

FUNDING FOR FIRST RESPONDERS

HEARING OF THE SELECT COMMITTEE ON HOMELAND SECURITY HOUSE OF REPRESENTATIVES ONE HUNDRED EIGHTH CONGRESS

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**FUNDING FOR FIRST RESPONDERS:
ENSURING THAT FEDERAL FUNDS ARE
DISTRIBUTED INTELLIGENTLY**

Tuesday, October 21, 2003

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The committee met, pursuant to call, at 10:45 a.m., in room 2318, Rayburn House Office Building, Hon. Christopher Cox [chairman of the committee] presiding.

Present: Representatives Cox, Dunn, Rogers, Boehlert, Smith, Weldon, Shays, Camp, Diaz-Balart, King, Shadegg, Gibbons, Granger, Sweeney, Turner, Dicks, Cardin, DeFazio, Lowey, McCarthy, Jackson-Lee, Pascrell, Christensen, Ethridge, Lucas, Langevin, Meek, Thompson and Harman.

Chairman COX. Good morning. A quorum being present, the Select Committee on Homeland Security will come to order. This committee is meeting today to hear testimony on the critical topic of funding for our first responders.

I want to inform the members at the outset that I have consulted with the Ranking Member, Mr. Turner, and we have agreed that in order to allow us to proceed more directly to testimony from our witnesses on this important issue and to help members keep to our schedules, including the vote that we expect on the floor at 11 o'clock, we would ask unanimous consent that opening statements be limited to the Chairman and Ranking Member. Is there objection? If other members have statements, they can be included in the hearing record under unanimous consent. So ordered.

OPENING STATEMENT OF THE HONORABLE CHRISTOPHER COX, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, SELECT COMMITTEE
ON HOMELAND SECURITY

The Select Committee on Homeland Security held a hearing today on first responder grant funding today and Chairman Cox's (R-CA) recently introduced legislation, H.R. 3266, "Faster and Smarter Funding for First Responders." The witnesses included the Honorable John G. Rowland, Governor, State of Connecticut, and New York Police Commissioner Ray Kelly. Chairman Cox emphasized the need for threat-based analysis to be incorporated into homeland security grant formula funding decisions. Chairman Cox made the following statement:

Since 9/11, the President, the Congress, and the American people have come to recognize the pressing need to prioritize homeland security funding. If we try to protect everything equally, we will protect nothing.

The Administration and Congress worked together to stand up a Department of Homeland Security with the analytic capability to set these priorities. The Information Analysis & Infrastructure Protection Directorate (IAIP) has the statutory obligation to develop risk assessments that map threat against vulnerability, both on a strategic and tactical level. IA&IP analysis must be authoritative, comprehensive, and dynamic. It will integrate the best intelligence with the rigorous vulnerability assessments of state and local governments, and the private sector. This is the best way to ensure that we are targeting these funds appropriately and getting the most security—not pork—for our dollars.

The amount of money at stake is significant. The President signed into law the first Homeland Security Appropriation bill which will distribute over four billion dollars to first responders. In fact, in the past two years, Congress has increased the amount of funding to first responders by more than 1000 percent, for a total of almost 20 billion dollars since 2001. We can expect even more funds for homeland security in the years ahead. This is all the more reason to ensure now that we are targeting these funds appropriately.

This Committee has met over the past several months with first responders in Seattle, Los Angeles, Long Beach, and Orange County as well as in Detroit, Buffalo, and New York City. It has held four Committee hearings in the Congress on this topic. First responders acknowledge that the Federal Government has significantly increased its allocation of homeland security funds, but they continue to complain that they are not getting their share. In July, Orange County Assistant Sheriff George Jaramillo testified before this committee that Orange County had only collected \$875,000 of its 12 million dollar federal grant. Just last week, Mayor James Garner of the US Conference of Mayors testified that 90 percent of cities have not received their share of funds from the states. It is our duty to ensure that federal funds get to our first responders more quickly.

We must find ways to direct federal funds to states and regions that are at greatest risk. Currently, grant money is allocated by political formula, based chiefly on population. Under the present system, in 2003, California, New York, and Texas received approximately five dollars per capita in homeland security funding, compared to twenty-nine dollars per capita for North Dakota and almost thirty-five dollars per capita for Wyoming. Does California with its large population, hundreds of miles of coastline, and large cities with vulnerable targets present a greater risk than North Dakota, a primary source of food for the nation? Our current grant system does not—and cannot—address this. New York, of course, continues to be a major terrorist target. Yet, the current formula does not adequately weigh the higher risks in that region. Our country needs a new formula for distributing funds based on rigorous authoritative risk assessments that match threat with vulnerability - the core mission of the Department of Homeland Security.

Today, funds cannot be directed to regions, and this too must change. In July of this year, Captain Michael Grossman of the Los Angeles Sheriffs Department testified that, 'any attack in the Los Angeles/Orange County area would unquestionably require a regional response. . . (but) the dispersal method of funds does not address the overall regional readiness and needs requirements.' Regional collaboration is fundamental to the success of the President's Homeland Security strategy; we must do everything we can to encourage it.

Since 9/11, we have identified serious problems with our grant-making process and now is the time for solutions. I look forward to working with the Ranking Member, Mr. Turner, and all Members of the full Committee to develop a bill that will enhance the preparedness of our first responders. We owe it to the men and women who put their lives at risk everyday to keep this nation safe.

PREPARED OPENING REMARKS FROM THE HONORABLE KAREN MCCARTHY, A
REPRESENTATIVE FOR CONGRESS FROM THE STATE OF MISSOURI

Today's hearing is about first responders. Both pieces of first responder legislation before the Committee include provisions that would affect the directorate for Information Analysis and Infrastructure Protection.

Both bills make important adjustments to the Homeland Security Advisory System, requiring changes in the threat level to be issued on a regional and industrial sector basis. This is a welcome improvement, and one that I know is supported by local and state governments and, most importantly, by first responders. The bills also address the backlog of security clearance investigations, and the need to grant clearances to key state and local officials in order to improve the sharing of information.

The most critical provision, however, is the requirement in Chairman Cox's language that the Under Secretary of Information Analysis and Infrastructure Protection assess and prioritize all first responder grant applications. I have seen no evidence in the course of the Intelligence and Counterterrorism Subcommittee's work that the directorate is capable of conducting this task on top of its other duties. In fact, the Department frequently states that the intelligence it has does not point to a specific threat or a specific target. Given the nature of threat intelligence, I want to know how the Department will determine priorities for grant funding to one state or another, and which regions may not warrant funding.

The High Threat, High Density Urban Areas Grant Program, first created in the 2003 Supplemental Appropriations Act, already distributes grants based solely on terrorist threat. Members of Congress have rightly asked how these grants are determined, and the Department has not provided any answers. As a representative of a major metropolitan area, I understand the need to send additional grant dollars to areas of higher threat. Kansas City, which I represent, received nearly \$10 million in high threat grant funds. It is uncertain if we will receive additional funds in the next round, or upon what threats the Department based that \$10 million.

I look forward to the witnesses' comments on whether any threat intelligence from the Department of Homeland Security leads one to conclude that detailed resource allocation decisions can be determined by our current threat intelligence. Information from the Department on how it decides where to spend high threat urban area appropriations is unclear and undermines the confidence of our local responders. Thank you, Mr. Chairman.

[The statement of Mr. Gibbons follows:]

PREPARED STATEMENT OF THE HONORABLE JIM GIBBONS, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF NEVADA

Mr. Chairman, thank you for highlighting this important issue and assembling these prestigious panels—I appreciate the dedication of you and your committee staff, working to ensure the security of our homeland. I would like to welcome our panel members and look forward to the information they will provide.

Chairman Cox unveiled the first part of a comprehensive, homeland security reform proposal two weeks ago. The first piece of his four-part plan focuses on emergency responder funding.

The emergency response piece, called the "Faster and Smarter Funding For First Responders Act," would establish a new grant system for homeland security activities. The funds would be dispersed based solely on the terrorist threat level faced by the locality. Grant applications will be ranked by the Information Analysis and Infrastructure Protection Directorate of the Department of Homeland Security. The language in this bill would guarantee direct funding to local governments.

H.R. 3266 directs the Information Analysis and Infrastructure Protection Directorate to evaluate and prioritize applications for first responder grants based on:

- The threat to population, including military and tourist populations.
- Threats to the water supply.
- Threats to energy supply.
- Threats to structures of symbolic national importance, particularly those that routinely attract large numbers of tourist visitors.
- Threats to significant concentrations of natural resources.

Other homeland security bills are now in circulation. Among them are one sponsored by Representative Sweeney, one by Representative Shays and another sponsored by Ranking Member Jim Turner, which would respectively revise the grant funding formula, establish quality standards for training and equipment, and prioritize first-responder funding. These bills raise many good points, and I look for-

ward to debating these issues in future hearings for a positive overall outcome toward first responder funding.

Since September 11th of 2001, Congress has provided states and other government entities with significant assistance to upgrade infrastructure and personnel to meet domestic security needs. In addition, Congress has also provided increased funding for first responders.

When Congress passed the wartime supplemental appropriations bill (H.R. 1559) on April 16 of 2003, we provided \$2.23 billion for grants to first responders through the Office of Domestic Preparedness (ODP), \$230 million above the president's request.

- \$1.3 billion was provided for ODP's basic grant program to the states with 80 percent of the funds going to localities.
- \$200 million was provided for grants for critical infrastructure distributed by formula with no less than 50 percent of the funds going to local governments.
- \$700 million was provided as a discretionary grant to address security requirements in high threat, high-density urban areas with critical infrastructure.
- \$1.5 billion in grants to states and localities has been made available via ODP, aimed at helping first responders with planning, training, equipment, and other costs associated with enhanced security measures deployed during the heightened threat period.

The Departments of Homeland Security and Justice have received extra funding for the sole purpose of helping local and state governments. These grants are available for all aspects of securing our communities, from educating and training first responders to helping purchase new equipment. The biggest obstacle in the process is getting direct funding to local jurisdictions, because most of the available grants go directly to the states rather than localities.

With the constant threat of terrorism, the future of this massive funding effort is bright. With different threats being identified everyday the need is great and Congress is pressed to meet this need. Congress understands that increased funding will be essential to safeguard our communities. The expectations for public safety are high and with this legislation, Congress will make progress toward securing our communities even more.

Homeland Security Secretary Tom Ridge has previously stated that he would like to change the state formula to include risk factors. A major issue we must discuss and resolve is whether or not to require the Department of Homeland Security to develop a new formula for allocating funding to states based solely on threat. Currently, every state receives a minimum of 0.75 percent, and then the remainder of the funding is allocated based on population.

The problems with the current grant-making process were highlighted in a recent report entitled, *First Mayors' Report to the Nation: Tracking Federal Homeland Security Funds Sent to the 50 State Governments*. This 50-state analysis surveyed 168 cities of all sizes about the delivery often different homeland security funding streams designed for first responders.

The survey found that 90 percent of cities have not received the intended funding designed to assist local officials, police and fire departments, and other "first responders," such as public hospitals. Additionally, over half of the cities have either not been consulted or have had no opportunity to influence state decision making about how to use and distribute funding. In my home State of Nevada, we have begun working these same issues and recognize the importance of collective community input—working together we will continue to make progress.

Mr. Chairman I look forward to the education this hearing will provide and also to working with my colleagues on resolving these issues for a better prepared America.

Chairman COX. Without objection, those members who are present and who have agreed to waive opening statements will, therefore, be allowed 3 additional minutes for questioning.

Governor Rowland, thank you for making the time to testify before the committee, for joining us again here in your old haunts here in the House of Representatives on this critical issue of first responder funding. Your demonstrated commitment to our first responder community and the invaluable perspective you bring to us as a State Governor will help this committee toward its goal of expediting the delivery of Federal funds to our first responders.

I also want to take this opportunity to thank New York Police Commissioner Kelly and the other witnesses on our second panel. You are excellent representatives of the first responder community, almost 2.5 million strong across our country. Our first responders are truly the front line in our defense against a terrorist attack on the homeland and, as you will see, there is strong bipartisan support on this committee for legislation that will make the grant process more responsive to your needs.

