

**FOR IMMEDIATE RELEASE****Statement of Ranking Member Bennie G. Thompson*****Oversight of the DHS Headquarters Project at St. Elizabeths: Impact on the Taxpayer***

September 19, 2014 (Washington) – Today, Committee on Homeland Security Ranking Member Bennie G. Thompson (D-MS) delivered the following prepared remarks for the Subcommittee on Oversight and Management Efficiency hearing entitled “Oversight of the DHS Headquarters Project at St. Elizabeths: Impact on the Taxpayer”:

“Since the Department of Homeland Security was created in 2002, its core components have been dispersed in more than 50 locations throughout the National Capital Region. This separation adversely affects the need for cohesive communication, coordination, and cooperation across the Department component agencies as the Department seeks to fulfill its mission.

At a time when we face a dynamic threat picture and realize a natural disaster could occur in any area of the country, it is inconceivable that the Department of Homeland Security does not have a consolidated headquarters where the Secretary can meet with the component heads instantaneously.

Secretary Johnson has indicated his vision to unify the Department, and Members of this Committee have vocally supported him; however, we must recognize that having the Department spread throughout the National Capital Region has a negative impact on the Secretary’s vision. Former Secretary Chertoff presented the plan to have a single, unified headquarters that houses the Secretary, senior Department leadership, and component heads at the St. Elizabeths West campus in southeast DC.

I was a vocal supporter of the DHS consolidation plan when it was first presented. At that time, I expressed my concerns about the Department and its track record of taking on large scale procurement projects. I also asked DHS and GSA to make sure that small and minority businesses were a part of the fabric of this consolidation. DHS and GSA completed the first phase of the three phase consolidation project on time and on budget.

However, Phase II and III of the consolidation project have been stalled. According to the Government Accountability Office, St. Elizabeths lacks reliable cost and schedule estimating practices. However, we must look at what DHS and GSA have to work with. The DHS consolidation plan has never been received full funding for the headquarters consolidation since the American Recovery and Reinvestment Act (ARRA) funding was appropriated in fiscal years 2009 to 2010 which allowed for the U.S. Coast Guard headquarters to be completed during Phase one of the construction.

As we are here to look at GAO and its audit, we must recognize everyone’s responsibility in this matter. GSA serves as the broker, developer, and property manager for the headquarters consolidation. However, congressional appropriation of funding of St. Elizabeths continues to be uncertain as the House’s fiscal year 2015 Financial Service and General Government Appropriations bill zeroed out funding for GSA.

How can we expect the Department to have a consolidated headquarters if we do not give them money to build it? Mr. Chairman, as we are here to examine waste, fraud, and abuse—let’s keep

some common sense and figures in mind—If the consolidation project was completed, the federal government would own the space. Sixty nine percent of the commercial leases for DHS will expire between fiscal years 2016 and 2020.

The headquarters consolidation is \$4.5 billion, DHS would spend upwards of \$5.2 billion, or approximately \$700 million more over the next 30 years to continue leasing space in the National Capital Region. St. Elizabeths will cost the Department more upfront, but overtime, the headquarters consolidation will pay for itself as its tenant costs will only be competed once. In an era where we daily speak about waste, fraud, and abuse, we should be vigilant and understand the costs of this project and take steps to fund it.”

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