

THE MASSIVE WASTE AND  
ABUSE ENABLED BY DHS  
SECRETARY ALEJANDRO  
MAYORKAS

PHASE 5 INTERIM REPORT

COMMITTEE ON  
HOMELAND SECURITY  
MAJORITY REPORT

DECEMBER 21, 2023



# TABLE OF CONTENTS & INTRODUCTION

## **Introduction: Secretary Mayorkas' Reckless Decisions Enabled Massive Waste and Abuse.....**

### **Section 1: ICE Detention to Hotel Rooms—A Cost Comparison.....**

- *The Biden Administration's Refusal to Use ICE Detention Beds*
- *Wasteful and Corrupt Contracts for Unqualified Providers*
- *Mayorkas' Deliberate Misuse of Alternatives to Detention (ATD) and Undermining of Detention Requirements*

### **Section 2: Ending Construction of Bought-and-Paid-For Border Wall System.....**

- *A Massive Waste of Taxpayer Resources*
- *Catastrophic Consequences for Contractors and Landowners*

## **Conclusion: Mayorkas' Waste and Abuse Are Unacceptable For a Cabinet Secretary**

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## **Introduction: Secretary Mayorkas' Reckless Decisions Enabled Massive Waste and Abuse**

In addition to the devastating financial price tag associated with Department of Homeland Security (DHS) Secretary Alejandro Mayorkas' open-borders policies, his tenure is defined by a consistent misuse and waste of taxpayer resources. The House Committee on Homeland Security's four previous interim reports exposed and outlined Mayorkas' abuse and ignoring of federal immigration law, empowerment of cartels, and the human and financial costs associated with reckless policy choices. In particular, the Committee's Phase Four interim report documented the exorbitant amount of taxpayer dollars being spent in response to the crisis.<sup>1</sup> The topics covered by each of those phase reports of the Committee's investigation are inextricably linked to massive waste and abuse.

This final report of the Committee's investigation into Mayorkas' handling of the border focuses on two of the most significant areas in which this has been the case—the misuse and abuse of detention, and the decision to halt construction of new border wall system. The Committee will continue its investigation into these issues in the coming months, particularly Mayorkas' and Immigration and Customs Enforcement (ICE) leadership's refusal to properly utilize ICE detention resources and the campaign by extremist political and career agency employees to undermine its enforcement mission.<sup>2</sup>

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<sup>1</sup> U.S. Congress, House of Representatives, Committee on Homeland Security, Majority, *The Historic Dollars of DHS Secretary Alejandro Mayorkas' Open-Borders Policies, Phase 4 Interim Report*, 118th Cong., 1st sess., November 13, 2023, <https://homeland.house.gov/wp-content/uploads/2023/11/Phase4Report.pdf>.

<sup>2</sup> Miles Dilworth, "EXCLUSIVE: Biden-appointed WFH bureaucrat with ties to open border advocates accused of turning immigration enforcement into 'social services' amid corruption probe," *The Daily Mail*, October 7, 2023, <https://www.dailymail.co.uk/news/article-12598331/Biden-appointed-WFH-bureaucrat-ties-open-border-advocates-accused-turning-immigration-enforcement-social-services-amid-corruption-probe.html>.



# SECTION 1: ICE BEDS TO HOTEL ROOMS—A COST COMPARISON

## **Section 1: ICE Beds to Hotel Rooms—A Cost Comparison**

A clear example of waste and abuse within DHS on Mayorkas' watch is the failure to use taxpayer-funded ICE detention facilities to detain and remove illegal aliens. Every year, DHS spends taxpayer dollars to operate detention facilities meant to handle illegal aliens in its custody. ICE guidelines dictate high standards of care for these facilities, requiring that whether "detention facilities are owned and operated by ICE, a state of local entity, or a contractor"<sup>3</sup> comply with specific standards for care and treatment of those in detention.

### **The Biden Administration's Refusal to Use ICE Detention Beds**

There are significant differences in costs associated with using ICE detention facilities compared to housing illegal aliens in other facilities, like state-run shelters. Per DHS' FY2024 budget justification, the projected daily cost of an ICE bed—which includes meals, health care, and various other services for illegal aliens—was \$142.44 or less.<sup>4</sup> According to President Biden's 2024 budget request, the rate was \$157.20.<sup>5</sup> By comparison, the New York City comptroller released data in March 2023 showing the per-day cost of family shelters to be \$339, while those for single adults cost \$184.<sup>6</sup>

It appears that DHS is purposefully passing on the cost of housing illegal aliens to the states, since DHS consistently requests fewer detention beds than are reasonably necessary. In its FY2024 budget document, DHS initially asked for 25,000 detention beds, down from the 31,500 detention beds requested in FY2023.<sup>7</sup> By comparison, ICE requested 45,000 beds for FY2019, but given the spike in encounters that year, ended up exceeding the target by more than 5,000 in terms of average daily population.<sup>8</sup> In other words, ICE should budget for more beds during a crisis, not fewer. Mayorkas' DHS has done the opposite.

In fact, ICE is not using many detention facilities to their full capacity, despite the record number of illegal aliens crossing each month. For example, by December 2023, the Adelanto ICE facility in Southern California, with a detention capacity of nearly 2,000 illegal aliens, is currently holding just six, because the Biden administration refuses to actively fight a court order that prohibited new intake to the facility in 2020 due to COVID-19 spacing and distance requirements. That order is now long-outdated, particularly given the Biden administration's May 11 declaration that the COVID-19

<sup>3</sup> U.S. Department of Homeland Security, U.S. Immigration and Customs Enforcement, *Detention Management*, July 20, 2023, <https://www.ice.gov/detain/detention-management>.

<sup>4</sup> U.S. Department of Homeland Security, U.S. Immigration and Customs Enforcement, *Budget Overview: Fiscal Year 2024 Congressional Justification*, March 1, 2023, 25, [https://www.dhs.gov/sites/default/files/2023-03/U.S.%20IMMIGRATION%20AND%20CUSTOMS%20ENFORCEMENT\\_Remediated.pdf](https://www.dhs.gov/sites/default/files/2023-03/U.S.%20IMMIGRATION%20AND%20CUSTOMS%20ENFORCEMENT_Remediated.pdf).