The latest tape released to al-Jazeera over the weekend is one more reminder that our struggle against global terrorism will be a long one. Osama bin Laden, allegedly speaking on this tape, tells us "We will continue to fight you as long as we have weapons in our hands." Two years after 9/11, the United States still remains al Qaeda's first target, but the threat as usual is purposely vague. The terrorists want us to act out of fear. They would like us to believe that they can strike anywhere, at any time, and they want us, in response, to act desperately; take measures of uncontrolled spending on unfocused security measures that would seriously weaken our economy and weaken our country.

Since September 11, the President, the Congress, and the American people have come to recognize the pressing need to prioritize homeland security funding. We quickly learned that if we try to protect everything, we will, in fact, protect nothing. The administration and Congress have worked together to establish the Department of Homeland Security and, importantly, to give it an intelligence analytical capability to help set these priorities.

Under the Homeland Security Act, the Information Analysis and Infrastructure Protection Directorate, which we on this committee are fond of calling IAIP, has the obligation to develop risk assessments that map threat against vulnerability, and to do this on a strategic and tactical level. To do this job right, the Department's analysis will have to be authoritative, comprehensive, and dynamic. A perishable snapshot of threats won't be sufficient. The Department must integrate the best intelligence with rigorous vulnerability assessments produced in cooperation with State and local governments and the private sector. Relying on this threat analysis is the best way to target first responder funds for our Nation's security and to ensure that they go towards security and not pork.

Just recently, the President signed into law the first homeland security appropriation bill, which will distribute over \$4 billion to first responders. Already, over the past 2 years, Congress has increased the amount of funding to first responders by more than 1000 percent, for a total of almost \$20 billion since September 11, 2001. We can expect even more funds for homeland security in the years ahead. That is why spending this money wisely is so important.

The committee has met over the past several months with first responders in Seattle, Los Angeles, Long Beach, Orange County, Detroit, Buffalo, and New York City. We have held four committee hearings in Washington on this topic. First responders have told us that the Federal Government has significantly increased its allocation of homeland security funds, but they continue to complain that they are not getting their share. In July, Orange County Sheriff

George Jaramillo testified before this committee that Orange County, California had collected only \$875,000 of its \$12 million Federal grant. Just last week, Mayor James Garner of the U.S. conference of Mayors testified that 90 percent of cities have not received their share of funds from the States.

At the same time, we have heard repeatedly in all of our meetings with first responders that they are not receiving adequate threat information. As a result, they can't prioritize their own costly security protective measures. A first responder in Seattle earlier this month said that today, information, not money, is our biggest problem. The demand for more and better intelligence along with interoperable communications is clearly a top priority for our first responders.

It is the job of this Congress and the DHS to direct Federal funds to the greatest risks. Currently, grant money is allocated by political formula. Chiefly, this means population, but even the population allocation is not working. Under the present system, in 2003, California, New York, and Texas, three of our most populous States, received approximately \$5 per capita in homeland security funding compared to \$29 per capita for North Dakota and \$35 per capita for Wyoming. Is California, which has a large population, hundreds of miles of coastline and large cities with vulnerable targets, more important than North Dakota's agricultural sector which feeds our entire Nation? The current system cannot answer this question. Our country needs a new formula for distributing funds based on rigorous authoritative risk assessments that match threat with vulnerability, the core mission of the Department of Homeland Security.

It is equally important to recognize that many of the highest threat areas in our country are regions which cross State boundaries or are included within them. Police Commissioner Kelly works hard with his counterparts in neighboring burroughs and States to build collaboration and expand interoperability against the continuing terrorist threat in New York. Governor Rowland not only has to protect Connecticut, but also collaborate across his borders to protect the Long Island Sound. The port cities of Los Angeles and Long Beach have been a model of interjurisdictional collaboration since well before 9/11. Washington, D.C., where we meet today, sits at the intersection of two States and in the midst of a five-State region. For years, the evacuation plans for each of us in Congress had us being taken from the Nation's Capital in Washington to West Virginia.

Today, funds cannot be directed to regions, and this must change. In July of this year, Captain Michael Grossman of the Los Angeles Sheriff's Department testified that "Any attack in the Los Angeles/Orange County area would unquestionably require a regional response," but, continuing the quotation, "the dispersal method of funds does not address the overall regional readiness and needs requirements." Regional collaboration is fundamental to the success of the President's homeland security strategy, and we must do everything we can to encourage it.

Since September 11, we have identified serious problems with our grant-making process. Now is the time for solutions. I look forward to working with the Ranking Member, Mr. Turner, and all

members of the full committee to develop a bill that will enhance the preparedness of our first responders. We owe it to the men and women who put their lives at risk every day to keep this Nation safe.

I now yield to the Ranking Member, Mr. Turner, from Texas for his opening statement.

Mr. TURNER. Thank you, Mr. Chairman.

This hearing today is perhaps the most important hearing that this committee has conducted because, as we know, next year we will spend \$4 billion on efforts to strengthen our first responders to make America safer, and how we spend that money and where we spend that money is essential to knowing whether we are doing the job of protecting America against terrorism.

In my view, our current spending on homeland security is haphazard, unfocused, and, more often than not, based on past events with little regard to the threats and vulnerabilities we face today and will face in the future. The Chairman and I have both introduced separate legislation, because we wanted to try to get the best ideas on the table before this committee. The two bills are similar in some respects, but differ in others. We both agree that we need a greater emphasis upon regional planning to deal with the terrorist threat. We both agree that we must move money faster to our States and to our localities than we are doing today. And we both agree that to simply disperse money based on the sole factor of population is not dealing honestly with the security needs of our country.

We must, in my judgment, train and equip our local first responders with, what we call in the legislation that I have introduced, along with 144 of my Democratic colleagues we must prepare our local responders by determining what the essential capabilities are that we need to prevent and respond to terrorist attacks. The essential capabilities.

It has been suggested to this committee from many sources that we need a standard by which we measure our progress in making the homeland secure. In order to measure our progress, we believe it is important to establish what the essential capabilities are for every region and community in America in order to make that region or that community safe and secure and capable of responding and defending against a terrorist attack. The expanded capabilities must be determined in a bottoms-up approach, and that is why in our legislation we propose a task force of local responders to make recommendations to the Department of Homeland Security as to what the essential capabilities of every area of the country must be.

Now, these essential capabilities must be determined in light of the threats and vulnerabilities that exist in our country. Those threats obviously vary from time to time, from community to community, and the vulnerabilities of the regions and communities in our country vary. And in order to properly determine the essential capabilities, the determination must be made upon a fair assessment of the threats and capabilities.

Our approach contrasts with the Chairman's legislation, which bases preparedness funding on a snapshot of the threat faced by a community or region. In our judgment, that would ignore the re-

ality that threat information is often vague, often inconsistent, and certainly ever-changing.

We hope that as we approach the legislation before us, that we can reach a compromise piece of legislation that will move us forward in better preparing our local communities to deal with the threat of terrorism. We both share the same goal, and that is to make our first responder grant-making process be rational, be targeted, and utilize the threat and vulnerability information upon which it must be based. Our judgment is not enough simply to reslice the available funding pie by using threats alone to determine who gets money. We need a comprehensive, nationwide plan where we understand what the essential capabilities for every community must be. Those essential capabilities will be different in New York City than they are in my hometown of Crockett, population 7,500, in east Texas.

As Massachusetts Governor Romney stated at an earlier hearing before this committee, and I quote, "It is essential to have guidelines as to what it is we are trying to accomplish." If you ask the cities and towns and the States how much money they need for homeland security but don't tell them what you expect them to do, what kind of event they are trying to prepare for, then the sky is the limit as to what they will come back with. Our legislation and the task force included in our legislation is designed to provide the guidelines that Governor Romney is seeking.

second, our legislation will measure our country's security gap, and our goal is to close it in 5 years. By setting the targets, we will be able to measure our progress and, hopefully, succeed in establishing the essential capabilities that all of our communities need.

As I said, the act will determine these needs based on recommendations of first responders themselves. We think this is critical, to have the local and State buy-in to support this legislation.

Mr. Chairman, I look forward to the testimony today. I am very grateful for Governor Rowland's presence here today. I appreciate seeing Commissioner Kelly here, and I thank him for the hospitality extended to our committee a few weeks ago when we visited him in New York, and I commend him on the progress that he has made in leading his city toward greater security.

Thank you, Mr. Chairman, and I look forward to the hearing.

Chairman COX. I thank the gentleman.

Chairman COX. Governor Rowland, I am sure you are aware of the range of possibilities when the bells ring, but you will be pleased to know that there is a single vote on the floor. There are 7 minutes left in that vote. I think that in order to permit members to make that vote, we should interrupt the proceedings for the purposes of members going to the floor, voting on the CR and returning, and that should put us back in action at 11:15, if that is acceptable to you.

Governor ROWLAND. That would be fine.

Chairman COX. Thank you, and we will see you at 11:15.

[Recess.]

Chairman COX. I welcome members back from the vote. I thank you, Governor Rowland, for your patience.

Our first witness is Governor John G. Rowland of the State of Connecticut, not only a distinguished Governor, but also a distinguished former Member. Welcome back.

**STATEMENT OF THE HONORABLE JOHN G. ROWLAND,
GOVERNOR, STATE OF CONNECTICUT**

Governor ROWLAND. Thank you very much, Mr. Chairman. I thank you for your comments and your opening remarks. Congressman Turner, thank you. It is an honor to be here today. As well as being the Governor of the State, I have also been serving as a member of the State and Local Officials Senior Advisory Committee to Homeland Security, and I hope that between those two roles, I can provide some input and some insight into what occurs back home.

I prepared a written statement that I have entered into the record, and what I would like to do with your support is to make a few summary remarks, hopefully stimulate some continued discussion and debate and, frankly, to take what I think has been a thoughtful proposal that is before us today.

Based on your comments, Mr. Chairman, and based on Congressman Turner's comments, it seems that you are going in the right direction. And we would like to I am sure the rest of the testifiers as well would like to talk about some of the proposals and some of the improvements that we would like to see.

First and foremost, it stimulates a very necessary discussion about how grants are going to be awarded. The Chairman, of course, talks about risk and threat, and I would suggest that left to our own devices, the grant distribution would take place in a very different way, probably based just on option or, at the very least, perhaps based on political considerations, political pressures, lobbying, perhaps the appropriate committee assignments. That process, although it may work in other areas like education, I don't think would work necessarily all that well or just that well for distribution of these grants for homeland security.

I would like to offer a couple of tweaks, if I may. First and foremost, State oversight. It is imperative that the States have oversight and that we be seen as a pass-through to the cities and towns and to the first responders. In the last 6 months or so, the States have been very effective in passing through a lot of the dollars that have come from homeland security, and we continue to coordinate and work with all of our cities and towns.

In listening to both the opening remarks of the Chairman and Ranking Member, I would also offer a suggestion perhaps to my fellow colleagues and Governors. Governor Ridge does a great job in communicating to the Governors. It is probably little known that he has conference calls with Governors and homeland security directors almost on a weekly basis, sometimes to talk about very routine matters, other times to discuss an increase in focus on our security across the country.

One of the things that I have taken from that is that I have done conference calls on a monthly basis with my mayors and first selectmen. In my small State of Connecticut we have 169 political divisions, namely cities and towns, and I have found that by having conference calls with the mayors, first selectmen, fire chiefs and po-

lice chiefs, they feel part of the process and so some of the disconnect does not occur.

There is a discussion in the bill about regionalization and in conference and in discussions with some of the staff here, I call it self-administered regionalization would never work; self-administered regionalization meaning that any number of cities and towns in my State would come together for a particular reason to submit grant requests. If that were to occur in our State or any of the other 50 States in a self-administered manner, it would be chaos. It is difficult enough to try to communicate to the political subdivisions in a formalized way. To then have numerous other regions would be very difficult.

So I would suggest one of two things. One, that you predetermine the regions through the homeland security officials, or possibly that it goes through the Governors so that the Governors sign off. Is it appropriate, for example, that southern New York and New Jersey work together on a region? Absolutely. But I think it has to happen through the Governors or through a predetermined mechanism. Some would suggest that the New England States should automatically form a region which may or may not work as well. But to have cities and towns self-administer regions would be chaotic at the very, very least.

