



Department of Justice

STATEMENT OF

THE ATTORNEY GENERAL
OF THE UNITED STATES

THE HONORABLE ERIC H. HOLDER, JR.

BEFORE THE

U.S. SENATE

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON COMMERCE, JUSTICE, SCIENCE,
AND RELATED AGENCIES

PRESENTED
May 6, 2010

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Good morning Chairwoman Mikulski, Ranking Member Shelby, and Members of the Subcommittee. Thank you for the opportunity to meet with you today to discuss the President's Fiscal Year (FY) 2011 budget for the U.S. Department of Justice (Department) and the Department's key priorities. I appreciate your recognition of the Department's mission, and I look forward to your continued support of the important work that we do.

When I appeared before this subcommittee last May, I set forth several goals for the Department: to protect the security of the American people, restore the integrity of the Department of Justice, and reinvigorate the Department's traditional missions. Most importantly, I made a commitment to make decisions based on the facts and the law, regardless of politics.

Almost one year later, I'm pleased to report that we are on the right path to achieving these goals. Although unprecedented challenges and new demands have emerged, the Department remains committed to the promises that I made to this subcommittee and to the American people.

The President's FY 2011 budget request for the Department of Justice, which totals \$29.2 billion and includes \$2 billion in program enhancements, will enable the Department to continue its progress in fulfilling our key objectives. The budget provides the Department with the resources necessary to protect our national security, bolster our traditional missions, and prevent and reduce crime in tandem with our state, local, tribal and community partners. These investments would support and enhance the Department's essential national security and counterintelligence programs, our vigorous efforts to prevent, investigate and prosecute financial, mortgage and health care fraud, and our prosecutor-led, intelligence-driven strategy to protect our Southwest border.

The budget would also provide funding for an expansion of the Community Oriented Policing Services (COPS) hiring program and resources for the department's efforts to ensure that prison and detention programs are adequately funded and effective prisoner re-entry programs are available.

Strengthen National Security

The budget requests \$300.6 million in program increases to help strengthen national security and counter the threat of terrorism. The request includes \$219.3 million in

increases for the FBI and \$7.8 million in increases for the National Security Division (NSD).

We are working day and night to protect the American people. Due to the vigilance of Department of Justice professionals, working in partnership with other law enforcement and intelligence agencies, we have uncovered and averted a number of serious threats to domestic and international security. Recent arrests in New York, Chicago, Springfield, Dallas and Philadelphia are evidence of our success in identifying nascent plots and stopping would-be attackers before they strike.

One of the most serious terrorist threats to our nation since September 11, 2001, was the attempted attack by Najibullah Zazi, who recently pled guilty to three criminal charges in connection with a plan to bomb New York City's subway system in September 2009. In addition to Zazi, four others have been charged in connection with this plot. This attempted attack on our homeland was real, it was in motion, and it would have been deadly. Because of careful analysis by our intelligence agents and prompt actions by law enforcement, we were able to thwart this potentially devastating plot.

Aggressive Pursuit of Financial Fraud

As we reinvigorate our traditional law enforcement mission, the Department has placed a distinct focus on financial crimes. The Justice Department is engaged in an aggressive effort to combat financial fraud and market manipulation. The President's FY 2011 budget requests an increase of \$234.6 million to restore confidence in our markets, protect the federal treasury and defend the interests of the U.S. Government.

In addition, the Department of Health and Human Services (HHS) requests an increase of \$60.2 million specifically for DOJ components involved in the investigation and litigation of health care fraud cases. This increase will further the efforts of the Health Care Fraud Prevention and Enforcement Action Team (HEAT) initiative.

The budget request would improve the Department's ability to collect debts, enforce tax laws and prosecute fraud and will maximize the benefits of the Federal Government's investment of resources through the American Recovery and Reinvestment Act of 2009. It would also continue to enhance the Department's efforts to help protect American savers and investors, the national financial market, and the U.S. Treasury.

Reduce Violent Crime and Drug Trafficking

Violent crime and drug trafficking continue to demand a significant federal response. Although violent crime has not increased in recent years, the share of crimes that require federal resources continues to grow as regional street gangs increase their involvement with national and international gangs and drug trafficking organizations. The Department requires significant resources to meet these challenges through its prosecutor-led, intelligence-driven strategy to address the interrelated threats of violent crime and drug trafficking. This budget requests an increase of \$121.9 million to reduce the threat,

incidence and prevalence of violent crime and drug trafficking. For FY 2011, a total of approximately \$5 billion is dedicated to target these problems, including \$1 billion for federal law enforcement to help address violent crime and \$4 billion for federal drug enforcement and prosecution efforts.

