

Opening Statement
Ranking Member Rob Portman
Homeland Security and Governmental Affairs Committee

Nominations of:

William J. Valdez to be Under Secretary for Management, DHS; Dimitri Kusnezov to be Under Secretary for Science & Technology, DHS; and Kenneth L. Wainstein to be Under Secretary for Intelligence & Analysis, DHS.

February 03, 2022

Thank you, Chairman Peters.

Welcome, Mr. Valdez, Mr. Kusnezov [Kooz-netz-ov], and Mr. Wainstein and thank you for your willingness to serve. Each of the positions for which you have been nominated are essential to the Department of Homeland Security's success. The tools and support these offices provide the rest of the Department are all mission critical.

Mr. Valdez, if confirmed as the Under Secretary for Management, you would oversee offices including the Human Capital Officer, the Chief Financial Officer, the Chief Procurement Officer, the Chief Information Officer, the Chief Security Officer, the Chief Readiness Support Officer, and the Office of Biometric Identity Management. Significant setbacks in any of these offices could undermine the mission of the Department and all of its components.

DHS faces considerable management challenges relating to acquisitions for border security assets and capabilities, incomplete financial system modernization efforts, and an organizational structure that has not been significantly improved since the creation of the Department. Based upon your over 20 years of experience working on management issues at the Department of Energy and in the private sector, I look forward to hearing your plans to address these issues.

Mr. Kusnezov, you have been nominated to be Under Secretary for Science and Technology. Whether it be deepfakes or drones, as threats to our security become more technologically advanced an effective Science and Technology Directorate is critical to maintaining our edge. As the co-founder and co-chair of the Senate Artificial Intelligence Caucus, I've been particularly focused on strengthening our position against emerging technology threats. To maintain our edge the S&T Directorate must prioritize the right investments and ensure that that research,

university funded or otherwise, doesn't fall into China's hands. I look forward to hearing from you on that.

Mr. Wainstein, the nominee to lead the Office of Intelligence and Analysis (I&A), comes to us with deep experience in government service. Since you last served, the threat landscape has evolved. The recent terrorist attack in Colleyville, Texas, where Malik Faisal Akram took four people hostage inside of a synagogue for eleven hours, underscores the need for effective intelligence and analysis across the terrorism threat spectrum. While we continue to face threats from foreign and domestic terrorism, we are also dealing with emerging cybersecurity and critical infrastructure threats. In recent years, as technology has advanced, the threats have become more complex.

We also face the threat of assertive adversaries like China, which seeks an edge against the United States both technologically and economically. Through relentless economic espionage, China has systematically acquired American intellectual property to the detriment of U.S.-based companies.

During my time with the Permanent Subcommittee on Investigations (PSI), Senator Carper and I led a year-long investigation into China's talent recruitment like the Thousand Talents Program. Our bipartisan report highlighted Chinese efforts to steal American intellectual property by recruiting individuals based in the U.S. and incentivizing them to transfer protected information to China for their own economic gain.

I was concerned to hear of your previous work for the Chinese National Offshore Oil Corporation, or "CNOOC", a Chinese state-owned enterprise that submitted formal requests to Chinese intelligence services seeking intelligence information on several U.S. companies, according to a March 2018 report by the U.S. Trade Representative. I look forward to hearing about the nature of your work for this or any other Chinese entity.

As a member of the Intelligence Community (IC), I&A has an integral role in keeping the homeland safe as the only IC member with the statutory authority to share critical homeland security intelligence with State, Local, Tribal, and Territorial (SLTT) members, as well as the private sector. I&A also develops intelligence through its engagement with SLTT partners that informs the work of DHS and the IC.

Mr. Wainstein, if confirmed, you have a difficult job ahead of you. Notably, HSGAC's investigation into the January 6th Capitol Attack last year revealed that I&A failed to share critical and timely threat information with federal and SLTTP partners, which contributed to the Capitol being inadequately prepared for the events that took place.

I&A has also faced challenges in recruiting qualified talent, has experienced high rates of attrition, and has consistently ranked among the lowest for morale in the federal government. If confirmed, I hope you will work with members of this committee to address these issues.

I look forward to your testimony.

Thank you, Mr. Chairman.