There is also a discussion of a 25 percent match. I read that to understand a 25 percent match either from the States or from the cities and towns. I don't think that is needed. I know that the mindset there must be to have stakeholders to have some skin in the game, if you will, but by having a 25 percent match, you add another increment to the funding request and an increment, of course, is economic ability to pay. Some States may have the economic ability to pay, some may not. Some cities and towns may be able to afford a 25 percent match, and some may not. So if we are going to base this on greater risk and proportion, then I think we should take the economic—the 25 percent requirement off the table, or at least suspend it for a few years until we go through the process.

There is also discussion of the time for the pass-through. I have found in my experience, whenever we set up a schedule of time, in this case in the bill it talks about 45 days, everybody focuses on the 45 days; and if it takes longer than 45 days, then it is not a success. So I would be a little bit more lenient on that period of time and allow the process to work its way through. This is a bidding process in many cases when States are procuring equipment and training personnel, and procedures have to be followed which may take more than that period of time.

I must say that as a neighboring State to New York City, we lived through the horrors of 9/11. More than 150 Connecticut families lost a loved one. We lived through one of the five anthrax deaths that occurred in our country, and it was our own public health officials that helped pinpoint the contamination that took part in our mail system.

I want to point out that when tragedy strikes, it is the Governors and the mayors that are the traffic cops. And as we consider any funding levels, it is important to remember that it is the soundness of the investment and not necessarily the speed of the investment

that is made. What I mean by that is that the right investment against the right risk or threat is the way to go versus worrying about the particular period of time.

The question of regional procurement again should be worked out, and I would encourage you to again work that through the Governors.

I know that the bill suggests that it would be 100 percent consideration of the risk assessment and, to be facetious, I would say that in that case you would look at the risk and evaluate that certainly New York City and Washington, D.C. are the two greatest threats that we have in our country. Someone might argue we should take all the homeland security dollars, divide it down the middle and distribute that money to Washington, D.C. and New York City. Obviously, the threats are far more diverse than that. And although we recognize those two areas as dominant, we also know that each and every day the threat changes. One particular day it might be bridges. Another particular day it might be our borders. Another particular day it might be national historic landmarks. Another day it might be undefined biological attacks on our public water systems. Therefore, we need a continuation of the COPS program, the Fire Act, and many other existing grant programs. The emergency management performance grants are working very, very well.

So the bottom line is that I would suggest that we maintain a minimum baseline of funding to all States to be used for training, to be used for basic equipment, and then incorporate a risk-need assessment for additional funding. I understand that the debate will begin as to what percentages and what dollars will apply. The key here is I don't believe we want to rob Peter to find money in the grant dollars to give to Paul, and I don't think anybody should suffer from the baseline support that they need.

So the most important message I would like to leave with you today is that the 50 States are the key distribution points. The 50 States and the Governors are needed for coordination, for planning, for communication and response. It needs to be streamlined. I saw some of the reports from GAO with regard to streamlining and some of the confusion that takes place. You are right to pass the money on to the cities and towns through the States, not directly. That would be chaotic, at best.

In reality, if there is disaster in our States, whether it is a State nuclear disaster, whether it is an anthrax threat, smallpox, bioterrorism, who is in charge? When there is a declaration of a state of emergency, who makes that declaration? And the answer, of course, is the Governors.

This proposal goes in the right direction, Mr. Chairman. The theory is correct, and I would just encourage you to maintain a base allocation to the States and incorporate the risk assessment on top of that, and, to Mr. Turner's point, apply standards as well.

So I think you are going in the right direction. The utmost flexibility given to the Governors and given to the States would be helpful. I believe that you will see that we will act responsibly in coordination with our cities and towns.

In finality, I would say that just a few moments ago the press was asking me, well, the cities and towns haven't gotten their

money, and that is a mindset that we need to get rid of. The focus should be that the cities and towns will get the necessary equipment they need to do their jobs based on the risks that we face in each and every one of our States. It should not be a formula which merely distributes funds to cities and towns for their use. With all due respect, you will then find what I call the toy grab, and everyone will be buying their favorite newest high-tech toy available. That is not the way to assess the threats that we face as States and the threats that we face as a country.

So I thank you for the opportunity to make a few brief remarks, and I am more than happy to take any questions that you might have.

[The statement of Governor Rowland follows:]

PREPARED STATEMENT OF THE HONORABLE JOHN G. ROWLAND

Thank you Chairman Cox, Ranking Member Turner, and distinguished committee members for this opportunity to offer my testimony on homeland security funding and programs for first responders. It is my honor to appear before you to help represent the progress and challenges faced by our first responder community in protecting states and municipalities.

Let me also commend you for the timeliness of this hearing as well as the support of Congress and the Administration to date in implementing a new Department of Homeland Security and assisting states with our preparedness. There continues to be uneasiness in America, now even two years after the attacks of September 11th, 2001. Citizens are concerned about their own futures and their own security. We must, through continued dialogue and actions, demonstrate the great commitment of this nation and our individual states to do everything possible to maintain a secure homeland. The willingness and leadership of both Congress and Secretary Ridge to make changes, implement new structure and programs, and seek feedback from those on the frontlines sends a powerful message to our citizens.

The world in which we now live has been largely influenced and shaped by the events which occurred on a beautiful Tuesday morning just over two years ago. And while we are still coming to grips with a changed world, we have had to immediately act on the new reality of preparing for an enemy that can strike at any place, at any time, with virtually any weapon.

States and municipalities have done just that.

Over the last two years, as both a memorial to those who died and as a collective passionate attempt to do everything possible to prevent further attacks, there has been significant activity at all levels of government, academia, and private industry to buttress domestic preparedness and security.

From this experience and as a result of our endeavors, emergency management has been redefined evolving from a natural disaster, cold war civil defense focus to a much more comprehensive and inclusive discipline. Barriers have been broken down and cooperation is at an all time high. But more can and must be done.

All threats—from burning buildings to an odorless, invisible biological agent—must be considered. All stakeholders—from professional responders to volunteers to medical personnel—must be involved and highly trained.

For government, the despair and destruction of 9/11 served as a jolting reminder that its foremost responsibility is to protect the health, safety and well-being of its citizens—there is no more important mission. The United States now spends in excess of \$100 billion per year on homeland security, not including military spending—certainly one measure of its commitment.

But with this commitment, are we safer than before 9/11? That ultimately is the question before us today. The answer is yes—we **are** safer and each day that passes is safer than the one before. Still, the more we do, the more we learn what we need to do. The new and emerging dangers of today instruct us that we can only meet these challenges by developing a more comprehensive and shared vision of how best to secure America.

And although we all feel the urgency to shore up our capacity to defend against and respond to new threats, we must give ourselves the time and space to do it right. I have been in your shoes. I know the tendency of Congress to measure and quantify all success in terms of time and speed. I would submit our measure for this particular mission should focus more on quality, integration, and effectiveness.

The soundness of our investments is more important than the speed of those investments. In short, we must define and measure against set standards.

One of those clear standards is to provide easily accessible funding, equipment, and training—that is the tools to respond—to our front line first responders.

I am here today to speak in favor of several of the principles expressed in HR 3266, “The Faster and Smarter Funding for First Responders Act,” and other related pieces of homeland security legislation before Congress. Ultimately, together, we must craft and support legislation that will help make the day-to-day responsibilities of first responders and emergency planners easier and more effective.

The three goals this legislation is built around are simple yet vital.

First, grants must be allocated **through**—but not necessarily for—state governments. Despite all the controversy and debate, states have effectively worked with municipalities and pushed funding and equipment down to the local level in accordance with state developed plans and Congressional guidelines. Governors clearly understand the importance of regional cooperation and mutual aid but we should not encourage regional efforts to be developed in a vacuum. Comprehensive, interoperable national and state plans simply cannot be created if funding goes directly to municipalities or other separate organizations without the involvement of a state.

When large scale disaster strikes and local resources are overwhelmed, it is Governors who are directly responsible for the safety and well-being of our citizens. The buck rests at our desks. State coordination is essential and must be maintained.

Secondly, we must streamline and simplify the grant process. The sixteen different grant programs spread across three major federal agencies, and several sub-offices, are simply too cumbersome and too confusing. The more overhead and bureaucracy at the federal level, the more overhead we must maintain at the state level.

Thirdly, grants should be at least, **partially**, distributed based on threat analysis and unique regional vulnerabilities. All states and communities need a base level of response capabilities and we certainly should not do away completely with formula, non-competitive based funding. But let’s put some substantial funding where the intelligence professionals think we have the greatest vulnerabilities and offer financial incentives for creative preparedness partnerships.

All chief executives—whether governors, mayors, or county executives—are concerned about controlling budgets and the ability to provide matching funds. Available grants are of no use if we cannot afford the match. Unfortunately, that is a reality in today’s economic environment. This is all the more reason why regional grant initiatives and applications for grants must be coordinated through the states. I have 169 municipalities who have their own tight budgets and look to the state for maximum assistance with matching funds. Allowing towns and regional entities to apply for their own grants, while looking to the state to help cover matching requirements, is simply not practical.

Those real life economic issues mean we must keep two other principles in mind as we design future grant programs.

We must approach this from an **all-hazards** approach and not short change the basic needs of our firefighters, law enforcement personnel, and emergency management professionals. We have a lot of catching up to do in basic infrastructure and communications improvements. That takes dedicated, restricted funding. We cannot lose sight that the most common and frequent threats to this nation and our states remain natural disasters, fires, and the scourge of drugs on our streets.

That is why I am encouraged to see that most of the legislation before you will *not* modify the existing and very successful FIRE ACT, COPS, and Emergency Management Performance grants that are so vital to that progress. They are working, essential, and must be maintained. This funding provides the base level infrastructure, programming, and staffing that will allow us to take our preparedness to the next level. Let’s not “rob Peter” to find new grant money for “Paul.”

Additionally, maximum flexibility must be a core component of future grant programs. For example, for too long grant funding for first responder training has been limited and restrictive. Although the equipment is starting to flow into the field, municipalities cannot afford to take their public safety employees off-line and get them through necessary training. We must improve access to training and help localities with the costs of personnel backfill and overtime.

Both states and municipalities have proven that we can rise to the homeland security challenge, even in difficult economic times. While many Governors have made very painful budget decisions, including permanent layoffs of employees, we have used our own resources to respond to terrorism threats while keeping up with the management of federal homeland security grants.

States have obligated over 75 percent of the homeland security funding obtained through FY02. States and municipalities are now working jointly on new, detailed

threat assessments and new plans in preparation for FY04 funding. Many Governors and legislatures have authorized millions in state funding to develop new offices to focus on homeland security, invest in new infrastructure, improve communications capabilities, develop new response teams, and respond to periods of heightened alert.

In Connecticut, our experiences range from being one of New York's neighbors during the terror of 9/11 to having a citizen killed by anthrax spores sent through the mail. We have created one of the best staffed Homeland Security offices in the nation entirely with state resources. We have created our own state anti-terrorism task force to better serve the intelligence needs of local agencies. We have linked police, fire, and emergency medical incident commanders together through a single, statewide communications system. We have developed and trained regional mental health response teams to provide behavioral health services in time of crisis. We are bonding \$3 million to equip a state Urban Search and Rescue Team. We expect to invest \$30 million in a new state-of-the-art public health lab and portable 100-bed hospital to be prepared for any public health emergency. And I could easily go on.

Like many other states, our experiences, initiatives, and capabilities are varied and impressive. We **can** effectively turn federal funding into tangible, effective preparedness.

In summary, we must always keep in mind that there will be consequences for all of us if we fail to improve processes, streamline requirements, and focus on standards, not time. Specifically, we will end up with equipment that is not interoperable; purchases that are inefficient; response protocols that are not uniform; and training that is disparate. Now is the time to take stock of where we are, where we need to go, and what is the most efficient way to get there. We cannot afford to wait for the next tragic attack.

Your continued efforts to help streamline this process and assist us with the challenges we face will surely continue to advance our readiness. Thank you for your support and consideration.

Chairman COX. Thank you, Governor. That was very useful testimony. In particular, I am impressed with the concern that you raised about subdivisions, political subdivisions of States looking to the State after they have applied as regions for matching funds. Would it satisfy your concern if no region would apply without disclosing the source of its matching funds, and to the extent that the matching funds were to be provided from without the region, there were a further requirement that the supplier of the matching funds be party to the application?