<sup>5</sup> U.S. Department of Homeland Security, *FY 2024 Budget in Brief*, last accessed September 21, 2023, 45, [https://www.dhs.gov/sites/default/files/2023-03/DHS%20FY%202024%20BUDGET%20IN%20BRIEF%20%28BIB%29\\_Remediated.pdf](https://www.dhs.gov/sites/default/files/2023-03/DHS%20FY%202024%20BUDGET%20IN%20BRIEF%20%28BIB%29_Remediated.pdf).

<sup>6</sup> City of New York, Office of the Comptroller, *Accounting for Asylum Seekers: Overview of City Budgeting and Contracting to Provide Services for New Arrivals*, March 7, 2023, <https://comptroller.nyc.gov/reports/accounting-for-asylum-seekers/#executive-summary>.

<sup>7</sup> U.S. Department of Homeland Security, U.S. Immigration and Customs Enforcement, *Budget Overview: Fiscal Year 2024 Congressional Justification*, March 2023, 24, [https://www.dhs.gov/sites/default/files/2023-03/U.S.%20IMMIGRATION%20AND%20CUSTOMS%20ENFORCEMENT\\_Remediated.pdf](https://www.dhs.gov/sites/default/files/2023-03/U.S.%20IMMIGRATION%20AND%20CUSTOMS%20ENFORCEMENT_Remediated.pdf).

<sup>8</sup> Ibid.



## SECTION 1: ICE BEDS TO HOTEL ROOMS—A COST COMPARISON

pandemic has ended.<sup>9</sup> Representative Jay Obernolte, who represents the congressional district housing the facility, wrote to ICE leadership in October 2023, lamenting that “ICE has spent the four months since [the declaration] adhering to outdated policies while there is substantial nationwide demand for more detention capability.”<sup>10</sup>

All told, 25,000 ICE beds at the ceiling of \$142.44 per day, for 365 days a year, totals around \$1.3 billion, and \$1.43 billion at \$157.20 per day. Regardless of whether those beds are used to full capacity, *they are still paid for by the American taxpayer*. However, instead of using that detention capacity to hold and deport illegal aliens, Mayorkas has stifled interior enforcement and implemented his policy of “catch and release,” whereby hundreds of thousands of illegal aliens are being released into the interior. This mass wave off illegal aliens subsequently making its way throughout the country, but especially major cities, who are then forced to pay to house them. This leads to outcomes in which state and local governments are forced to unnecessarily shoulder new costs to house illegal aliens, often asking the federal government to reimburse them for those costs—on top of the expenditures DHS has *already made* for thousands of ICE beds.

Because thousands of illegal aliens are being released directly into the country, rather than held in ICE detention as required by law, many illegal aliens are consequently dealing with conditions far below the standards required by ICE facilities and private contractors with whom ICE coordinates these services. In places like Chicago, as many as 550 aliens<sup>11</sup> have been eating expired food and sleeping on the floor of police stations because resources are stretched so thin,<sup>12</sup> and in Riverside, California, county public information officer Brooke Federico told one local outlet that if shelters in the area exceed capacity, Border Patrol will simply have to start dropping aliens off on the side of the road, something that was done twice in 2022.<sup>13</sup> The Massachusetts town of Woburn, with a population of around 41,000, had already taken in 59 illegal alien families through August 2023, but was recently informed that 100 more family units were on the way, “as the state struggles to find shelter for tens of thousands of newly arriving people.”<sup>14</sup>

<sup>9</sup> Diana Glebova, “ICE facility holding just six migrants due to ‘outdated’ COVID-19 order,” *The New York Post*, November 23, 2023, <https://nypost.com/2023/11/23/news/ice-facility-operating-at-4-capacity-due-to-outdated-covid-19-order-rep/>.

<sup>10</sup> U.S. Congress, House of Representatives, Office of Rep. Jay Obernolte, 118<sup>th</sup> Cong., 1<sup>st</sup> sess., October 3, 2023, [https://obernolte.house.gov/sites/evo-subsites/obernolte.house.gov/files/evo-media-document/23-10-03-obernolte-adelanto-ice-letter-final\\_sent.pdf](https://obernolte.house.gov/sites/evo-subsites/obernolte.house.gov/files/evo-media-document/23-10-03-obernolte-adelanto-ice-letter-final_sent.pdf).

<sup>11</sup> “Migrant Stabbed, Critically Injured Another during a Fight near Downtown Chicago Park: Prosecutors,” *CWB Chicago*, May 13, 2023, <https://cwbchicago.com/2023/05/venezuelan-migrant-stabbed-another-during-fight-pritzker-park-chicago-standard-club-shelter.html>.

<sup>12</sup> Tom Schuba and Elvia Malagón, “Expired food, infections, infestations reported at Chicago police stations serving as makeshift shelters for immigrants,” *Chicago Sun-Times*, May 1, 2023, <https://chicago.suntimes.com/2023/5/1/23707352/expired-food-infections-infestations-chicagos-police-stations-makeshift-shelters-migrants>.

<sup>13</sup> Rob McMillan, “Asylum-Seekers Begin Arriving in Riverside County after Pandemic-Related Restrictions Expire,” *ABC7 Los Angeles*, May 13, 2023, <https://abc7.com/title-42-murrieta-riverside-county-asylum-seekers/13242759/>.

<sup>14</sup> Matthew Medsger, “Another 100 migrant families could be housed in Woburn soon, mayor says,” *The Boston Herald*, August 21, 2023, <https://www.bostonherald.com/2023/08/21/another-100-migrant-families-could-be-housed-in-woburn-soon-mayor-says/>.





