



**STATEMENT OF ANTHONY M. REARDON  
NATIONAL PRESIDENT  
NATIONAL TREASURY EMPLOYEES UNION  
ON U.S. CUSTOMS AND BORDER PROTECTION FY 2017 BUDGET REQUEST  
BEFORE THE SUBCOMMITTEE ON HOMELAND SECURITY  
HOUSE APPROPRIATIONS COMMITTEE**

**March 1, 2016**

Chairman Carter, Ranking Member Roybal-Allard, distinguished members of the Subcommittee; thank you for the opportunity to provide this testimony. As President of the National Treasury Employees Union (NTEU), I have the honor of leading a union that represents over 25,000 Customs and Border Protection (CBP) Officers and trade enforcement specialists stationed at 328 land, sea and air ports of entry (POEs) across the United States and 16 Preclearance POEs.

NTEU applauds the Administration's FY 2017 budget that provides \$12.9 billion for Customs and Border Protection (CBP), an increase of 5.2% over FY 2016. In FY 2017, CBP plans to have onboard 23,821 CBP Officers at the ports of entry—achieving the hiring goal of 2,000 additional CBP Officers proposed in the FY 2014 budget agreement.

The President's FY 2017 budget would also support 2,070 new CBP Officers through an increase in user fees. The most recent results of the Workload Staff Model (WSM) – factoring in the additional 2,000 CBP Officers (CBPO) from the FY 2014 appropriations, however, shows a need for 2,107 additional CBPOs through FY 2017. The Agriculture Resource Allocation Model (AgRAM) shows a need for an additional 631 CBP Agriculture Specialists.

There is no greater roadblock to legitimate trade and travel efficiency than the lack of sufficient staff at the ports. Understaffed ports lead to long delays in our commercial lanes as cargo waits to enter U.S. commerce and significant hardship for CBP Officers.

At the San Ysidro port of entry, CBP has instituted involuntary temporary duty assignments to address a staffing crisis there. At JFK Airport, CBP has granted overtime exemptions to over one half of the workforce to allow managers to assign overtime to Officers that have reached the statutory overtime cap. **Both involuntary overtime--resulting in 12 to 15 hour shifts, day after day, for months on end--and involuntary work assignments far from home disrupt CBP Officers' family life and destroys morale. Ongoing staff shortages**

**contribute to CBP's ranking at the very bottom of the Partnership for Public Service's "Best Places to Work" Survey--314 out of 320 agency subcomponents.**

For years, NTEU has maintained that delays at the ports result in real losses to the U.S. economy. According to the U.S. Department of the Treasury, more than 50 million Americans work for companies that engage in international trade and, according to a University of Southern California (USC) study, "The Impact on the Economy of Changes in Wait Times at the Ports of Entry", dated April 4, 2013, for every 1,000 CBP Officers added, the U.S. can increase its gross domestic product by \$2 billion, which equates to 33 new private sector jobs per CBP Officer added. This analysis was supplemented by USC in its update entitled "Analysis of Primary Inspection Wait Times at U.S. ports of Entry" published on March 9, 2014. This study found that by adding 14 CBP Officers at 14 inspection sites in 4 international airports, the potential total net impact would be to increase annual GDP by as much as \$11.8 million.

In its budget submission, CBP proposes to backfill 60 CBP Officer attrition vacancies in FY 2017 with CBP Technicians in order to free up CBP Officers from administrative duties. NTEU supports the hiring of additional CBP Technicians to free up CBP Officers from administrative duties as long as CBP is not reducing the current onboard goal of 23,821 CBP Officer with CBP Technicians. CBP Technicians cannot "backfill" CBP Officer positions, because they are not qualified as CBP Officers. With an ongoing shortage of 2,107 CBP Officers, hiring new CBP Officers should be CBP's priority. **NTEU supports hiring additional CBP Technicians to give administrative support to CBP Officers, but strongly objects to CBP replacing CBP Officer positions made vacant through attrition with CBP Technicians.**

**NTEU also supports the Administration's FY 2017 proposal to increase immigration and customs user fees to fund the hiring of additional CBP Officers as identified by CBP's WSM.** CBP collects user fees to recover certain costs incurred for processing, among other things, air and sea passengers, and various private and commercial land, sea, air, and rail carriers and shipments. The source of these user fees are commercial vessels, commercial vehicles, rail cars, private aircraft, private vessels, air passengers, sea passengers, cruise vessel passengers, dutiable mail, customs brokers and barge/bulk carriers. These fees are deposited into the Customs User Fee Account. Customs User Fees are designated by statute to pay for services provided to the user, such as inspectional overtime for passenger and commercial vehicle inspection during overtime shift hours.