Governor ROWLAND. My observation and my experience in the last 10 years says that regionalization will be very confusing in and of itself. Where we are right now is confusing. And the press reports that we have seen that the money has been wasted or hasn't made it to the cities and towns, that is all wrong. The money has made it to the cities and towns, but it is not like a fire chief is standing around with a check in his hand. He is standing around with new protective equipment, communications equipment, perhaps training, and contamination containers that we have supplied across our State.

So my point is that if indeed there is a regionalization, it should take one of three venues:

One, that it goes through the particular States. If we are going to have regionalization between southern Connecticut and Long Island, the two Governors should be part of that process. Otherwise, who knows what resources we have, what coordination we have, or what direction we are going in? If it is among States, again, I think there has to be some coordination that it is not just an effort to grab more dollars in a particular area.

And then, third, the concept of cities and towns coming together would be a total disaster. It is complicated enough with the political systems that we have set up.

With regard to matching dollars, I think I understand where you are going, and that is to require these political entities to have some skin in the game; in other words, to put something on the table.

Chairman COX. Well, no, actually, it is a different point that I am trying to make. It is literally responsive to the concern that you raise; it was not a concern that we had focused on previously. But if the concern is, as stated in your testimony, that subdivisions of States are applying for grants and then after getting the grant they are going to look to the State, with everyone being strapped for funds to match it, that the State will not be able rationally to plan or to provide.

Governor ROWLAND. Mr. Chairman, I would eliminate the whole 25 percent match to begin with. It doesn't bring anything to the table. The States, most States, 40, are still suffering through some kind of economic recession, and if it is required, you may not have the political entities—whomever they may be, whether it is the State, the cities and towns or the regions may not apply for those dollars because of the inability to match the 25 percent. I would also suggest to you that most Governors will not like the idea of passing on 80 percent of the Federal dollars to the cities and towns and then the State being required to match another 25 percent to the city and town. We would look at that as a string tied to that grant. But I think it becomes more difficult.

Chairman COX. In your comments you have referred multiple times to cities and towns as paradigm political subdivisions. I think it is useful that you are here as our witness today to describe the situation of Connecticut. I would just observe that Connecticut has, correct me if I'm wrong, approximately 3 million people?

Governor ROWLAND. 3.2.

Chairman COX. And so does my county in California, which is one of 58. We have cities with a lot more than 3 million people. So the paradigms are different, depending on where you look. I think it is correct that it would be somewhat chaotic for the Department of Homeland Security to have to deal with grant applications from all of the cities in Orange County, the cities and towns. But Orange County, jurisdictionally, and Connecticut is also, at least as a State, is geographically compact. Orange County and Connecticut may be comparable for this purpose, but we have a lot of different States. Some are vast, Alaska being the limiting case, very few people, but lots of territory. We have some that are compact with lots of people, and all different varieties. If we are not planning for the purpose of protecting the country and instead we start with the map that we got and the constitutional compromise that gave us 2 percent of the vote for every State in the Senate, and we do our funding that way, I think we are going to leave a lot of room for error.

So I want you to know that we take your point, and that I don't think anybody here has in mind burdening you as the Governor of Connecticut with an unmanageable situation in which every city and town has the right to go apply to DHS. Likewise, the Secretary

has made it very clear that he doesn't want the Federal Government to have that burden because the Federal Government won't be able to deal with that many suitors. We have to have the States in position to ration those requests. So I think it is an excellent point, and I think everybody on the committee appreciates it.

Governor ROWLAND. Thank you.

Chairman COX. The gentleman from Texas is recognized for questions.

Mr. TURNER. Thank you, Mr. Chairman.

Thank you, Governor. There were several comments that you made that I certainly agree with. One was that no one, you said, should suffer from the baseline of support they need. That concept is very consistent with the legislation that I introduced with 144 of my Democratic colleagues, because what we do in our legislation is we provide for the determination up front of what the essential, if you will, baseline capabilities of every community in the country should be, by a task force consisting of first responders, local officials, local emergency management people, to take the threat vulnerability information that exists and to build a definition of the capabilities that you need in your State and our communities.

The Chairman and I were approached by Congresswoman Emerson on the way to the floor a minute ago, and she expressed some concern about basing the funding solely on threat, because she represents a rural area, as I do, and she is also the cochair of the Rural Caucus. And she wanted to be sure that we understood that there are threats to her district from the march of traffic up and down the Mississippi River that may not be a threat today, but that clearly represent a vulnerability.

You said in your testimony that you wanted all communities, and I quote, "to get equipment based on the risk we face." And as you know, risk is composed of two elements: the threat and the vulnerability.

So our proposal is that we have the planning process to establish the baseline and then we fund to that baseline, and by establishing that up front, we will have the ability to measure our progress. Because if we continue like we are, just ad hoc funding based on applications coming to Washington, we will never know whether we have achieved a given level of preparedness or not.

I also liked what you had to say about the problems of regional administration. You said self-administered regionalization will not work, and I certainly agree with that. The way we attempt in our legislation to get around that is through this planning process that establishes a baseline, which the task force and the Department of Homeland Security that reviews the task force recommendations, we would hope, would force regions to plan together so that when we determine what kind of capability, for example, we needed to have to deal with a chemical attack, then many times that should be looked at in terms of what is the regional capability to move to the location of that attack and to deal with it successfully.

So we would attempt to get regionalization in the basic planning process for the determination of what you call the baseline.

So I don't know how that strikes you, that approach, but I would be interested in your comments about that direction that we envision.

Governor ROWLAND. Well, Congressman, you make some very good points. I think we are all going in the same direction. I observe that the devil is always in the details, and the devil always becomes the process in who gets what.

My experience tells me that you have to find the honest broker, and that is really the challenge that we are facing today and as we move ahead. Is the honest broker the Department of Homeland Security? Is it the entire United States Congress? Is it the task force you refer to, or is it the advisory committee of first responders that do report to Governor Ridge?

The States are required to submit State plans, and in that we do our own assessments and we commit to the homeland security folks that these are the risks that we see. We have asset lists, we have all kinds of evaluations that take place. And then the hard part begins, because I do know Congresswoman Emerson's district, and her needs and her costs and her baseline are certainly different than what I need in my State.

So having said that, I again kind of fall back to a baseline of support as determined probably by Homeland Security, with input from the Congress. I think what we are trying to avoid at all costs is take the funding, make up a number, and divide it by 435 and we are finished. That is kind of the process, left unsaid, and we all know that. That is the fairest and easiest process. We could pass that bill in about 5 minutes, but it is not the right thing to do, because the biological terrorism that we may face in the northeastern part of the country is significantly different than the threat in Missouri. Nuclear threat. If we have a nuclear threat, there are 30 States with facilities. Ports, and, of course, airports and so forth.

So define the baseline. It is the baseline that every single firefighter has protective equipment and HAZMAT training and portable radios and segues and the latest and greatest. Maybe, maybe not. But my concern is process, and I think the only way you can find the honest, most honest broker, if you will, is either homeland security folks in concert with homeland security State officials and the Governors. Not to say that we are not prone to political pressures and everything else, but perhaps at the end of the day when the call comes and that 911 call takes place, that call doesn't come here, it goes to that first responder. And in the best of all worlds we are trying to anticipate what that vulnerability is, to your point, what the risk is. And that is why I believe and my best guess is you are going to have some number between .25 and .75, that is going to be the baseline to States, and then whatever difference is there, and then some—because this is not a one-shot deal by any stretch of the imagination, this is forever, at least our adult lives—that difference in funding will probably, hopefully, I would suggest, be determined by the risk and the threat.

Mr. TURNER. Thank you, Governor.

Governor ROWLAND. Thank you, Congressman.

Chairman COX. The gentleman from New York, the chairman of the Committee on Science, Mr. Boehlert, is recognized for questions.

Mr. BOEHLERT. Governor, I want to thank you very much for excellent testimony. You presented a case very effectively and logi-

cally. And you are absolutely right. The States are on the firing line, and I agree with your basic thesis.

A concern I have is, would you be receptive to some sort of limitation on administrative costs for States? Because we have found from time to time when we have pass-through programs, the State is supposed to pass it through, and then a disproportionate share of the resources are used up for administrative charges.

Governor ROWLAND. Absolutely, Congressman. I think that is a great point. Governors will always tell you we want flexibility. I mean it is in our oath of office, you know, that we want flexibility from all of you. But when we are getting Federal dollars, I think you have a responsibility to the taxpayers, and we do as well. We don't want to create a situation where the dollars are glommed in creating fiefdoms and creating empires called homeland security offices. And we do want to pass it on. One of the requirements, frankly, is that you pretty much require us to pass on 80 percent to cities and towns, and that is appropriate. The hard part, to the Chairman's point, is we pass on 80 percent and oh, by the way, then you have to match the 25 percent. You will find Governors aren't going to be crazy about that. But we have no problems on restrictions on administrative costs, making sure the dollars get where they need to go.

But I think if we do anything today, I hope we get away from this idea that fire chiefs and police chiefs are going to be running around with checks in their hands. That is not the process, in my opinion. If they are running around in protective clothing and training and decontamination containers and HAZMAT training, then we are getting somewhere. But this should not be a check distribution system. If it is, then we are going in the wrong direction.

Mr. BOEHLERT. Well, we would all agree with that up here, too. We don't envision this as a check distribution system, we envision it as a method to get the equipment to the people who need the equipment and in that regard, we want to get it to them sooner rather than later.

Let me ask you one other thing. Do you think that the Department of Homeland Security Information Analysis and Infrastructure Protection Directorate, is that the place, based upon your knowledge, are they adequately prepared to make threat assessments?

Governor ROWLAND. That is a good question. My experience is getting information from Governor Ridge on kind of a monthly basis, and they are very good about disseminating the information to the Governors. Nine times out of 10, it is not with reference to any specific area. It is very generic information. It sends shivers down our spines as we try to figure out what our vulnerabilities are as Governors but, for the most part, I think that the Department is doing a better-than-expected job in collecting the intelligence information, in sharing it. And you know and I know, getting intelligence operatives, whomever they may be, from the CIA to the FBI and any other information we can gather, we are breaking a culture of getting them to share information. So that is quite an extraordinary event. But Governor Ridge seems to be doing it better than any expectation I think any of us had, and has been able to get the information to us.

The proof of the pudding is that we have had a pretty good 2 years, and the proof of the pudding is that we are getting better at it every single day.

Mr. BOEHLERT. Well, I too would give Governor Ridge very high marks. I was comforted by the fact that you indicated on a regular basis, I think you said weekly, the Governor and his team at DHS is in contact with the Governor's conference calls?

Governor ROWLAND. Either talking to us or homeland security directors, or in contact all the time, weekly.

Mr. BOEHLERT. Thank you very much. Thank you.

Chairman COX. Mr. Thompson is recognized for questions.

Mr. THOMPSON. Thank you, Mr. Chairman. Welcome, Governor. I am sure you have had this experience many times.

Some of us don't have the luxury of living in urban areas and, therefore, sometimes get overlooked as we prepare vulnerability studies and threat assessments. But as I look at the legislation before us, I like to talk about some things that any legislation ought to have. As I talk to mayors and commissioners and other things, they say every time we raise the so-called threat levels, it costs us money. And in return, we don't get anything back from the agency that caused the threat level.

Do you think it is feasible to include in this legislation some reimbursement for the elevation of those threats?

Governor ROWLAND. Congressman, you are asking a Governor if he would like to be reimbursed from the Federal Government? All day long. You raise a very legitimate point. When we do raise the threats, our State police, we have incurred costs to the State and generally some of our cities incur some additional costs. So we work very hard at trying to figure out what the incremental difference is, and try to reimburse them through the Federal dollars when it is allowable, or through our own State dollars. The truth of the matter is that it is going to become a way of life. It is going to become kind of a daily cost of doing business, if you will, in protecting our citizens. But if we can be smart about figuring out the incremental difference when we change our codes for example, we send more State police, for example, to the nuclear facilities or Border Patrol.

Mr. THOMPSON. Well, I understand that, but I hope you are aware that one piece of legislation allows for the reimbursement and another does not. What I am trying to get from you is that whatever legislation that comes forth from this committee should have that as an integral component of it.