# SECTION 1: ICE BEDS TO HOTEL ROOMS—A COST COMPARISON

## **Wasteful and Corrupt Contracts for Unqualified Providers**

Consider also that the Biden administration entered into expensive contracts with outside organizations with limited experience in providing shelter for illegal aliens or meeting strict ICE detention standards. The most notorious example is the roughly \$600 million in no-bid contracts awarded to Family Endeavors, Inc. in 2021. Before receiving these contracts, Endeavors had never received any prime contracts from DHS or HHS, nor had experience in handling the entire process of housing and caring for illegal aliens.<sup>15</sup> Notably, a former ICE official and member of the Biden-Harris presidential transition team became Endeavors' senior director for migrant services and federal affairs on the day Biden was inaugurated, a potentially troubling connection Congress moved to investigate.<sup>16</sup>

One of the contracts awarded to Endeavors was for approximately \$86 million to house 1,200 illegal alien family members near the Texas and Arizona borders for a period of six months. As the Center for Immigration Studies has pointed out, that equals a per person nightly cost of around \$392. By comparison, "One night at the AAA-rated three diamond Best Western Plus Laredo Inn & Suites for two adults and two children is \$127.49 per night (\$111 for AAA members), and includes a free breakfast, refrigerator, and microwave."<sup>17</sup>

Meanwhile, an April 2022 DHS Office of Inspector General (OIG) report found that Mayorkas' DHS wasted at least \$17 million on "hotel space and services" that went unused as part of the Endeavors contract.<sup>18</sup> The report found that Endeavors "did not follow required ICE standards to ensure the proper care for housing migrant families while in its facilities."<sup>19</sup>

## **Mayorkas' Deliberate Misuse of Alternatives to Detention (ATD) and Undermining of Detention Requirements**

The spending calculus for releasing illegal aliens into the interior instead of detaining them as the law requires, should consider the cost of Alternatives to Detention (ATD). Instead of detaining individuals while their case is heard, Mayorkas has directed the release of tens of thousands of illegal aliens on ATD.

ATD methods include GPS-monitored devices, telephonic reporting (requiring aliens to check in with immigration officials via special phones provided to them), and a technology known as "SmartLINK," a mobile app that uses a combination of facial

<sup>15</sup> Anna Giaritelli, "Mayorkas Ordered Internal Review of Massive Immigration Contract: Emails Reveal," *The Washington Examiner*, January 12, 2023, <https://www.washingtonexaminer.com/news/white-house/mayorkas-ordered-review-endeavors-contract-immigration>.

<sup>16</sup> Anna Giaritelli, "Republicans Launch Inquiry into Biden Ally Who Brokered Controversial ICE Contract," *The Washington Examiner*, May 4, 2022, <https://www.washingtonexaminer.com/policy/republicans-launch-inquiry-into-biden-ally-who-brokered-controversial-ice-contract>.

<sup>17</sup> Andrew Arthur, "Taxpayers to Spend \$392.69 per Person per Night on Hotels for Illegal Border-Crossers," *The Center for Immigration Studies*, March 23, 2021, <https://cis.org/Arthur/Taxpayers-Spend-39269-Person-Night-Hotels-Illegal-BorderCrossers>.

<sup>18</sup> U.S. Department of Homeland Security, Office of the Inspector General, *ICE Spent Funds on Unused Beds, Missed COVID-19 Protocols and Detention Standards while Housing Migrant Families in Hotels*, OIG-22-37, April 12, 2022, 3, <https://www.oig.dhs.gov/sites/default/files/assets/2022-04/OIG-22-37-Apr22.pdf>.

<sup>19</sup> Ibid.



## SECTION 1: ICE BEDS TO HOTEL ROOMS—A COST COMPARISON

recognition technology and GPS tracking to confirm the location and identity of aliens released under the ATD umbrella. Per ICE statistics, most aliens released on ATD are monitored via SmartLINK.<sup>20</sup> Research has demonstrated that when these programs are used as intended—monitoring and tracking illegal aliens until a final order of removal has been executed—judicious use of ATD can be an effective tool.<sup>21</sup> However, effective monitoring and tracking has not been the case under Mayorkas' leadership.

In its FY22 annual report, ICE reported that it “significantly expanded ATD enrollment from an average daily population of approximately 23,000 active participants at the end of FY 2014 to 321,000 at the end of FY 2022.”<sup>22</sup> The daily cost of ATD as of Sept. 30, 2023, was \$204,509, for more than 194,000 illegal aliens in the ATD population<sup>23</sup>—money spent ineffectively, as documented in a leaked ICE memo from the Trump administration.<sup>24</sup>

The memo noted that participants only remain in ATD for around 14-18 months, despite cases taking up to five years, on average, to adjudicate. Former ICE Acting Director Tae Johnson even admitted to Congress in April 2023, that it is “impossible” to keep an illegal alien enrolled in ATD for the entire time their case is adjudicated, testifying that individuals have historically been enrolled for around 18 months, even though cases could take twice that long to be resolved.<sup>25</sup> After that period, DHS has no way to track these individuals or ensure they show up for a court date or ICE appointment, making previous costs to track them essentially wasted.

Finally, however, it is not just the illogical expansion and watering down of ATD that wastes taxpayer dollars. Instead of relying on the traditional ATD program known as Intensive Supervision Appearance Program (ISAP), which is designed “to keep track of migrants and make sure they show up for court dates to receive final orders of removal,”<sup>26</sup> ICE has launched various programs that have little to nothing to do with detention and removal and have no data or research to support their use or existence. Chief among these are the Young Adult Case Management Program (YACMP) and the Case Management Pilot Program (CMPP). The YACMP provides services to 18- and 19-year-old illegal aliens, with the federal government awarding a roughly \$74 million contract to an organization called Acuity International.<sup>27</sup> According to one study,

<sup>20</sup> U.S. Department of Homeland Security, U.S. Immigration and Customs Enforcement, *Detention Management*, last updated November 22, 2023, <https://www.ice.gov/detain/detention-management>.

<sup>21</sup> Simon Hankinson, “‘Alternatives to Detention’ for Illegal Aliens: Effective with Mandatory Tracking for Entire Process,” *The Heritage Foundation*, May 12, 2023, <https://www.heritage.org/immigration/report/alternatives-detention-illegal-aliens-effective-mandatory-tracking-entire>.

<sup>22</sup> U.S. Department of Homeland Security, U.S. Immigration and Customs Enforcement, *ICE Annual Report: Fiscal Year 2022*, December 30, 2022, 23, <https://www.ice.gov/doclib/eov/iceAnnualReportFY2022.pdf>.

<sup>23</sup> U.S. Department of Homeland Security, U.S. Immigration and Customs Enforcement, *Detention Management*, last updated November 22, 2023, <https://www.ice.gov/detain/detention-management>.

