RANKING MEMBER RON BARBER OPENING STATEMENT

Committee on Homeland Security Subcommittee on Oversight and Management Efficiency

Hearing on: "Oversight of the DHS Headquarters Project at St. Elizbeths: Impact on the Taxpayer"

9:30 a.m., Friday, September 19, 2014

The Department of Homeland Security is made up of 22 legacy agencies, making it the third largest department in the federal government. DHS has one of the most important missions of our government – to keep Americans safe. This is an enormous challenge and responsibility, from securing our borders, to counterterrorism and cyber security. In 2006, former DHS Secretary Michael Chertoff introduced a plan to consolidate the Department's senior leadership – across all 22 component agencies – into one headquarters.

As opposed to operating out of 50 different locations around the National Capital Region, in a consolidated headquarters the Department would be in one location and could quickly coordinate and respond to a crisis.

As we know, the site selected for this consolidation plan was St. Elizabeths Hospital in Southeast Washington. The original master plan for St. Elizabeths called for a coordinated construction schedule to be divided into three phases and to cost \$3.45 billion, with the project being completed by 2015.

Unfortunately, the project is now expected to cost \$4.5 billion and is not expected to be completed until 2026. There are several issues behind the costs and delay at St. Elizabeth's that I am hoping we can explore further through today's hearing.

First, the Government Accountability Office found that in managing this project the Department of Homeland Security and the General Services Administration did not fully conform with leading capital decision-making practices. The GAO also found that DHS and GSA have not conducted an assessment of current needs and capability gaps, nor have they prioritized alternative designs that would help adapt the St. Elizabeths consolidation plan to meet the current fiscal environment.

Another issue that has plagued St. Elizabeth's is a funding gap that began in just a year after the first phase of construction. In fiscal year 2006, President Bush requested almost 38 million dollars to begin the first phase of construction, specifically for consolidating the Coast Guard at St. Elizabeths and to upgrade St. Elizabeths West Campus infrastructure. And Congress fully funded this request.

However, in fiscal year 2007, when President Bush requested roughly \$360 million for St. Elizabeths, Congress only appropriated around \$6 million. The funding gap has widened over the years and has contributed to project delays and to cost inflations.

As Ranking Member of this subcommittee, I am committed to working with my colleagues on both sides of the aisle to ensure that the Department spends taxpayer dollars wisely. The Department must have the resources they need to fulfill their mission but we will not write them a blank check. They must accord to best practices and have plans in place that enable them to adapt to the current fiscal and legislative climate.

Today's hearing should provide an opportunity to hear from GAO regarding its analysis of the St. Elizabeths project and its recommendations to GSA and DHS. I also look forward to hearing from GSA and DHS about why the consolidation plan is important to protecting our homeland and whether or not one location is financially more practical than the Department's current leasing system.