Governor ROWLAND. I guarantee you the Governors would love to get more reimbursement.

Mr. THOMPSON. Not more reimbursement—.

Governor ROWLAND. More than what we have now. Well, there is a process for reimbursement that we follow.

Mr. THOMPSON. But under this legislation, you don't have that.

Governor ROWLAND. It might be silent on it, yes.

Mr. THOMPSON. Well—.

Governor ROWLAND. But that is why if you pass through the dollars to the States and give us some flexibility, we could respond to that. But I am sure in the committee process—.

Mr. THOMPSON. But the pass-through is not in the legislation that we have considered.

Governor ROWLAND. That is correct.

Mr. THOMPSON. So I am just trying to make sure we keep that in whatever we pass.

The other notion is interoperability or the ability to communicate. One legislation is silent on it and another makes it a priority. As a Governor, do you think the ability for police and fire departments and other emergency personnel to talk to each other is something that ought to be in any kind of legislation?

Governor ROWLAND. I would suggest to you that it has probably already been done. The very, very first thing that I did with \$2.9 million that I received from the Federal Government was to buy a portable radio communications system for every mayor and first selectmen, for every fire chief and for every police chief in every one of my political subdivisions. We have that intact.

Mr. THOMPSON. And you are to be congratulated.

Governor ROWLAND. I suspect that most States have already done that.

Mr. THOMPSON. But they have not.

Governor ROWLAND. Well, then, Governors ought to think about it.

Mr. THOMPSON. I am just saying that if we are trying to set public policy from a national perspective, then we should make that a benchmark for the legislation so that people can talk to each other.

Governor ROWLAND. The first thing we did.

Mr. THOMPSON. I am not—

Governor ROWLAND. I am just suggesting to you that Governors are smart enough to figure out that is the first thing you should do, and whether you make it a benchmark—if you make it a benchmark, I think that is fine, but I think you will find most States have already done that.

Mr. THOMPSON. Well, you individualize it, and then you do the other. But I am just saying that the legislation that we are talking about now does not make that a priority, and I think it should be, and I just asked your opinion. I am not trying to—

Governor ROWLAND. Okay.

Mr. THOMPSON. The only other thing is you—no other questions.

Chairman COX. I thank the gentleman. I will just observe that we actually haven't any disagreement on either side of the aisle on the importance of interoperability of communications. The spectrum allocation question to which the gentleman refers by agreement between this committee and the Energy and Commerce Committee is within the jurisdiction of the Telecommunications Subcommittee and the full Committee on Energy and Commerce, and we are not going to legislate in that area. But for that, I don't think there would be any question we would have our own bill on it.

Mr. THOMPSON. Well, but, you know, until we get some jurisdiction—and you know we go across the waterfront, we are a select committee.

Chairman COX. But I think on the bill that allocates spectrum for first responders, we might well seek a sequential referral. But I don't think as Chairman I am prepared to ask for jurisdiction

even for a permanent Homeland Security Committee over the spectrum.

Mr. THOMPSON. Well—and I still have a little time. My point is for a lot of communities, the ability to communicate is important, so we are talking about first responders and other things. I think it is clear that that is an important part of any legislation. So if, in fact, we are talking about emergency preparedness, the ability to communicate is essential. I don't think we ought to pass it; I think we ought to acknowledge it and suggest that it should be included.

Chairman COX. Well, I agree strongly with the gentleman, to the maximum extent that we can do so jurisdictionally in which committee, we should do. As you know, two members on this committee on the majority and minority side, Mr. Weldon and Ms. Harman, have testified before a hearing of this committee on this subject. I think we have complete bipartisan agreement.

The gentleman from Connecticut, the Vice Chairman of the Committee on Government Reform, Mr. Shays is recognized for questions.

Mr. SHAYS. Thank you very much, Mr. Chairman.

The Connecticut delegation of Governors is very proud to have you here, and appreciate your outreach to the local communities. And the way you have communicated with them has been very helpful. And we think your Department has done a very good job as well.

The question I ask you is to respond to what Senator Rudman did in his report that basically said we are giving money and we don't really have any standards to decide how it should be given. The States are being asked by the Department of Homeland Security to tell us your capabilities. But, for instance, if a local community says we can put out three fires at once, the question we then have is should the standard in that community be two or should it be four. In other words, is there capability matching what should happen or not. And I would like you to speak to how you are wrestling with standards and any recommendations you could have for us.

Governor ROWLAND. Thank you very much, Congressman.

Let me say first of all that the States don't operate in a vacuum and each and every State has the ability and is charged with assessing the threat to their State based on obvious issues, intelligence information, things that are shared with us, and based on what we have that is unique to our States, nuclear facilities, airports, shoreline, bridges. And the process right now is a lot simpler than we all think it is. We then put a proposal together. We submit it to Homeland Security Federal and say, listen, we need radios.

To the point of Congressman Thompson, we very early determine we need the communication capabilities between our fire, police, and, of course, local officials and our State police. So we made the request. That was a no-brainer. That money came through quickly.

Now after 2 years have passed and we have gotten through the initial stages and the sense of urgency, if you will, in getting some basic things in place, now we should be talking about standards. And I know that your committee has discussed it. Should be basic minimum standards to be followed. The hard part is measurement;

how do you measure the standards in Connecticut and New York versus what may or may not happen in Utah? But I think that homeland security folks in concert with this committee and in concert with the Congress can come up with standards, so we have some measurement and some baseline, and we do that every day of the week.

What I would suggest to the committee, and as I listen to some of the questions and as I watched the comments over the last several months and I have seen the press reports, what I think we want to avoid, we want to avoid an entitlement program. We want to kind of steer away from this concept that everybody deserves something, because. Make us prove, make the States prove what our needs are. Make us prove what our possible threats are, what our vulnerabilities are. And if I don't have radios, I need radios. If I got radios, I want to get contamination containers or monitoring equipment because I am near New York City. I have got a lot of ports or I got a lot of bridges. I may want something different. Make us prove, the homeland security folks, what we need, not based on entitlement but based on logical, thoughtful standards and hopefully objective information that is presented. I think that is really the challenge we are floundering through.

Mr. SHAYS. If you were in New York City, the Bronx has about 2-1/2 million people. Our largest city is 140. So your administration has sought to have local communities team up. Can you kind of—and then apply for grants, not just from the Federal grant, but from the State. Can you speak a bit to the success of that?

Governor ROWLAND. You bet. We bonded State money, about \$3 million for our own search and rescue teams. We have done a lot of regional mental health programs. We have linked, obviously, our police and fire regionally, but also we have done it directly with our State police. But the next step—and I was talking to the chief about this earlier—we recognize our threat and vulnerabilities are very much connected to Long Island, Long Island Sound, and New York City, evacuation issues, our airports, certainly our nuclear facilities. There are three within a pretty short stretch of mileage. So those are issues that we can regionalize and we do anyway because we need to—you know, nuclear problems and bioterrorism problems know no State borders, so we need to be working together on those issues. We will spend money at the State level rather than wait for the Feds. If we get money from the Feds, great. But I don't think there is a Governor in this country who sees a threat and sits back and waits 2 years to get radios, for example. You just got to go get them. And if you get reimbursed, fine. If you don't, then you know you have to do it.

Mr. SHAYS. What is the most difficult challenge you have as it relates to homeland security?

Governor ROWLAND. That is a good question. It is the most difficult challenge that Tom Ridge faces every day, an unknown threat by an unknown enemy at an unspecified time. And how do you not wreck our civil form of society and interrupt our lives—I am not talking about convenience but interrupting our lives—but at the same time provide as much protection as you possibly can?

I think we are finding that balance every day. And I would say to you that every day it gets better. And we are learning. And the

reports of the masking tape and all that stuff is behind us. We are now down to some real stuff and real focus. And you will hear from others who will be testifying today that I think we have come a long way in a short period of time. And I for one am impressed with what the Homeland Security Division has done and the work Tom Ridge has done.

Mr. SHAYS. I thank you for your leadership on this issue and I yield back the balance of my time.

Chairman COX. Thank the gentleman. The gentleman from New Jersey, Mr. Pascrell, is recognized for questions.

Mr. PASCRELL. Mr. Chairman, I just want to clarify something before I ask the Governor some questions if I may. The figure of \$4.4 billion in first responder funding, \$915 million of that is really the results of money for nonterror programs, basic needs as the Governor referred to it. And the \$100 billion that the Governor referred to in his prepared remarks, two-thirds of that comes from the private sector in investment. I just want to make that clear, because we have the tendency to meld these dollars, and folks are apt to think that all Federal dollars are included here. We are talking about private investment as well. And I wanted to make that very, very clear before we went on.

Governor I think you make a very, very cogent point on page 3 of your testimony, second paragraph up, that you—we know that there is a difference between basic needs with our first responders. The Congress has tried to respond to those basic needs, not only through the Fire Act, which I think you rightfully say should be held harmless and separate from other programs that we are discussing today. The Fire Act was passed before 9/11 and dealt with very specific needs of our first responders. But you also referred to the COPS program as being an entity onto itself. And yet you know that there is a recommendation from this administration to reduce the COPS program by \$560 million.

Now your Governor, like most Governors, are struggling with budgets, like most mayors, like most councilmen. And that money has gone a long way in providing police officers in what we would call basic needs on the streets of Connecticut, and yet here we are discussing the threats of terror. You don't accept that proposed cut by the administration, do you, in terms of the COPS program, which has truly been proven, according to the Governors, effective in reducing crime in this Nation?

Governor ROWLAND. Congressman, as I have learned from my experience in Washington, that a cut may not always be a cut. And before I give you an answer, I sure would like to know what the numbers were last year and what the proposals are this year, because there is a tendency for what I call the Washington talk and the Washington cuts. So I don't know what the numbers are.

Without regard to the numbers, the COPS program is a great program and we do support it, and I endorse it as well as the Fire Act and other emergency programs that I made reference to. So I don't know if the jurisdiction of this committee takes in the COP act or not.

Mr. PASCRELL. No, it doesn't. But I think, Governor, what you are saying is that here we are talking about those things beyond those basic needs that communities have and States have. And the

COPS program was in response to that. And the police officers have a lot to do with the protection of our communities, particularly in the area of terror. And yet we are reducing those very basic needs. And yet we will be talking about homeland security dollars going to the communities. It doesn't make sense.

Governor ROWLAND. If I understood you correctly, I thought you said it was a proposal by the administration. That means that the Congress will take some action on it, and I suspect it won't be reduced, and whatever the numbers are—and I will let you guys figure that out but whatever the numbers are, I suspect it will not be reduced from last year. And I can sit there and start to calculate the money that is being spent now at the airports and the reimbursements and the number of Federal employees and the billions and billions and billions of dollars being spent on homeland security. And we are getting a lot of flexibility, the States have gotten a lot of flexibility, and we have been able to respond to, quote unquote, the basic needs. And I don't think anybody would argue across the country that our basic needs, if we use that term, had been enhanced, dollars had been enhanced, and that our police and firefighters are better prepared than they were 2 years ago. No question about that. Could we do more? Could we use more funding? Absolutely.

Mr. PASCRELL. Governor, I think Connecticut, from what you are telling us, is moving in the right direction. If you had your choice then in terms of where the Federal dollars go, where would your priorities be?

Governor ROWLAND. I think that the proposal that the dollars go through the State to the cities and towns is fine, because that is where the first responders are, the 80 percent. I would suggest to you that we continue to do the grant program where we do have the flexibility and the requirement, as I said in answer to another question, to show where our needs are, and stay away from the kind of entitlement bells and whistles and stick to some of the basics. If one State doesn't have appropriate communication equipment they should have the flexibility to request those dollars. If I determine with my homeland security folks that I need bomb trucks and I need monitoring equipment because I am concerned about bioterrorism, or if I want to have more border patrols for different States, then I think we should be allowed to put the resources there.

Mr. PASCRELL. You recognize, Governor, the Federal responsibility in these matters. I asked you a very specific question: What are your priorities at this point in Connecticut in view of what the State has done already? I mean, we are trying to determine where dollars are needed and where they will be spent without a national assessment, a risk assessment. And this is a very dangerous road for us to go down. We are going to be spending money we are going to find out we shouldn't have spent. What do you say in Connecticut are your basic needs for terror, to combating terror?