<sup>24</sup> Adam Shaw, “Leaked ICE Doc Shows ‘Alternatives to Detention’ Program Has ‘Little Value’ but ‘Significant Expense,’” *Fox News*, April 27, 2022, <https://www.foxnews.com/politics/alternatives-detention-program-enrolled-illegal-immigrants-abscond>.

<sup>25</sup> “Budget Hearing – Fiscal Year 2024 Request for the U.S. Immigration and Customs Enforcement Agency,” *House Appropriations Committee*, YouTube video, 36:03, April 18, 2023, <https://www.youtube.com/live/EZLOTP8DH6w?feature=share&t=2161>.

<sup>26</sup> Tom Homan, “Immigration laws without enforcement are useless,” *The Washington Times*, October 13, 2022, <https://www.washingtontimes.com/news/2022/oct/13/immigration-laws-without-enforcement-are-useless/>.

<sup>27</sup> See Jennie Taer, “Biden Admin Spends Millions On Program That Helps Illegal Immigrants Access Social Services, Avoid Electronic Tracking,” *The Daily Caller*, August 1, 2023, <https://dailycaller.com/2023/08/01/biden-admin-seeks-to-shell-out-millions-to-expand-ice-program-to-help-illegal-immigrants-access-social-services/>; and Simon Hankinson, “‘Alternatives to Detention’ for Illegal Aliens: Effective with Mandatory Tracking for Entire Process,” *The Heritage Foundation*, May 12, 2023, <https://www.heritage.org/immigration/report/alternatives-detention-illegal-aliens-effective-mandatory-tracking-entire>.



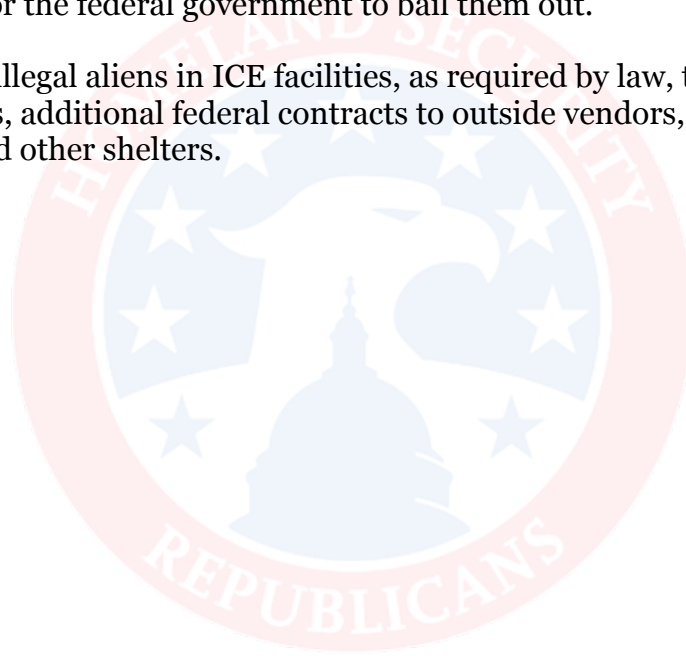
## SECTION 1: ICE BEDS TO HOTEL ROOMS—A COST COMPARISON

YACMP “explicitly bans the use of GPS tracking, leaving only VoiceID and other methods that depend on aliens complying with the supervision. When participants eventually fail to do so, or are removed from the ATD program, they are highly unlikely to be detained or deported...”<sup>28</sup> CMPP provides “voluntary case management and other services to noncitizens in removal proceedings,”<sup>29</sup> at a cost of another \$5 million.<sup>30</sup> As of August 2023, the Biden administration had refused to release how many illegal aliens were enrolled in these programs.<sup>31</sup>

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In conclusion, under Mayorkas, ICE has spent billions of dollars on detention beds that are largely under-utilized, while simultaneously awarding a patchwork of additional contracts to well-connected outside groups to provide housing for the same group of people—and even then, they are doing so at a cost far above what it should be while failing to ensure standards are up to par. Meanwhile, states are taking on even more costs, and asking for the federal government to bail them out.

Instead of holding illegal aliens in ICE facilities, as required by law, taxpayers are on the hook for those beds, additional federal contracts to outside vendors, and reimbursing states for hotels and other shelters.



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<sup>28</sup> Ibid.

<sup>29</sup> U.S. Department of Homeland Security, News, *DHS Announces Alternatives to Detention Case Management Pilot Program*, August 17, 2021, <https://www.dhs.gov/news/2021/08/17/dhs-announces-alternatives-detention-case-management-pilot-program>.

<sup>30</sup> Grants Notice DHS-22-GPD-102-00-01, posted June 28, 2022, <https://grants.gov/search-results-detail/341541>.

<sup>31</sup> Joseph Simonson, “Biden Admin Is Hiding How Many Illegal Immigrants Are in Monitoring Programs,” *Washington Free Beacon*, August 9, 2023, <https://freebeacon.com/biden-administration/biden-admin-is-hiding-how-many-illegal-immigrants-are-in-monitoring-programs/>.



## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM

### **Section 2: Ending Construction of Bought-and-Paid-For Border Wall System**

On Jan. 20, 2021, President Joe Biden signed an executive order halting construction of new border wall system along the Southwest border,<sup>32</sup> an order that Mayorkas two years later would say he still supported.<sup>33</sup> The Biden administration canceled the construction despite the consistent support of Border Patrol agents for border wall systems as an effective deterrent and an important tool for agents to use in making manpower decisions.<sup>34</sup> According to a 2018 survey of Border Patrol agents by the National Border Patrol Council, 89 percent said a “wall system in strategic locations is necessary to securing the border.”<sup>35</sup>

Unsurprisingly, the opinion of Border Patrol agents is consistent with operational outcomes at the border, which show that a comprehensive border wall system is effective in reducing illegal border crossings and helping law enforcement better respond where they do occur.<sup>36</sup> None of this mattered to the president, who ran his campaign on ending construction of the border wall,<sup>37</sup> and ultimately substituted the experience and desires of Border Patrol agents for his own.

#### **A Massive Waste of Taxpayer Resources**

This decision was not just poorly considered from an operational perspective. It has represented a major source of waste and abuse of taxpayer resources since Jan. 20, 2021.

