



**United States Senate**  
**Committee on Homeland Security and Governmental Affairs**  
Chairman Joseph I. Lieberman, ID-Conn.

**Nomination of Paul Schneider for Department of Homeland Security Deputy Secretary**  
**Senator Joe Lieberman**  
**May 14, 2008**  
**AS PREPARED FOR DELIVERY**

Good morning and welcome. We are here today for the nomination hearing of Paul Schneider to be Deputy Secretary of the Department of Homeland Security. For the past year and a half, Mr. Schneider has been serving as Under Secretary for Management at the Department and in October he took on additional responsibilities when he was named Acting Deputy Secretary.

Mr. Schneider has obviously been working under a heavy load. In fact, he has stated that his portfolio covers everything from overseeing preparations to respond to a nuclear terrorist attack to ensuring that DHS employees have adequate office space. I have been impressed by his ability to command such a diverse range of responsibilities and I believe he has brought a level of stability and expertise to the Department that it sorely needs.

But the work of the Department of Homeland Security is never done, and we must keep pressing forward to improve upon its capabilities, particularly in the areas of acquisition and cyber security, while also ensuring that the Department is prepared for the upcoming transition to a new administration.

When we created DHS five years ago, the intention was to unify the federal government's previously balkanized and too often neglected counterterrorism, border security, and emergency preparedness and response resources under one banner for a more cohesive and effective result. We also wanted to build critical new functions such as homeland security intelligence and a directorate to focus on critical homeland security research and development.

I think the country is clearly safer as a result, but there has been no shortage of problems at the Department as it seeks to fulfill its difficult and challenging missions. Mr. Schneider, you have tackled many of the big issues in your tenure. I appreciate your willingness to do so and I appreciate the efforts of over 200,000 DHS employees working to keep the nation secure.

I am eager to hear about your efforts to help forge a new FEMA, within DHS. In the last week we have seen the unfathomable destruction caused by a cyclone in Myanmar and an earthquake in China. We know from Katrina what can happen when catastrophe hits. And this year our Committee has held a series of hearings on the threats and challenges that would ensue from a terrorist attack on our country with nuclear weapons. One of DHS' most critical responsibilities is to make sure our country is prepared, and I know you are heavily involved in that work.

One of the biggest issues facing the Department— acquisition — is a subject you are quite familiar with, based on your previous assignments as the top acquisition officer for the Navy and the National Security Agency. Some of the Department's largest and most troubled acquisition programs — Deepwater, SBINet, radiation detection portal monitors — have benefited from your leadership.

But the Department's heavy reliance on contractors to perform basic services raises serious questions about whether DHS is building sufficient internal capacity and institutional knowledge. DHS still has insufficient capacity to develop requirements and evaluate the technical feasibility of contractors' proposals. I know that you have taken great strides to build up the acquisition workforce in the past year and a half. But much remains to be done, and I look forward to hearing your plans for improvement in this area.

The Department's new initiative to strengthen the security of federal information technology systems – the Comprehensive National Cybersecurity Initiative – is another project critical to the security of the American people. Given the Administration's request to triple DHS' cyber security budget over the past year, I hope you will encourage increased openness and information sharing with Congress, the private sector, and the American public on this project to ensure that it is a success.

In seven short months, we will experience a change of leadership here in Washington. The time during which a new Administration sets up shop is often one of uncertainty or disengagement as employees wait for new bosses and new directions. This is also a time, we know from experience, which terrorists seek to exploit.

The Department has been working hard on transition planning, for which the nation should be grateful. I am eager to hear about your plans in greater detail, and this Committee will work with the Department closely on this issue in the coming months.

These are just a few of the many challenges ahead for you and the Department, but it is essential that they be met and conquered if the Department is to succeed in its ultimate mission of protecting the nation from terrorism and natural disasters. We will work cooperatively with you to support the Department in these endeavors, in particular on an issue that I know you are passionate about, the need for a permanent headquarters for DHS.

If confirmed, you will play a large part in setting the Department on course to overcome these challenges. Thank you for your service.