Governor ROWLAND. I will repeat myself by saying, give me the flexibility to assess my vulnerabilities; and my vulnerabilities may be significantly different than other States. So we have responded to the communications. I may need more dollars for training on HAZMAT. I sure would like to get all the best equipment for every

firefighter, throughout my cities especially, and then try to get some into the other rural communities. If you understand the process of application, we are tested and challenged to prove what the needs are to make the request, and then the grants come our way.

Mr. PASCRELL. If I do say so, I think your answer is evasive, and this is why I say that with all due respect. I asked you two times, given your basic needs are being responded to, given the fact that Connecticut has gotten out in front on a couple of the things that you brought out very distinctly and specifically in your report, then what do you need right now? You are saying to me and to this panel, give us the flexibility to find out what we need. And I am saying to you, we should be past that. And you should be telling us what are your basic needs that you can't afford to provide as a State and need Federal help in. And I don't think that that is an unrealistic request on my part, if I do say so through the Chair.

Governor ROWLAND. I don't think you are making an unrealistic request. I am just giving you an honest answer. Congressman Thompson mentioned in his particular State he does not feel they have the communications equipment for his State. I am telling you that we got radio equipment and we got equipment for bioterrorism. We have 34 decontamination trailers. We have bomb trucks and robots. We have training for most of our cities and towns. But what you might not understand is that technology is changing even as we speak. And as the technology changes, I might want more monitoring equipment so I can pick up bioterrorism. I might want more equipment for the Department of Public Health. I have trained public health officials in case there is an outbreak of smallpox. I may need more training for our police officials to respond to something that may or may not occur at our ports or nuclear facilities or at our airports.

So the answer is we need to continue to do more of what we have been doing for the last 2 years. And to quantify it in just one area is not appropriate, because there is no way you can quantify the threat. The threat is across the board. And today it might be my airports, tomorrow it might be my nuclear facilities. Day after, it might be my bridges. It might be the effect it is going to have on the bioterrorism.

We have had anthrax in our State. Can you monitor anthrax? Do you know how to monitor anthrax? We are just learning how to do that. No one knew what anthrax was 2 years ago. So we may need the best possible technology for monitoring in all of our cities and perhaps in every single town. So this is a moving target. This is a work in progress. And you will find Governors diligently working with the best scientists, researchers, and public health officials and firefighters and police officers to prepare for the future, and that is where my answer is that I need flexibility and I need to figure out what tomorrow's threats are going to be, because we don't know what it is going and when we know what it is going to be tomorrow, we will get the proper equipment and be ready to go.

Chairman COX. Thank the gentleman. The gentleman's time has expired. And the gentleman from New York, Mr. King, is recognized for questions.

Mr. KING. I wasn't here during the Governor's testimony. I was over on the House floor, so I will yield my time to whomever on this side.

Chairman COX. Mr. Sweeney is recognized for some questions.

Mr. SWEENEY. I thank my friend from New York.

Mr. KING. If I had known that, I wouldn't have yielded.

Mr. SWEENEY. Thank you, Mr. Chairman, for the time. And I want to thank the Governor—this isn't faint praise, Governor. Your testimony has been the most concise and enlightening testimony that I have heard in 2 years while working specifically in this area as it relates to solving this fundamental, convoluted of problems, and how we get the money to where we need to get it so we have the most impact to protect the American public. I have to tell you that.

Serving on the approps side, the Homeland Security Subcommittee, I don't think it is—I was probably a principal in getting the high-threat urban density formula changed on the 80–20. My friend and your colleague and my former boss, Governor Pataki, wasn't crazy about the idea. But coming from the 32nd largest rural district in America, I thought that was a practical way to make sure the dollars got to where they had to go.

And your testimony seems to me to provide a great level of clarity in terms of what the challenge in Congress is ahead of us. I agree we need to avoid the notion that this is an entitlement program and that we need to find the honest broker. I am not so sure I know whether the honest broker is going to change based on circumstances that are presented before us.

I have my own horse in this race a little bit. I have a bill, a formulation bill that bases funding on threat, vulnerability and consequences. "Consequences" being sort of a state-of-the-art term that says DHS, the States, and the rest of us all planning this out need to look with some forethought as to what is going to be needed based on whatever the particular threat and challenge is going to be ahead of us.

I would like to hear a little bit about your notion of the forethought we can provide for this. But it seems to me the only difference I have with what you said and it is minor and I think you are right, we are real close to being able to figure this process out—is in establishing a minimum baseline support percentage. In my bill, we have it at 40 percent. How do we ensure that the hybrid cases in terms of threat-based dollars are taken care of? And I will give you a couple of examples.

For example, Ray Kelly and Mike Bloomberg stand at a higher level of threat than almost anybody else in the country every day of the week. That means they obviously incur substantial costs, most of which they have not been reimbursed for from the Federal Government. Nevertheless they do it and do it, I think, better than anybody else in the world. The Port Authority of New York is a cross-jurisdictional enforcement entity and has enforcement responsibility at the World Trade Center, but it is essentially only responsible for first responder dollars on the 20 percent figure rather than something else.

And that is the real challenge that we all have here in trying to find something that isn't "one-size-fits-all", flexibility, but in real-

time gets dollars to real places. And I would like your—I mean, I heard you say earlier that there needs to be some predetermined mechanism that has the States in there. You are absolutely right. That is why we had some percentage arbitrarily to do that. How are we sure Ray Kelly is going to be heard as well, and the extra layers of flow-through don't just cause a layer of hardship for Ray Kelly to get his the job done?

Governor ROWLAND. That is the essential question, and the Chairman's bill I think begins to speak to this discussion. And the important factor to know is that Ray Kelly is going to have a different mission than there might be in other parts of the country. So if, indeed, you can in your collective wisdom come up with a baseline, a base amount—and we can argue that until cows go home in terms of what is baseline and what is readiness and how much is enough—it is what it is and whatever the number is going to be, then we will work with them. Then I think it makes a heck of a lot of sense for Ray Kelly to compete with me and make the argument to Homeland Security that their risk is greater than mine and whatever dollars are left over should go to the port authority, New York, police, fire, versus Connecticut. And I think that is the way it should work.

And this is unlike anything else we have ever done. I mean, if you think about it, all the grants and things we do on education and human services and everything else is based on—I mean we got all the factors. We got population, poverty, income. There are 10 of them that we universally use for other formulas. This is different.

Mr. SWEENEY. Do you think DHS in that capacity can serve as that honest broker, at least based on what we know at this time and place to make that determination on that competition?

Governor ROWLAND. Yes, I do. And I think it is because that is the only broker that can negotiate or can differentiate, if you will. Is there a lot of discretion there? Yes. But ultimately hearing—and I had, for example an anthrax case—ultimately you are the first line and the first responder. I had a 94-year-old woman die of anthrax. There was no way in the world I could have predicted that that was going to happen or combatted it or protected against it. That is what we up against, the unknown.

So if HHS suggests with all their officials that a bioterrorism threat is greater in a 60-mile radius of New York, then you know what? That is good enough for me. And I think we need to put the necessary resources to address that. CDC and others will be the ones that will respond to any real or perceived threat.

Mr. SWEENEY. And I understand my friends on the other side of the aisle and Mr. Turner's bill call for the creation of an advisory group. And I understand the rationale of that. It is really sort of a basic sense of insecurity on the part of Members of Congress that if we don't develop something that devovles down to the most basic levels, whether it is Ray Kelly or the fire chief in Schaghticoke, New York or somewhere else in the world, they are not going to be heard in this process. And I think that is why this hearing—

Governor ROWLAND. Could I make a political observation? I would suggest that it is an unnatural act for Democrats or Repub-

licans in Congress to send any money back to the States without strings attached.

Mr. SWEENEY. That is where Mr. Shays' standardization comes into play. And I want to say thank you to the Chairman for incorporating the language of 2512 into his underlying bill. And I look forward to working with him and the Ranking Member in making sure this committee gets something that you can work with.

Chairman COX. Thank the gentleman. The gentlelady from New York, Ms. Lowey, is recognized.

Mrs. LOWEY. Thank you. Before I ask you a few questions, I just want to recognize Commissioner Kelly of New York. We have several hearings going on at the same time, so our movement in and out does not reflect our commitment and our interest in this issue.

And I just want to say to you, Governor, that I am sure that you would support, given the proximity of Connecticut to New York, Commissioner Kelly's request for reimbursement of \$261 million that he has spent on Operation Atlas. And if I get back in time to ask the Commissioner additional questions, I think it is important that we pursue this, because he has only been reimbursed 60 million. And I hope it is not a matter of time when New York will have to cut back because of all the other demands.

And I also want to say at the outset, I am pleased to be working with my colleague, John Sweeney, on the whole issue of formula, because it really doesn't make sense that Wyoming may get upwards of \$9 per capita and New York gets about \$1.80; and then there are other formulations that say New York gets 5, and it is even higher for Wyoming. I think we do need a real formula based on threat assessment, vulnerability, et cetera. Just to give the money out across the country per capita to satisfy everyone's political needs without a real analysis of threat just doesn't make any sense to me. And I know in your wisdom you would agree with that. And I am hoping that Mr. Sweeney I and others who are really working on getting some real solid formula will get your support and the support of others.

I wanted to refer to a recent report from the Conference of Mayors entitled "Tracking Federal Homeland Security Funds Sent to the 50 State Governments." It highlighted many of the deficiencies of the current system of allocating Federal funds to State and localities. The results confirm much of what the first responders, frankly, in my district have been telling me for months, in all kinds of language, that funding from the Federal Government is coming too slowly, is not reaching the areas most in need, is not adequately reflecting input from the first responder community. This is not what Congress envisioned when appropriating money for our first responders.

So perhaps—and I apologize if you discussed this before, based on the briefing I had, I don't think you have—if you can tell us in your judgment what are some of the challenges that you face, that States face, are facing, in distributing Federal funds to counties and municipalities? And how can we better incorporate the input of mayors and first responders to better allocate Federal resources based on real needs?

I know in New York, I keep hearing from first responders, we are not in any better shape now than we were on September 11. And

I keep hearing from those who are distributing the funds, it is coming, it is coming, don't worry, it is coming. So perhaps you could comment on those two quick questions.

Governor ROWLAND. Couple of thoughts. I am trying to lay this illusion that checks are being sent to firehouses and police stations. And the truth is that Governors, in working with their homeland security officials, are doing the best they can to analyze the needs of our communities and then hopefully prioritizing. I think that is the key word I haven't used yet, "prioritizing" what the needs are and how we get there from here.

Having said that, we talked about radio technologies and talked about HAZMAT training and equipment. I am afraid that there is a lot of miscommunication to the first responders. And there is a first responders advisory committee to Governor Ridge, and they do an excellent job. I think the real challenge for Governors is to communicate directly with the first responders and the mayors and the police chiefs and find out what their needs are. Now the grab bag mentality takes off. We need a new fire truck. We need new this, we need a new that. I need a new fire boat for the Sound and so forth and so on. And I would argue with all due respect to my 169 fire chiefs and police chiefs, they may not have the information, the knowledge, or the capability to determine what the real threats are.

Now, do they want stuff? Do they need stuff? Absolutely. Are they getting what they need to respond to the real and perceived threats that we face as a Nation and as States? We are in that process. And we are in that process.

Mrs. LOWEY. Where in that process?

Governor ROWLAND. I can't speak to exactly what New York has or doesn't have, but billions of dollars have gone into the State. In Connecticut we now have the capability for communications. We have done training of all of our firefighters and HAZMAT, bioterrorism. We are also—we haven't said a lot about our public health officials. That is a whole new area where you have to train hundreds and hundreds, and, in the case of New York, thousands of public health officials how to respond to a bioterrorist attack. Bomb equipment, decontamination trailers, all the things we are trying to do to respond on a daily basis to what we think the threats are.

I know \$4.2 billion has been distributed. And I think the problem is—and if you think it is hard to watch with where the \$4.2 billion is, imagine as we talk about this issue how you are going to keep track of the billions and billions dollars more and making sure it goes to the right places.