We remain committed to eliminating the threat posed by Mexican drug cartels plaguing our Southwest border and will continue to coordinate with the Department of Homeland Security and international, federal, state and local agencies to ensure that we effectively and efficiently reduce the influence and violence of these cartels.

In addition, this budget supports several programs in place to protect the Southwest border, including a significant expansion of and investment in the Organized Crime Drug Enforcement Task Force program, which is a centerpiece of the Department's drug enforcement and counternarcotics efforts. The budget includes resources for Project Gunrunner, the Bureau of Alcohol, Tobacco, Firearms and Explosives' (ATF) Southwest Border Firearms Trafficking Enforcement program, as well as forensic support for law enforcement activities in Tribal Communities. Further, the budget will expand operational capabilities at the Drug Enforcement Administration's (DEA) multi-agency El Paso Intelligence Center (EPIC) by enlarging the facility to accommodate additional participating agency personnel and by improving intelligence exploitation abilities along the Southwest Border.

In addition, resources to assist DOJ's state, local and tribal law enforcement partners combat violent crime and drugs are requested within the Department's grant programs.

Assist State, Local and Tribal Law Enforcement

The budget requests a \$722.5 million increase for state, local and tribal law enforcement assistance programs, bringing total grant program funding to \$3.4 billion. The Department continues to maintain key partnerships with state, local and tribal officials and community members. These partnerships include the COPS hiring grant program, which enables state, local and tribal police agencies to increase the number of officers available to advance community policing, with a goal to prevent and reduce crime. In addition, many grant programs are provided through the Office on Violence Against Women (OVW), such as the Sexual Assault Services program and the Legal Assistance for Victims program, which provide communities with the opportunity to combat sexual assault and other forms of violence against women.

Several new programs are requested in FY 2011 for the Office of Justice Programs (OJP), including the new Byrne Criminal Justice Innovation program, smart policing, and smart probation initiatives. The budget includes funding to continue the implementation of the Adam Walsh Act of 2006, which established national standards for sex offender registration and notification. Resources are also requested to assist children exposed to violence, as well as enhancements to expand criminal justice research and statistical data gathering efforts.

Protect Civil Rights

Throughout its history, the Department of Justice has helped safeguard the civil rights of all Americans by targeting discrimination through investigation, litigation, outreach, technical assistance and training efforts, and by providing guidance to federal, state, local and tribal agencies. The President and I have recommitted the Department to performing this historic role. In FY 2011, we will build on the progress made in FY 2010 to restore the Department's unparalleled role in protecting civil and constitutional rights.

The FY 2011 budget requests an increase of \$19.8 million to protect civil rights and vulnerable populations. This increase will allow the Department to strengthen its focus on enforcing fair lending and housing laws, preventing employment discrimination, protecting voting rights, and prosecuting hate crimes. It will also expand resources for protecting children from exploitation, tracking convicted sex offenders, recovering missing and abducted children, and combating human trafficking and sex tourism.

Combat International Organized Crime

International organized crime poses unprecedented threats to our country's national and economic security. These threats include attempts by organized criminals to exploit our energy and other strategic sectors, support for terrorists and hostile governments, orchestration of cyber and intellectual property crimes, and efforts to manipulate our financial, securities, and commodities markets.

The budget includes \$15 million in program increases that will allow the Department of Justice to continue implementing the *Law Enforcement Strategy to Combat International Organized Crime* ("IOC Strategy"), which the Attorney General's Organized Crime Council adopted in April 2008 to modernize law enforcement's approach to international organized crime. This funding will support a unified strategy to dismantle international crime organizations that have become exponentially more sophisticated and provide for expansion of the OCDETF Fusion Center to accommodate the International Organized Crime Intelligence and Operations Center (IOC-2).

Maintain Prisons, Detention, Parole and Judicial & Courthouse Security

As a result of successful law enforcement policies, the number of criminal suspects appearing in federal court continues to grow, as does the number of individuals ordered detained and ultimately incarcerated. The budget requests \$527.5 million in program increases that will allow the Bureau of Prisons (BOP), Office of the Federal Detention Trustee (OFDT), U.S. Parole Commission (USPC) and U.S. Marshals Service (USMS) to continue to protect society by confining offenders in the controlled environments of prisons and contract- or community-based facilities as well as by offering self-improvement opportunities to offenders that will assist them in becoming law-abiding citizens and reduce the likelihood of recidivism. Additional resources are also requested to acquire and activate high- and medium-security beds to manage the most challenging inmates in our custody.

The BOP operates 115 federal prisons and contracts for low security prison beds to confine more than 215,000 inmates in FY 2010; BOP projects that the federal prison population will increase by approximately 7,000 inmates in FY 2011. Therefore, program enhancements included in the FY 2011 budget provide \$523.2 million in new program funding to support increases in BOP and OFDT operations. These additional funds will allow OFDT in particular to support an average daily detention population of approximately 62,100, to increase detention bed space in the Southwest Border region, and for increased prisoner transportation and medical costs associated with the rise in average daily detention population.