During the Trump administration, roughly \$16.4 billion was allocated by Congress to border wall construction and maintenance efforts, of which around \$10 billion was allocated from the Department of Defense (DOD) military construction and counter-narcotics budgets, \$5.8 billion appropriated by Congress, and \$0.6 billion allocated from U.S. Department of Treasury Asset Forfeiture accounts.<sup>38</sup> When Biden took office,

<sup>32</sup> U.S. President, Proclamation, “Termination of Emergency With Respect to the Southern Border of the United States and Redirection of Funds Diverted to Border Wall Construction,” *Federal Register* 86, no. 16 (January 27, 2021): 7225-7227, <https://www.federalregister.gov/documents/2021/01/27/2021-01922/termination-of-emergency-with-respect-to-the-southern-border-of-the-united-states-and-redirection-of-funds>.

<sup>33</sup> “Congressman Brecheen Questions Secretary Mayorkas During Homeland Security Committee Hearing 4/19/23,” *Congressman Josh Brecheen*, YouTube video, 4:54, April 19, 2023, <https://www.youtube.com/watch?v=YCa4YoDFOBY>.

<sup>34</sup> See Natalie Brunell, “Border Patrol agents: ‘Wall was a game changer’ in fight against smuggling,” *Spectrum News 1*, June 17, 2021, <https://spectrumnews1.com/ca/la-west/immigration/2021/06/17/border-patrol-agents--wall-was-a-game-changer--in-fight-against-smuggling>; Eddie Scarry, “Democrats ignore the wall wishes of the people who know the border best: Border agents,” *The Washington Examiner*, January 21, 2019, <https://www.washingtonexaminer.com/opinion/columnists/democrats-ignore-the-wall-wishes-of-the-people-who-know-the-border-best-border-agents>; and Todd Bensman, “Border Patrol Agents, the Only True Experts, Lament Wall Construction Halt,” *The Center for Immigration Studies*, February 3, 2021, <https://cis.org/Bensman/Border-Patrol-Agents-Only-True-Experts-Lament-Wall-Construction-Halt>.

<sup>35</sup> Stephen Dinan, “Border Patrol agents back Trump wall, survey finds,” *The Washington Times*, April 2, 2018, <https://www.washingtontimes.com/news/2018/apr/2/border-patrol-agents-back-trump-wall-survey-finds/>.

<sup>36</sup> U.S. Department of Homeland Security, News, *The Border Wall System is Deployed, Effective, and Disrupting Criminals and Smugglers*, October 29, 2020, <https://www.dhs.gov/news/2020/10/29/border-wall-system-deployed-effective-and-disrupting-criminals-and-smugglers>.

<sup>37</sup> Andrew O’Reilly, “Biden says border wall construction will stop if he’s elected president,” *Fox News*, August 5, 2020, <https://www.foxnews.com/politics/biden-border-wall-construction-stop-elected>.

<sup>38</sup> U.S. Library of Congress, Congressional Research Service, *An Update on Military Funding for the Border Wall*, by Christopher Mann, May 21, 2021, <https://crsreports.congress.gov/product/pdf/IN/IN11675>.





## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM

around \$1.9 billion of the funds Congress had appropriated to DHS and nearly \$5 billion in DOD funding were still unspent.<sup>39</sup>

In July 2021, the Senate Committee on Homeland Security and Governmental Affairs' (HSGAC) Subcommittee on Government Operations and Border Management released a minority report documenting the various costs to the federal government of canceling construction of border wall that was already funded by Congress.<sup>40</sup> The report found that in just six months, "President Biden's efforts to suspend or terminate border wall construction have cost taxpayers between \$1.837 billion to \$2.087 billion since January 20, 2021. This amount continues to increase by at least \$3 million per day..."<sup>41</sup>

After federal contracts with construction firms were suspended, DOD initially was incurring costs of \$6 million per day to continue paying contractors "to drive out to project sites and guard the unused pallets of steel and other construction materials."<sup>42</sup> These costs decreased to \$3 million per day as firms laid off workers from the projects.<sup>43</sup> Ultimately, the estimated additional cost of suspending and terminating the contracts for the roughly \$10 billion in DOD funding for border wall construction totaled around 20 percent of the allocation—an astounding waste of taxpayer resources.

Further, however, the report noted that its analysis was focused on the costs incurred by DOD, and did not include a review of costs incurred by DHS, meaning that Biden and Mayorkas were "likely wasting significantly more taxpayer resources than estimated in this report" in their efforts to halt border wall construction.<sup>44</sup> On April 27, 2022, Mayorkas testified to Congress that DHS had spent \$72 million in shutdown costs related to the halting of border wall construction.<sup>45</sup>

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<sup>39</sup> Ibid.

<sup>40</sup> U.S. Congress, Senate, Committee on Homeland Security and Governmental Affairs, Subcommittee on Government Operations and Border Management, Minority, *President Biden is Wasting Billions by Not Building the Border Wall*, 117th Cong., 1st sess., July 21, 2021, 6, [https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/GOBM%20Interim%20Report%20on%20Wall\\_Final.pdf](https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/GOBM%20Interim%20Report%20on%20Wall_Final.pdf).

<sup>41</sup> Ibid.

<sup>42</sup> Ibid, 7.

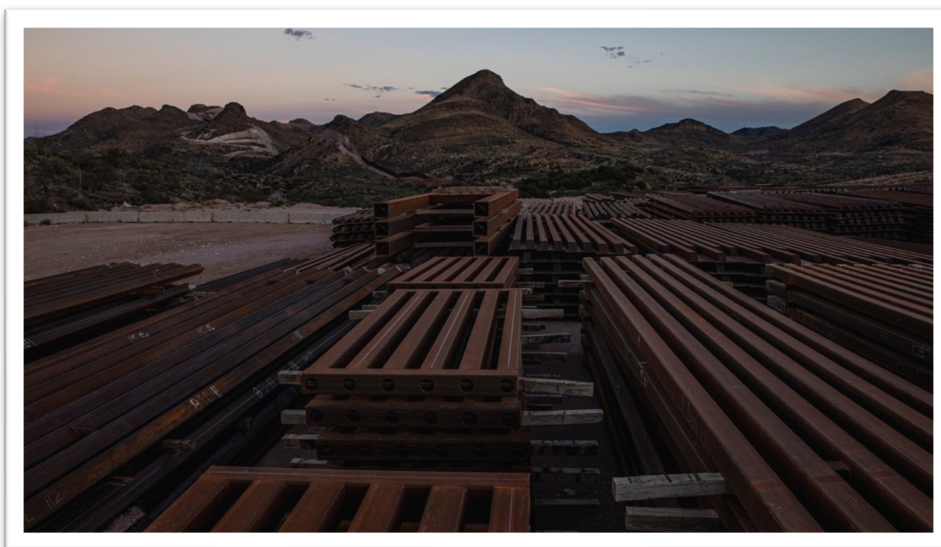
<sup>43</sup> Ibid.

