources, develop criminal cases, support prosecutors and testify in court in addition to their enforcement actions in the air, land and maritime domains.

Initiatives such as SVRS, combined with unique air and marine enforcement capabilities, provide CBP with advanced vessel information and increased awareness of small vessels approaching or traveling U.S. waterways. Segregating low risk vessels facilitates legitimate recreational boater traffic and increases CBP’s ability to identify higher risk vessels and dedicate resources to address illicit maritime activities.

⁹ See 19 U.S. Code § 1401.

¹⁰ See 19 U.S. Code § 1581.

¹¹ See 19 CFR 162.3.

¹² See Title 46, 46 U.S. Code § 70501-70502.

¹³ See Title 8, Aliens and Nationality.

Response to a Radiological Weapon at a Port

The aforementioned technology, targeting capabilities, and partnerships are strategically aligned to prevent the arrival of dangerous weapons, or other dangerous materials, at a U.S. port. However, in the event such a circumstance occurs, CBP has established contingency plans and standard processes in order to ensure a coordinated and effective response to such an event.

Frontline CBP personnel, upon detection of a suspect radioactive source such as a dirty bomb, are trained to secure, isolate, and notify suspect targets and contact the CBP's Teleforensic Center. The scientists are specially trained in spectroscopy to recognize illicit radiological material and can confer with DOE's Triage Program for additional analysis. Any potential threat information will be shared comprehensively and immediately with the FBI Joint Terrorism Task Forces (JTTFs) so that threats can be investigated and resolved. The FBI has the lead for the operational law enforcement response to a domestic terrorist threat or incident. CBP will coordinate with and assist the FBI as part of the response..

CBP's aviation assets maintain an emergency response capability to provide airborne assessment of radiological deposition following a nuclear or radiological accident or incident, and provide airborne detection of a lost or stolen radiological source or device. Under an Interagency Agreement with the DOE National Nuclear Security Administration, CBP provides material, supplies, fuel, aircraft, flight crews, ground crews, and other required resources to provide aircraft flight support for the NNSA radiological emergency response mission.

All frontline personnel working at POEs utilize Personal Radiation Detectors (PRD), and receive ongoing training on how to respond to a detected radiological weapon. A dirty bomb uses common explosives to spread radioactive materials over a targeted area. It is not a nuclear blast. The force of the explosion and radioactive contamination will be more localized. While the blast will be immediately obvious, the presence of radiation will not be known until trained personnel with specialized equipment are on the scene. As with any radiation, frontline personnel are trained to limit the risk and effects of exposure by finding a shielding object, increasing their distance from the blast, and minimizing exposure time. Personnel will also work with local HAZMAT to cordon off a perimeter and assist with the decontamination process.

Conclusion

Each year, more than 11 million maritime containers arrive at our Nation's seaports. At our land borders, another 11 million arrive by truck and 2.7 million by rail. CBP's targeting activities, in conjunction with programs like CSI and C-TPAT, increase CBP's awareness of what is inside those containers, and enhance our capability to assess whether it poses a risk to the American people.

Working with our DHS, Federal, international, state, local, tribal, and private industry partners, CBP's cargo security programs help to safeguard the Nation's borders and ports from threats – including those posed by radiological weapons.

Chairwoman McSally, Chairman Hunter, Ranking Members Vela and Garamendi, and distinguished Members of the Subcommittees, thank you for the opportunity to testify today. I would be pleased to answer your questions.