What I come back to is the necessity of the money coming through the States and charging the Governors and their homeland security people to prove the needs, the vulnerabilities, and what we have or don't have in our arsenal, if you think about our arsenal to combat terrorism. And some States are more prepared than others and better prepared. And are there going to be firefighters out there complaining they don't have enough HAZMAT material or protective gear? Absolutely. Are we going to get there eventually? Yes.

Mrs. LOWEY. Following up on that, I have heard from many that there is a major obstacle standing in the way of our security, that

State and local governments have not received clearly defined guidelines from the Federal Government to determine a basic level of emergency preparedness. Now maybe the Governors would like it that way, I am not sure, but we have all these various divisions set up at the Department of Homeland Security.

So first of all, I wonder how much flexibility would you recommend be given to local officials for emergency preparedness plans? Should they be allowed to set their own priorities based on their specific needs in the absence of clearly defined Federal guidelines? I ask this question based upon my own experience in trying to figure out what was the best communication system that was being used around the country, because for the past year, frankly, everyone is wallowing in promotions, and there was no clear guideline from the Federal Government. And I remember someone sitting where you are from that division saying, well, we are first going out with a RFP, and probably a year from now will be able to get guidelines to our States and our communities on what kind of a communication system they should purchase. And no one is really waiting. And they are doing their own thing.

I am not even sure, Mr. Chairman, if at this point the Federal Government has any clear guidelines to the States. Is it better that the States figure it out themselves or should there be clear guidelines from the Federal Government?

Governor ROWLAND. The States should figure it out for themselves.

Mrs. LOWEY. Maybe we don't need that big Department of Homeland Security.

Governor ROWLAND. I think you do need it, and they are doing a heck of a job. I say that because the—we are using the example of communication capabilities. The last thing you want in the State of New York is 73 different communication capabilities. One has Motorola, one has this, and one has got that. And if you can't communicate with your State officials, then it is all for naught. The simple fall-off-the-curb answer is that each State determines the best technology that they have available and what do you already have in your inventory. What I have in Connecticut may be significantly different than what is in Washington State and what works there. What works there may not work in Connecticut. The technology and the terrain may be so different. And if I have already invested, 40, 50, \$70 million in radio technology for my State police, doesn't it make sense for me then to apply and be able to give to every police chief and fire chief the same radio technology so we can communicate?

Now in Washington State, maybe the State police can't communicate. Maybe they don't have that technology or maybe they are way ahead of us, but the State of Washington should be able to determine their best needs and their best information capabilities, where their investment should take place, and then be up and running.

Mrs. LOWEY. I see my red light is on, and just one other comment in conclusion. I hope when the Federal division figures out the best technology and recommends it to you, that we will have some kind of a buy-back program to buy back the equipment that you have invested in and we can provide you some up-to-date tech-

nology. I think it is due in June, something like that. But thank you so much for appearing before us.

Chairman COX. Thank the gentlelady. The gentleman from Pennsylvania, Mr. Weldon, is recognized for questions.

Mr. WELDON. I thank the Chairman.

Governor it is good to see you, former neighbor on the Armed Services Committee and great star on the Republican baseball team that you were. My perspectives are all going to come from the local level up, and I want to make some comments and hopefully some clarifications.

I want to first of all acknowledge the comments of the Chairman that this committee is aware of the frequency spectrum problem. It is the number one issue in the country to give us a unified interoperable system across America so our agencies can communicate with each other, and it is the biggest challenge we have in the country. I was at the APCO conference this year with Governor Sununu, and their number one priority of the 6,000 representatives of every municipality in America is that we don't today have an interoperable communication capability. It is not talking about radios for the police. It is talking about interoperable frequencies, because, Governor, as it is in your State, it is across the country. You have a largely volunteer fire department. They bought those radios themselves. They bought them through tag days and chicken dinners without State money. So some of them got low-band frequency years ago. Some have high-band frequencies. They may both have Motorolas, but they are totally different in terms of their capability to interact. And our problem is having an interoperable system that can allow those different frequency spectrums to talk to one another.

That does not exist in America today. The frequency bill that we put forward, the Chairman has agreed to help us, but he is right. Chairman Tauzin has claimed jurisdiction. It is a top priority and we must move that bill. The advisory committee report that came out in 1995 had the Congress saying what needed to be done, but unfortunately the TV stations in the upper area of the 60 to 69 TV channels in our cities across the country won't give up that frequency so we can use it for public safety. That has got to be addressed.

I want to get to a more fundamental issue and I want to take the support of the 1.2 million first responders that I work with every day and have visited in every State including your State of Connecticut. They have been protecting America longer than America has been a country, in 32,000 organized departments; 85 percent of them are volunteer. They know what the threats are. They are not stupid.

Now we say we have got these new threats. If you have been a firefighter and go into a chemical plant where you have got butane or you have got vinyl acetate exploding, that is in fact a chemical situation. I wonder how many of our military personnel have been exposed to a real chemical incident. I can tell you firefighters all across the country have. They go into a chemical plant with the training they have done on their own. They go into a place where there may be a hospital with contaminants or biological material that is on fire, and they do that and risk their lives. So we don't

give our first responders, I don't think, enough credit. They know what they need to protect their communities.

In fact, Mr. Chairman there is a rating system for America that I would challenge my colleagues to understand, called the ISO rating system. As the American Insurance Association allows insurance companies to underwrite policies for protection against the perils they are insured against, every municipality in America for the past 50 years has been given a rating, and that rating is from 1 to 10. And that rating, which is done independently of any company, looks at the water supply, weather conditions, threats, the protection of the fire department, whether or not they have got up-to-date equipment, how well they are trained. So we don't have to go out and reinvent the wheel.

Every municipality in Connecticut, every municipality in California, already has an ISO grading assigned to it. And that grading is done independently, based on that municipality's ability to respond to an insured threat. And those threats could be fires, they could be floods, hurricanes, or tornadoes.

And we somehow in Washington think we have to reinvent the way we protect our cities and towns. I would say if we listen more to the first responder and give them the basic tools they need, then we would be a lot better off in this war against terrorism. We have tried to do that. As Mr. Pascrell said, in 2000 the Congress passed legislation to create a grant program. There is no middle person in that grant program. It goes directly to departments.

Why do we do that? Let me give you an example. In the mid-1990's, I remember D.C., when Marion Barry was the mayor, had been cutting its funds for the D.C. fire Department. The D.C. fire Department's mandate is to run 16 ladder trucks and 33 engine companies to protect the city. In the mid-nineties, because they had not put any money into maintenance or repair, they had dropped down to two ladder trucks, two ladder trucks for the whole city.

How can we talk about giving more money for homeland security when they are not even funding the basic needs to protect the people from the perils that the fire department has to respond to every day? So the first priority is to give the equipment to those municipalities that provide that basic level of protection and then come in with the kinds of extra resources for a biological incident, a nuclear contamination incident, a chemical incident. And we have got to understand they are two separate and distinct functions. If we don't deal with the basic needs of our municipalities, we are never going to be able have them feel comfortable that we are assisting them in dealing with homeland security threats.

The only thing I will say in closing to my good friend the Governor, you didn't mention technology transfer. And what really bugs me, John, and you served on the Armed Services Committee, we spent \$400 billion on the military. You were a big supporter. Much of the technology we spend in the R&D area could have direct application for the first responder, and we are not transferring that technology quickly enough.

And I would hope that you as a representative of the Governor's Association would go back and demand us to do more to transfer that technology so it can be used, which has already been paid by

the taxpayer, by our first responder community. Thank you for being here.

Governor ROWLAND. Appreciate it.

Chairman COX. Thank the gentleman. Mr. Etheridge is recognized.

Mr. ETHERIDGE. Thank you Mr. Chairman.

Governor, welcome. I don't know if I can add a lot more to what has been said, but I may say it again in a different way. But the point I want to make is that you talk about in your testimony the 25 percent max, and I happen to agree. I think that is a burden, especially on a lot of these jurisdictions, especially in my State of North Carolina that has the second highest unemployment of manufacturing job losses in the country, especially at a time when the threats are up, even in rural areas.

But I am also reminded that we have to have some effort, because I remember years ago as a young county commissioner, we had a thing called revenue sharing in this country, and Congress figured out that they didn't have any figures in it and were sending money and it didn't take long to cut it out.

This is too important for us to get to that point—I think there has to be, as you said earlier, whatever we call it, some strengths, so there is an investment, there is input at the Federal level, at the State level, and, as my colleague from Pennsylvania just said, truly at the local level because all the rest of us may get involved. But if it doesn't work at the local level it isn't going to get done. And you know that in putting together plans.

So my question comes back to this whole issue of we have to have a national plan, I think, and I am not sure we have it yet. I know we are talking about getting there and we are sending the money out. Until we get a national plan, we have 50 States with varying different issues, as you have so eloquently elaborated. But what we don't need to wind up at the end of day is 50 plans for homeland security that are not coordinated.

And I just mention one area, and then I want to raise another question as it relates to interoperability of communication. And if every State had theirs, it brings to mind an issue that some States cross State lines and you have got to be able to communicate there as well. So there has to be a national plan that works, that is tied to the States, and they have to have flexibility.

Because of the dynamic nature of the threat that we all perceive and we face, and I think we do, do you believe and you touched on this earlier, so I want to lay out the question on baseline funding. There has to be a baseline. I am not going to ask you to determine that baseline. I wish you could impart upon that.

Governor ROWLAND. That leaves something for you guys to do.

Mr. ETHERIDGE. Because I think that is the critical piece we have to come up with. If we don't have a baseline for the rural departments that are out there or the small towns, the threat could be very well there tomorrow if we think about our food supply. May not be an issue in Connecticut, but in Mississippi or North Carolina or North Dakota, that could well be an issue tomorrow.

Do you think that it is necessary for States to reach a baseline level of preparedness that can be adjusted quickly to a response threat? And if the answer to that is yes, which I think it has to

be at some point, how do you think we should go about determining that baseline of preparedness for our first responders? Because those first responders are the people in every State we are going to call on first to get the job done. And I am not only just talking about a funding level. You know, funding is just one part of that process. There is a broader piece, because that response is beyond the issues we have talked about—our schools no one has talked about—as we look at this, as we allocate those resources beyond money.

Governor ROWLAND. I think you bring up a great point. I think it kind of speaks to what Congressman Weldon was saying as well.

First and foremost, in the real world that I work and live in every day, we don't put our plans together, nor does any Governor put his plan together in a vacuum. You have got two things at work. One, of course, is the national plan which somebody mentioned, and that national plan is here are the threats, here are the risks, here is what we are doing on a national level, here is what we are doing on border patrols, here is what we are doing with airport security, so forth and so on.

Then as I kind of see this unfolding, there are 50 State plans, and those State plans are put together with good hard old-fashioned work and a lot of listening. And to Congressman Weldon's point, listening to first responders is the key.

I hired a new emergency management director. He happened to be the fire chief of a small fire station in the State. And he has now become my person as the emergency director. So my point is I don't think that there is a Governor or a homeland security director in any State that is not listening to the first responders, responding to their base needs. I think the point here is you can't jump to have HAZMAT training of the tenth degree if you don't have radio technology or capabilities to put out a fire because you are a rural area or some other deficiency.

Let me also say that in Connecticut, it took us over 20 years for the State police to get their new radios. Alexander Graham Bell, I think, devised the first radio system. It took us 20 years to get there for all of our State police. We got to the capability to communicate with our cities and towns in less than a year. So your point is well made. And I think you all need to know Governors each and every day are assessing the threats, analyzing the information from a Federal standpoint, but religiously listening to our first responders and trying to differentiate from I wish we could have, from what we really need. That is kind of the key there.

Mr. ETHERIDGE. While I have a little time left, let me come back to that one, because Congressman Weldon touched on it. As we think of our first responders, they really are on the front line, whether they are in New York City or rural North Carolina or North Dakota. Their funding levels are different. Probably none will admit they are funded at a level they would like to be funded at. But some of them are on tax rolls where they get some money for that, and others have absolutely no dollars except the dollars they may get in a grant or the dollars they get from maybe having a barbeque or some other kind of funding mechanism.

That is the kind of baseline funding we have to deal with here or at the State level, or a combination thereof, because those com-

munities may not be a threat, as I said earlier today, but at some point our adversaries are going to find the weakest point. And if you can create something in the food supply here, that will end up in New York City or Connecticut or somewhere else in this country.