<sup>44</sup> Ibid, 6.

<sup>45</sup> Stephen Dinan, "DHS has spent \$72 million to avoid building more border wall," *The Washington Times*, April 27, 2022, <https://www.washingtontimes.com/news/2022/apr/27/dhs-has-spent-72-million-avoid-building-more-borde/>.



## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM



*Steel bollards sit unused in the Arizona desert months after the Biden administration halted border wall construction. (Source: Adriana Zehbrauskas/The Atlantic)*

In testimony before the House Committee on Homeland Security on July 18, 2023, Col. Jason Jefferis, head of contracting for the U.S. Army Corps of Engineers, stated that the DOD's termination process was still ongoing, and likely would remain so into next year:

“This termination process has numerous steps, including a receipt of termination settlement proposal from each prime contractor, followed by an audit of these proposals by the Defense Contract Audit Agency. Only then can the contracting officer begin negotiating final contract settlement amounts. This is a lengthy process, and is still ongoing and projected to continue into 2024 for some contracts.”<sup>46</sup>

According to Jefferis, at that time, DOD had 20,822 unused border wall panels in its possession, with storage costs totaling \$160,000 per month.<sup>47</sup> Numbers published by Mississippi Sen. Roger Wicker and 13 other senators in a March 2023 letter put the costs even higher, at \$130,000 per day.<sup>48</sup> Notably, subcommittee Chairman Clay Higgins, R-La., pointed out during the hearing, DHS refused to provide a headquarters witness for the hearing to inform members of Congress on the costs associated with the suspension and termination of border wall construction.<sup>49</sup>

In December 2021, one reporter noted the comprehensive costs and consequences of Biden's “ready, fire, aim” order halting border wall construction:

<sup>46</sup> “Opening the Flood Gates: Biden's Broken Border Barrier,” *Homeland Security Committee Events*, YouTube video, 46:55, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=2815>.

<sup>47</sup> “Opening the Flood Gates: Biden's Broken Border Barrier,” *Homeland Security Committee Events*, YouTube video, 1:07:05, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=4025>.

<sup>48</sup> Roger Wicker, “Wicker, Colleagues: Biden's Border Wall Blockade Has Cost \$330m,” *Roger Wicker U.S. Senator for Mississippi*, March 16, 2023, <https://www.wicker.senate.gov/2023/3/wicker-colleagues-biden-s-border-wall-blockade-has-cost-330m>.

<sup>49</sup> “Opening the Flood Gates: Biden's Broken Border Barrier,” *Homeland Security Committee Events*, YouTube video, 57:16, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=3436>.



## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM

“But contracts had already been signed with construction companies, and materials already delivered. Biden’s proclamation did not specify what to do with all the steel. Some contractors are still being paid to maintain already built segments of wall, or guard leftover material. Along with the steel, contractors have left light poles, electrical supplies, crushed aggregate, processed riprap rock, sand, culvert materials, and piping—altogether worth about \$350 million, according to a spokesperson for the U.S. Army Corps of Engineers—sitting unused in the desert.

[...]

“I spoke with one steel manufacturer that supplied material for the border wall. The company’s spokesperson didn’t want to be quoted by name talking about government contracts, but estimated that each bollard costs about \$9,000, not including modifications (welding to steel panels and filling with rebar and concrete) or installation costs. If that number is close to accurate, about half a billion dollars’ worth of steel is sitting in the sun in New Mexico, Arizona, and California.”<sup>50</sup>

Security for these materials is also a consistent concern. In December 2021, nearly \$1 million worth of steel panels that make up the border wall were stolen from a site in Pharr, Texas. Though they were later recovered by law enforcement, thieves were able to load 110 of the panels onto a flatbed truck and abscond from the construction site.<sup>51</sup> An Atlantic report noted a similar lack of security—“The unused materials in the Tucson sector are mostly unprotected. According to the Army Corps of Engineers, private contractors...are responsible for maintaining security. I walked around among the steel stacks, tapping on the bollards...at multiple locations and on separate days, and nobody ever asked what I was doing.”<sup>52</sup>

Even selling the steel for scrap, which would already be a massive loss for the taxpayer, represents challenges: “But complicating any chance at repurposing the steel—besides the sheer quantity—is the fact that many of the bollards have been partially filled with concrete and rebar. To reuse the metal, someone would have to cut out that concrete, then cut up the steel, before turning it into scrap metal—a process that significantly diminishes resale value.”<sup>53</sup>

In August 2023, the Biden administration was found to be “quietly auctioning off millions of dollars’ worth of unused parts from former President Trump’s border wall for peanuts—in an apparent end-run around pending legislation in Congress.”<sup>54</sup> According to reporting by the New York Post, the “auction schedule” for the materials

<sup>50</sup> John Washington, “Trump’s Big Border Wall Is Now a Pile of Rusting Steel,” *The Atlantic*, December 20, 2021, <https://www.theatlantic.com/politics/archive/2021/12/steel-trump-border-wall-rusting-desert/621005/>.

<sup>51</sup> Valerie Gonzalez, “Nearly \$1M in border wall panels stolen, recovered in Pharr,” *The Monitor*, December 8, 2021, <https://myrgv.com/local-news/2021/12/08/nearly-1m-in-border-wall-panels-stolen-recovered-in-pharr/>.

<sup>52</sup> John Washington, “Trump’s Big Border Wall Is Now a Pile of Rusting Steel,” *The Atlantic*, December 20, 2021, <https://www.theatlantic.com/politics/archive/2021/12/steel-trump-border-wall-rusting-desert/621005/>.