**NTEU was disappointed that Congress, in last year's highway bill, indexed Customs User fees to inflation, but diverted this fee increase to serve as an offset for highway funding, rather than to hire additional CBP Officers. NTEU will work to redirect this \$400 million a year funding stream created by the indexing of Customs User fees back to CBP for its intended use—to pay for inspection services provided to the user.**

Despite an enacted increase in appropriated funding for the hiring of 2000 new CBP Officers, CBP will still face staffing shortages in FY 2017 and beyond. **If Congress is serious about job creation, then Congress should either again increase appropriated funding to hire**

**additional CBP Officers, or raise IUF and COBRA fees and adjust both fees annually to inflation.**

**Agriculture Specialist Staffing Shortage:** CBP employees also perform critically important agriculture inspections to prevent the entry of animal and plant pests or diseases at ports of entry. For years, NTEU has championed the CBP Agriculture Specialists' Agriculture Quality Inspection (AQI) mission within the agency and the fought for increased staffing to fulfill that mission. The U.S. agriculture sector is a crucial component of the American economy generating over \$1 trillion in annual economic activity. According to the United States Department of Agriculture (USDA), foreign pests and diseases cost the American economy tens of billions of dollars annually. Staffing shortages and lack of mission priority for the critical work performed by CBP Agriculture Specialists and CBP Technicians assigned to the ports is a continuing threat to the U.S. economy.

The FY 2015 Agriculture Specialists Resource Allocation Model (AgRAM) showed a need to hire 723 new CBP Agriculture Specialists in FY 2016. CBP's updated AgRAM, shows a need for an additional 631 frontline CBPAS and supervisors to address current workloads through FY 2017, however, even with the 2016 increase in AQI user fees, **CBP will fund a total of 2,417 CBPAS in FY 2017, not the 3,048 CBPAS called for by the AgRAM.**

NTEU worked successfully with appropriators to get report language in the House version of the FY 2016 funding bill that states: "With CBP's recent release of its risk-based Agriculture Resource Allocation Model (AgRAM), the Committee is concerned about how CBP plans to fulfill its agriculture quarantine inspection (AQI) mission with current staffing levels. CBP is directed to report back to the Committee within 90 days of enactment a plan to address these staffing needs to meet its AQI mission to protect U.S. food, agriculture, and natural resources." This report is due to the Committee in the next few weeks.

**CBP Trade Operations Staffing:** CBP has a dual mission of safeguarding our nation's borders and ports as well as regulating and facilitating international trade. In FY 2013, all revenue collected by CBP exceeded \$42 billion with nearly \$30 billion of that revenue coming from the collection of trade duties. Since CBP was established in March 2003, however, there has been no increase in CBP trade enforcement and compliance personnel even though inbound trade volume grew by more than 24 percent between FY 2010 and FY 2014.

**NTEU urges the Committee to increase funding to hire additional trade enforcement and compliance personnel, including Import Specialists, to enhance trade revenue collection.**

**Additional CBP Personnel Funding Issues:** NTEU commends the Department for increasing the journeyman pay for CBP Officers and Agriculture Specialists. Many deserving CBP trade and security positions, however, were left out of this pay increase, which has significantly damaged morale.

NTEU strongly supports extending this same career ladder increase to additional CBP positions, including CBP trade operations specialists and CBP Seized Property Specialists. The journeyman pay level for the CBP Technicians who perform important commercial trade and administration duties should also be increased from GS-7 to GS-9.

NTEU also supports extending enhanced retirement that was granted to CBP Officers in 2008 to the approximately 120 CBP Seized Property Specialists, the only armed, uniformed officers at CBP that do not receive Law Enforcement Officer retirement.

CBP continues to be a top-heavy management organization. CBP's own FY 15 end of year workforce profile (dated 10/3/15), **shows that the Supervisor to frontline employee ratio was 1 to 5.6 for the total CBP workforce, 1 to 5.7 for CBP Officers and 1 to 6.6 for CBP Agriculture Specialists.**

The tremendous increase in CBP managers and supervisors has come at the expense of national security preparedness and frontline positions. Also, these highly paid management positions are straining the CBP budget. With the potential increase of 2000 new CBP Officer new hires, **NTEU urges that CBP return to a more balanced supervisor to frontline employee ratio.**

Funding for additional CBP staff must be increased to ensure security and mitigate prolonged wait times for both trade and travel at our nation's ports of entry. Therefore, **NTEU urges the Committee to include in its FY 2017 DHS appropriations bill:**

- **funding to increase trade, travel and agriculture inspection and enforcement staffing to the level called for in CBP's most recent WSM that shows a need for 2,107 additional CBP Officers and an additional 631 CBP Agriculture Specialists through FY 2017; and**
- **funding to increase journeyman pay to additional CBP personnel, including CBP Technicians, Import and other Commercial Operations Specialists, and enhanced retirement to armed, uniformed CBP Seized Property Specialists.**

Lastly, NTEU supports legislation to allow CBP to increase user fees to help recover costs associated with fee services and provide funding to hire additional CBP Officers.

The more than 25,000 CBP employees represented by NTEU are proud of their part in keeping our country free from terrorism, our neighborhoods safe from drugs and our economy safe from illegal trade, while ensuring that legal trade and travelers move expeditiously through our air, sea and land ports. These men and women are deserving of more resources to perform their jobs better and more efficiently. Thank you for the opportunity to submit this testimony to the Committee on their behalf.