In addition, these program enhancements increase funding to support Second Chance Act initiatives and re-entry programs, including expanded re-entry transitional housing, BOP inmate correctional programs, and the District of Columbia Recidivism Reduction and Re-entry Enhancement, a new program that will be implemented by the USPC in FY 2011.

Finally, resources are requested to enhance the law enforcement efforts of the USMS, primarily its Special Operations Group (SOG), which supports USMS and other agencies with a rapidly deployable force of tactically trained officers. SOG provides tactical support for any incident involving the judiciary, district operations and witness security operations. The President's budget also annualizes into the USMS base additional positions approved in FY 2009 (201 positions) and FY 2010 (700 positions) to support immigration enforcement, particularly along the Southwest Border. The positions will also be used to expand Adam Walsh Act enforcement.

Enforce Immigration Laws

The Department maintains substantial responsibilities with respect to immigration, including enforcement, detention, judicial functions, administrative hearings and litigation, among others. The Department's Executive Office for Immigration Review (EOIR) serves as the front-line presence nationwide in immigration matters overseeing the immigration court and appeals process.

In recent years, however, the Department's resource enhancements have not kept pace with those received by the various immigration components of DHS. EOIR's immigration court caseload continues to increase to unsustainable levels as a result of DHS' heightened enforcement efforts. The caseload grew 30 percent between FY 2004 and FY 2009 - from 300,000 to 390,000 new matters coming to EOIR for resolution each year. The number of new cases is expected to exceed 400,000 annually by 2011.

An additional \$11 million requested in 2011 is therefore needed to address the caseload increases emanating from DHS programs, including the Secure Communities Initiative and the Criminal Alien Program. These resources are necessary to improve the current immigration system and to ensure that the nation's approach to immigration enforcement is balanced, reasonable, effective, and humane.

Similarly, the Civil Division's Office of Immigration Litigation (OIL) also plays a crucial role in upholding the enforcement actions of DHS and EOIR. OIL provides the government with the best possible defense in district court cases and challenges to removal orders filed in circuit courts by illegal aliens, many of whom are criminals. As DHS enforcement activities expand with the implementation of the Secure Communities Initiative, OIL can expect aliens to continue to petition their removal decisions in circuit courts. The FY 2011 budget maintains the current staffing levels for OIL.

Ensure Public Safety in Tribal Communities

The Department of Justice is deeply committed to working with tribal governments to improve public safety in Tribal Communities.

We are working to put resources in place quickly and efficiently to help American Indian and Alaska Native communities help themselves. The budget requests \$448.8 million in total resources to assist Tribal Communities. It maintains the increased number of Assistant U.S. Attorneys in Indian Country that the Department is adding in 2010 as a result of the support of members of this Committee. In addition, the President's FY 2011 budget includes funds (provided by the Department of the Interior) for 45 new FBI agents to support law enforcement efforts in Indian Country. The President's FY 2011 budget provides \$67 million under the COPS Office, \$140.7 million under the Office of Justice Programs, and \$47.9 million under OVW for tribal initiatives. Within this amount, the President's budget includes a 7 percent set-aside – \$42 million – from the COPS hiring program to support the hiring of tribal law enforcement personnel; a 7 percent set-aside – \$139.5 million – from OJP for Indian Country efforts; and statutory set-asides totaling \$42.9 million for certain OVW programs. These set-asides, combined with numerous Department of Justice programs designed exclusively for tribal communities result in a total request of \$255.6 million for Department of Justice grant programs in Tribal Communities

There are over 56 million acres of Indian Country and more than 560 federally-recognized Indian tribes. *The Major Crimes Act* provides federal criminal jurisdiction over certain specified major crimes if the offender is Indian, while tribal courts retain jurisdiction for conduct that might constitute a lesser offense. Federal investigation and prosecution of felonies in Indian Country cannot be deferred to a local jurisdiction and therefore federal law enforcement is both the first and only avenue of protection for the victims of these crimes.

Conclusion

Chairwoman Mikulski, Ranking Member Shelby, and Members of the Subcommittee, I want to thank you for this opportunity to discuss the Department's priorities and detail new investments sought for FY 2011.

Today I have highlighted critical areas that require attention and resources so that the Department can fulfill its mission to enforce the nation's laws and protect our national security. I hope you will support me in the execution of these worthy efforts. As always, we are aware that there are tough decisions and challenges ahead, and I look forward to working with you as we move forward.

Once again, thank you for inviting me here today. I am pleased to answer any questions you might have.