<sup>53</sup> Ibid.

<sup>54</sup> Mary Kay Linge, Matthew Sedacca, and Jon Levine, “Biden quietly sells off border wall parts to thwart GOP push to use them,” *The New York Post*, August 19, 2023, <https://nypost.com/2023/08/19/biden-sells-border-wall-parts-to-thwart-gop-push-to-use-them/>.



## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM

“picked up markedly in May [2023]” following introduction of a bill in the Senate—the “Finish It Act”—that would require the Biden administration to use the steel to construct new wall or provide them to states like Texas to use in their own border security efforts.<sup>55</sup> In August, the pace increased again following the Senate’s passage of the “Finish It Act.”<sup>56</sup> Per one source close to the sale of the materials, the Biden administration is trying to keep these proceedings hidden from the American people: “We are legally not allowed to mention these are the border wall materials, or we could lose our jobs. But that’s what they are – 110 percent. ... But this is a huge deal and with everything that’s going on with Trump, it’s amazing to me that here’s the wall, being sold behind Americans’ backs.”<sup>57</sup>

### **Catastrophic Consequences for Contractors and Landowners**

During the initial “pause” of the border system contracts, DHS required contractors to maintain a “stand by” status until the contracts were resolved, which put small businesses in a financially untenable position. Jim DeSotle, chief executive officer of LoneStar Pipeline Contractors, testified before the House Committee on Homeland Security in July 2023, that his company was left in the dark while being told to keep committing resources to a project that had effectively ended:

“Contractors were actually required to stand by, per our contract, so we had to keep our equipment and our labor on site. There was no indication of how long this was going to be taking place, so we were left in the dark. There was really no communication around how long we would have to have that equipment and that labor on site. One other note, we were not able to submit any invoices during this period, so we’re paying for labor, we’re paying for equipment, no invoices will be able to be submitted.”<sup>58</sup>

DeSotle noted that the cancelation of border wall construction, the protracted resolution process, and the subsequent effect on his contracting firm had resulted in millions of dollars in losses and an unknown amount of lost revenue through future opportunities now abandoned:

“So, we are now two years, seven months without payment from July 21st of 2021. So, we’re two years, seven months—we’re a small construction company. This is \$3.6 million. That’s a lot of money for a company of our size. That has had a substantial impact on our business. It’s hurt us with our vendors. It’s hurt us with potential contracts. The sad thing is we were literally trying to get into the heavy civil—this actually killed it. So, we were actually moving, we were trying to

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<sup>55</sup> Ibid.

<sup>56</sup> Ibid.

<sup>57</sup> See Leah McGrath Goodman, “Exclusive: Pentagon Sells Off Trump Border Wall,” *The Daily Upside*, August 11, 2023, <https://www.thedailyupside.com/exclusive-pentagon-sells-off-trump-border-wall/>; and Jennie Taer, “Biden Admin Quietly Disposing Of Trump Border Wall Materials To Be Auctioned Off,” *The Daily Caller*, August 19, 2023, <https://dailycaller.com/2023/08/19/biden-admin-wall-materials-auctioned/>.

<sup>58</sup> “Opening the Flood Gates: Biden’s Broken Border Barrier,” *Homeland Security Committee Events*, YouTube video, 2:22:12, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=8532>.





## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM

diversify, we were getting into renewables. This actually, you know, put a period on that sentence. We no longer can do that.”<sup>59</sup>

The Senate HSGAC subcommittee report noted a similar, devastating effect for other firms:

“Very little information is available about the status of DHS contractors; however, GOBM minority staff have become aware of at least one subcontractor in Texas who has been ordered to remain in ‘standby’ status for an indefinite period by DHS. The subcontractor informed GOBM minority staff that they were initially ordered to remain in ‘standby’ status for roughly 60 days; however, as of the date on which the subcontractor made contact with GOBM minority staff, the subcontractor had remained in standby status for at least 109 days.

“Due to DHS’ standby order, the subcontractor has incurred carrying costs for two \$700,000 concrete plants and seven concrete trucks. This subcontractor is unable to sell off and unwind these investments, because of [the U.S. Army Corps of Engineer’s] mandate to remain in standby status. As a result, the subcontractor is nearing insolvency and may soon go out of business.”<sup>60</sup>

Local landowners have also been negatively affected by the precipitous and ill-considered halt to border wall construction. Per a recent report from the Washington Examiner, “In the 901 days since Biden took office, not one has gone by that fourth-generation cattle rancher Russell Johnson has driven his truck down the dirt roads behind his house and not been greeted by fields of construction materials that have been left behind and forgotten by construction crews.”<sup>61</sup> Johnson told the Examiner that his property has become a “warehouse” for the federal government to store materials from canceled construction, and that it has limited where his ranch’s cattle can graze.<sup>62</sup> According to the Examiner’s report:

“In January 2021, after Biden took office, workers literally walked off the job site and never returned. ... Not only did the Biden administration choose not to complete the project, Russell said, but no one has communicated to him what will happen with the materials or a plan to restore acres of his land to its healthy condition that cattle can graze on.”<sup>63</sup>

<sup>59</sup> “Opening the Flood Gates: Biden’s Broken Border Barrier,” *Homeland Security Committee Events*, YouTube video, 2:25:56, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=8756>.

<sup>60</sup> U.S. Congress, Senate, Committee on Homeland Security and Governmental Affairs, Subcommittee on Government Operations and Border Management, Minority, *President Biden is Wasting Billions by Not Building the Border Wall*, 117th Cong., 1st sess., July 21, 2021, 8, [https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/GOBM%20Interim%20Report%20on%20Wall\\_Final.pdf](https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/GOBM%20Interim%20Report%20on%20Wall_Final.pdf).

