

## FOR IMMEDIATE RELEASE

## Statement of Ranking Member Bennie G. Thompson (D-MS)

## Doing Business with DHS: Industry Recommendations to Improve Contractor Employee Vetting

## Subcommittee on Oversight and Management Efficiency February 27, 2018

Throughout my tenure on this Committee, oversight of the Department of Homeland Security's contracting practices has been one of my priorities.

The Department's mission compels the agency to use contractors throughout the components.

The personnel security clearance process and ambiguities in the suitability standards across DHS are challenges for both DHS components and contractors that support the agency's mission.

During the 113th and 114th Congresses, I introduced legislation to streamline security clearance process at DHS.

Also, I asked the Government Accountability Office to examine the process—which led to the personnel security process being placed on the High Risk List.

I certainly believe it is important to properly and timely vet contractor employees to ensure they are fit to work at the Department, and I hope to have a productive discussion on this issue today.

Today's witnesses will testify that having transparent policies for contractors is a very manageable standard of operation and essential for the success of the DHS mission.

However, nothing from this Administration signals that improving the contracting process is a priority.

Many of the Department's most recent public statements serve as an extension of President Trump's campaign trail, placing a misplaced focus on a border wall and deportation force.

Also, President Trump's budget places politics over priorities.

The Trump budget slashes the already feeble budget of the Office of Inspector General, which as former Assistant Secretary Berteau testifies, is essential for oversight in this area.

Furthermore, aside from the vetting and reciprocity issues in contracting, there are

other pressing contracting issues facing DHS.

For example, last year Puerto Rico and the U.S. Virgin Islands experienced some of the most devastating hurricanes to the non-contiguous United States.

DHS has a responsibility to provide to the territories an array of life-saving items – including medical supplies, meals, and tarps. Contractor support is essential in obtaining these vital needs.

Unfortunately, there have been serious problems with the contracts awarded to date.

For example, a newly created Florida company with an unproven record, Bronze Star LLC, was awarded \$30 million by FEMA to provide emergency tarps and plastic sheeting in Puerto Rico.

Bronze Star failed to deliver those urgently needed supplies, which even months later remain in demand by hurricane victims on the island.

Similarly, FEMA improperly awarded \$156 million to Tribute Consulting, LLC, a company with no experience in large-scale disaster relief and with at least five prior cancelled government contracts.

Of the over 30 million meals needed for Puerto Rico, Tribute provided just 50,000 before the contract had to be canceled due to non-performance.

The Department of Homeland Security must do better when it comes to contracting oversight and adherence to the laws, policies, and procedures in place to ensure these gross errors do not occur.

In response, on February 8, 2018, I introduced H.R. 4995, the "Due Diligence for FEMA Disaster Contractors Act of 2018," a bill requiring the Administrator of FEMA to establish a contractor review process for disaster contracts valued at \$1 million or more.

This legislation was co-sponsored by every Democratic member of this Committee.

We can hold hearings and file legislation to improve the contracting process, but we also have to have buy-in from the Administration.

We need to hear from the Administration about contracting oversight procedures and what they need from Congress to improve the process.

We also need to receive a commitment from Secretary Nielsen that improving the contracting process is a priority.

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Media contact: Adam Comis at (202) 225-9978