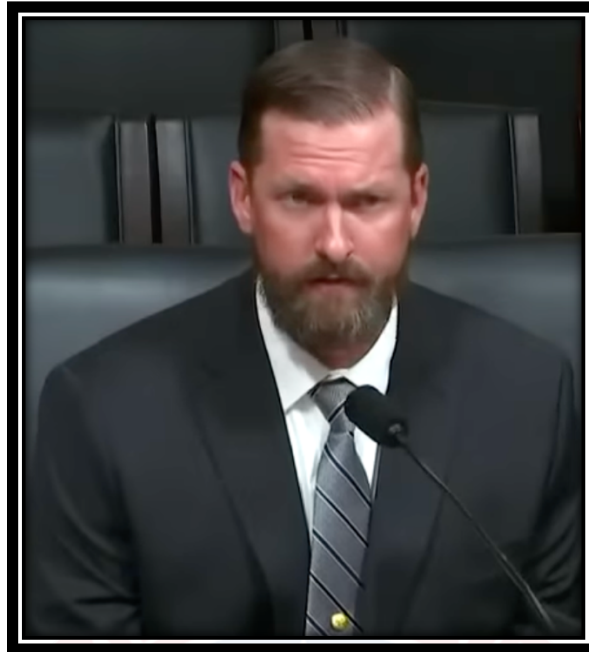
<sup>61</sup> Anna Giaritelli, “Wall of waste: Biden ending Trump wall leaves border rancher with field of ‘rusting’ steel,” *The Washington Examiner*, July 10, 2023, <https://www.washingtonexaminer.com/policy/immigration/wall-waste-border-rancher-biden-cancel-trump-barrier>.

<sup>62</sup> Ibid.

<sup>63</sup> Ibid.



## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM



### **WATCH: New Mexico Rancher Russell Johnson Describes Consequences to His Family to Ending Border Wall Construction**

Johnson testified before the House Committee on Homeland Security in July 2023, about the results of Biden and Mayorkas' efforts to end construction of the border wall:

“When President Biden signed the executive order to halt border wall construction, we were left with a three-quarter-mile gap, one border monument access gate that hadn’t been installed and a few miles of wall that had not been filled with concrete or welded together.

[...]

“This material has been sitting on the border for over two years. Taxpayer dollars are being stockpiled rather than being utilized for their intended purpose. Contractors are now telling my family that these wall panels are going to be hauled off for scrap. If anyone ran their business as inefficiently as the federal government has handled this project since the shutdown, they would all be broke. In the months leading up to January 2021, there was little illegal traffic through our area. When the project was shut down, we saw an immediate increase in traffic.”<sup>64</sup>

Johnson also told the Committee that he has yet to be contacted by anyone in the federal government about removing the materials from his property, that his family has had to initiate all contact in pursuit of a resolution, and that he has received no compensation for the storage costs of the materials languishing on his property.<sup>65</sup> On top of the heavy

<sup>64</sup> “Opening the Flood Gates: Biden’s Broken Border Barrier,” *Homeland Security Committee Events*, YouTube video, 2:29:32, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=8972>.

<sup>65</sup> “Opening the Flood Gates: Biden’s Broken Border Barrier,” *Homeland Security Committee Events*, YouTube video, 2:38:19, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=9499>.



## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM

financial and practical costs, however, Johnson testified that the sense of safety and security his family experienced as the wall was being built vanished the day of Biden's order, and that those illegally entering the United States on his property are trying not to get caught:

"[I]t literally looks like a military invasion in the sense that they're all wearing the same camouflage, the same boots, the same backpacks, the same booties to conceal their foot tracks at their—they do not want to be caught. ... We were so glad to see [new border wall]. It was, like I say, an answer to our prayers because that was going to be some safety and security we had never seen before."<sup>66</sup>

Other ranchers along the border have expressed similar concerns about the halting of border wall construction. In June 2021, Arizona rancher John Ladd, who owns 16,000 acres along a 10-mile stretch of border with Mexico, told one reporter that when new border wall construction began in his area, he "was finally able to sleep at night," but that "restlessness returned" when Biden ordered the halt to construction.<sup>67</sup>

DeSotle put it best when he testified, "The federal government simply can ignore you. They can ignore me when I can't invoice them. I have no recourse whatsoever. My prime had no recourse with the federal government. So that was what was most concerning, was that the federal government simply would not communicate."<sup>68</sup>

"It's not going to be easy to make it, to be quite honest. That's the honest truth," he said.<sup>69</sup>

The weight of this evidence prompts the simple question—After more than two years, billions of dollars wasted, and countless livelihoods ruined, would it not have been better for Biden and Mayorkas to simply use the funds already devoted to constructing new, effective border wall? Contractors would still be whole, property owners would have peace of mind, and the taxpayers would know their money was not wasted. Instead, in their political hubris, Biden and Mayorkas chose another option—and Americans have suffered greatly for it.

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<sup>66</sup> "Opening the Flood Gates: Biden's Broken Border Barrier," *Homeland Security Committee Events*, YouTube video, 2:48:53 & 3:01:44, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=10133>.

<sup>67</sup> Itay Hod, "Border rancher's property affected by undocumented immigrants," *Spectrum News 1*, June 15, 2021, <https://spectrumnews1.com/ca/la-west/human-interest/2021/06/15/border-rancher>.

<sup>68</sup> "Opening the Flood Gates: Biden's Broken Border Barrier," *Homeland Security Committee Events*, YouTube video, 3:12:08, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=11528>.

<sup>69</sup> "Opening the Flood Gates: Biden's Broken Border Barrier," *Homeland Security Committee Events*, YouTube video, 2:52:48, July 18, 2023, <https://www.youtube.com/live/IOGeXoLdFXM?feature=share&t=10368>.



## SECTION 2: ENDING CONSTRUCTION OF BOUGHT-AND-PAID-FOR BORDER WALL SYSTEM & CONCLUSION



*A section of unfinished border wall in the Rio Grande Valley Sector, Texas, in March 2021. (Source: HSGAC subcommittee report on canceled border wall construction)*

### **Conclusion: Mayorkas' Waste and Abuse Are Unacceptable For a Cabinet Secretary**

The wholesale waste and abuse of taxpayer resources made possible by Mayorkas' refusal to enforce the laws of the United States is unacceptable. His reckless actions and decisions have not only forced cities and states to pick up the tab for unprecedented numbers of illegal aliens, but have actively wasted federal funds reserved for securing the border and enforcing the law. There is simply no excuse for such, at best, utter incompetence, and at worst, willful mismanagement of precious taxpayer dollars. Unfortunately, careful stewardship of the public trust has proven yet another casualty of Mayorkas' failed leadership of the department.