Governor ROWLAND. Congressman, I think your point is well made. If we don't give the basics to everyone across the board, and to your point—I think in our State well over 75 percent are volunteer firefighters, but you can't expect them to have, from a volunteer status, to being experts on HAZMAT technology and HAZMAT threats, without going through a few other wickets first to get there; and maybe it is an understanding of chemical fires and maybe it is having the right equipment or maybe having the chemical capabilities within the fire department. What I found so far is everybody agrees on getting to the basic first, because you can't make that other leap of faith to respond to threats we are seeing nationally until we are all on the same page.

Mr. ETHERIDGE. Governor, thank you, and I yield back.

Chairman COX. The gentleman from Kentucky is recognized, Mr. Rogers.

Mr. ROGERS. Governor, good to have you with us. The essential question, I think here in this bill is do we replace the present formula distribution of funds with a system based entirely on threat assessment or vulnerability; i.e. do rural communities, rural areas need some form of funding irrespective of any other consideration, or do we take away the moneys that essentially rural areas have for a different formula? The new grant program would greatly favor high-density urban areas. But we have learned that terrorists do not often prepare for their attacks in urban areas; rather, they stage them in rural isolated parts of the country.

For example, the recent terrorist cell broken up in Lackawanna, New York, the rural central Pennsylvania training camp used by terrorists prior to the first bombing of the World Trade Center, the reported interest in crop dusting equipment by terrorists and the like, we have seen many of the threats, if you will, originate in those isolated parts of the country. Do you not agree with that?

Governor ROWLAND. Congressman, I would agree with you on a couple of things. One—and I think in my remarks I injected that I thought the Chairman's position was to spark the debate, which worked real well, and the importance in my opinion of having a base amount to all cities and towns and States, and I used the term we don't want to rob Peter and take the grant money to pay Paul.

And so the baseline is what we have been discussing during this hearing. You need to maintain the baseline, whatever that baseline is. That is for all of you to determine. But then I think there ought to be an extraordinary effort in homeland security, and Governors and others working together to use a risk assessment or threat assessment for additional dollars. And I think that is necessary, because I think we can—and in most cases over the last year or so, although there has never been specific threats to a specific area, we have a pretty good idea that—we know one thing. We know that the terrorists want to do maximum damage to us. It is not going to be a small, disconnected event. All of our intelligence tells us it has to be a massive, big, destructive event. And so we know

that. And that is why we need to have, I believe, a threat assessment added to the base.

Mr. ROGERS. Do we not have that now? We have the formula distribution based on population essentially to all States in order for them to have the base protection in all areas. And then we have the high-threat, high-density urban grant program, which is completely based on threat assessment and vulnerability on top of the base program. Is that not a workable program that fits the criteria that you have mentioned?

Governor ROWLAND. It may very well be. I look at this as a work in progress. I look at this, frankly, as more funding coming this year, next year, and the year after. I don't think it is going to have any finality.

One of the issues that came up in our discussion which I think is important is that it gets to the revenue sharing issue, is this going to be ongoing funding or is it just for capital investment and what about recurring costs? And so that is a whole other issue we need to grapple with.

But I think your point—I would still stress to the Chairman's point that we need to have additional dollars to higher-risk areas, wherever they may be, and I am willing as a Governor to live with the consequences of what those decisions are.

Mr. ROGERS. In the 2004 appropriations, we provided 4.2 billion for State and local first responders. That includes 1.7 billion for the ODP's basic formula grant program to all States. And then on top of that, 725 million for the high-threat, high-density urban grant program to focus money where we think the threat is the most severe and could cause the most damage. It seems to me that if we keep the formula grant program to all States, to allow their first responders to prepare and then even add to, if necessary, the high-threat, high-density urban grant program to cover the special needs of those areas, it seems to me that that is getting at the policy goals that you have set forward for us here; is that not correct?

Governor ROWLAND. I don't think the debate is over. I think we are in the middle of it. And to your verbiage of "add to," I would suggest if you are going to add to, that it be done based on threat assessment than just based on population.

Mr. ROGERS. That is what I am saying, too. High-density, high-threat urban grant program is just exactly that. We asked the Department to assess those areas of the country that are most vulnerable, most susceptible to attack, where great damage could be done because of population or some special circumstance, perhaps a nuclear power plant close to an urban area or what have you.

The high-density, high-threat grant program is just for that purpose. In essence, it is a reflection of what the Chairman in his bill is attempting to do, and that is focus money where the threat is the worst. The question is, do we do away with the formula grant program to all States, such as yours, and just focus the money where we think the threat is the worst, disregarding, it seems to me, that many of the staging areas for these threats to the high-density areas actually come from more isolated areas? Do you find fault with the present program in those two aspects, formula grant distribution plus high-density extra special moneys?

Governor ROWLAND. No. I don't think I find fault. I find improvement.

Mr. ROGERS. More money.

Governor ROWLAND. More money. But I think you and I are on the same page, and maybe the way you skin the cat with the high-density program is what you enhance financially; in other words, what you put more money into. Whether that fits what we are talking about in this legislation, I don't know that off the top of my head, but I assume it is speaking—I think we are going in the same direction here. But I would not give up the base.

Mr. ROGERS. Now when we send money to you, you have a committee, a statewide committee, do you not, that helps you determine where in the State you need to spend money?

Governor ROWLAND. Slightly more scientific than that. We do an assessment of all of our 169 cities and towns. We basically say, what do we have before us, what do we have in our arsenal and what do we need, and then we make some decisions. For example, we want to have decontamination equipment and have decontamination trailers, so if and when there is a bioterrorist attack, we are prepared. Do we need one in every city or town? No. We need 34. So there is some scientific process to determine that and they are spread out. We need new bomb trucks. We need new bomb detecting equipment. Do we need one in every city and town? No. We need one in New Haven and Hartford and Stamford. We do go through kind of a scientific analysis and try to do it as clean as possible, but it is—there is a lot of discretion there.

Mr. ROGERS. Well, do you not think that Governors such as yourself with the statewide committees assessing the needs in each of your locales, do you not think that you know best where the threat is in Connecticut, or does some bureaucrat downtown here know where the threat is?

Governor ROWLAND. I think the answer is that I can best determine the threat based on the bureaucrats' information, which is intelligence information and stuff that I have no access to on a daily basis. And I think you should know that homeland security folks get briefed more than once a day on the threats. My job is to go back and to inventory, if you will, my locals to see what we need and to match the two.

So I am not saying we know best, but I am saying my job—and in my testimony I refer to Governors as the traffic cops. And we have to be the traffic cops in determining where the dollars could and should go, and we have to be the traffic cops to try to get the dollars from the Federal Government and, in many cases, matching it on our own.

Chairman COX. Thank the gentleman. The gentleman's time has expired. The other gentleman from Kentucky, Mr. Lucas, is recognized for questions.

Mr. LUCAS. Thank you, Mr. Chairman.

Governor I appreciate your testimony and the end is near. First of all, I might say as it relates to Congressman Rogers, I think in the minority legislation we don't repeal the basic formula that he is talking about. I think that might speak to that as well. I would give you one last platform. You mentioned something that made a lot of sense to me about we all believe in regionalization, as you

said, but you said that you know self-administered regionalization would be a disaster and that should probably come at the Governors' level. And I give you 60 seconds to enhance.

Governor ROWLAND. I will take 60 seconds. The last thing you want—you don't want 27, 30, 100 new regional self-administered groups; i.e., three cities and towns getting together, three counties getting together, in addition to all the other political divisions, in addition to the State. If you think it is complicated and complex now, that is a recipe for disaster.

Having said that, if there can be a process going through Governors, with his coordination with the traffic cops, or in your wisdom working with homeland security folks you decide there should be 10 regions in addition to, I buy that.

Governor ROWLAND. But to have self-administered would be a recipe for disaster.

Mr. LUCAS. One other quick question. You obviously have dealt with the communications. Do you feel that you have—I know Congressman Weldon talks about interoperability being on the same channel, and we don't have that ability now. But do you feel that you have the interoperability in your communications setup now?

Governor ROWLAND. I do now, in the State of Connecticut.

Mr. LUCAS. So we can do it. But as I understand it, and I am not a communications expert, that if we had one channel where everybody could be, it would be great; but now we don't, but we still have interoperability.

Governor ROWLAND. We can within my State, Within my State police and all my local officials. We didn't have it 2 years ago.

Mr. LUCAS. In the interest of time, I will stop there.

Governor ROWLAND. Thank you, kind sir.

Chairman COX. The gentleman from Washington, Mr. Dicks.

Mr. DICKS. We miss you here, Governor, and appreciate all your good work and your comments here today. I will be very brief.

One thing, the high-threat urban area program, the Department of Homeland Security has not laid out criteria, at least to our satisfaction, about how they make the decision about which of these high-density urban areas should be funded. Don't you think that they have a responsibility to come up with some way of deciding on which areas they fund?

Governor ROWLAND. Congressman, I think that is a good point. I think part of the magic of what has occurred over the last 2 years is they have scrambled to put 320,000 people together, and I don't think that they have been able to, not because they don't want to, but to communicate what the criteria should be. So this is an imperfect process. But to the best of my knowledge, from what I have been able to do, what I have been able to request, what I have been able to apply for, they have been respectful of the unique needs of my State, which I think other Governors will say as well.

But I think there is a legitimate question to be asked: what the heck is the criteria? Who is determining this, and how are you using the discretion to make those determinations?

Mr. DICKS. I mean, even if it is threat, vulnerability risk, whatever, I think they ought to be able to put it down so that fair-minded people can look at it—.

Governor ROWLAND.—And say it makes sense.

Mr. DICKS. —and make a justification on it.

I would also say to the distinguished Chairman of the Homeland Security Appropriations Subcommittee, you talk about these cells being out in rural areas planning these attacks on urban areas. I think what we have to focus on there in my judgment is prevention. I mean this again gets back to the FBI, our counterterrorism officials, the people who are supposed to be doing the job on a day-by-day basis of finding out where these people are and what they are up to. That, to me, may be the thing we want to focus on. If that is, in fact, how they are operating.

Have you had any problems in Connecticut? Have you had any actual—we had out in the State of Washington, we captured one fellow coming in across the Strait of Juan De Fuca into Port Angeles, actually, into my district. And a former prosecuting attorney who had lost the election, went to work for Customs, and was one of those who captured Ahmed Ressam. They were either on the way to the Space Needle or down to L.A. airport.

But have you had any problems in Connecticut?

Governor ROWLAND. We haven't had any problems, but I will say that we have had concerns and we have had information.

Mr. DICKS. About possible problems?

Governor ROWLAND. Absolutely. And that is something everybody has to be catching and we have to be careful about our discussions. But you are absolutely right, that is the key. Because after the fact, it is almost possible. It is like try to track drugs once they get in; it is very difficult.

Mr. DICKS. Right. You have to prevent.

Finally, what ought to be in these State plans? What are the key elements? As each State develops their plan and as the Nation develops a plan, what are the things you think ought to be in the plans?

Governor ROWLAND. Good question. What I try to do is to take the threat as analyzed by the Federal information and homeland security folks and they give us, if you will, a menu. What I then try to do is say, OK, in the big picture, having an out-of-body experience, what is the threat to my State, to my region, to my territory; what are my capabilities to respond to that threat; and then go to the first responders and say, OK, I am worried about bioterrorism, I am worried about nuclear fallout, I am worried about evacuation from Fairfield County, New York City, I am worried about something happening in our airports. What do you need to respond do that? Do you have the training, the personnel, the equipment? Do we have decontamination containers, and so forth?

So what hopefully all of us are doing, and I think it has happened, and again in an imperfect way, is that we are taking the threat information as best we can, disseminating that information, going to our first responders and analyzing how prepared we are, and then making the request to Homeland Security, saying we need dollars for these things.

And then it gets to your point about criteria. We talk about the political process here. We shouldn't assume that it is perfect and cleansed and white in their world either. So I think you are right about the criteria.

So that is kind of what I go through and what my folks go through. It seems to be going in the right direction. It seems to be working.

Mr. DICKS. Thanks for being here today. We miss you.

Governor ROWLAND. Thank you. Miss you guys, sort of.

Chairman COX. We miss you sort of, too.

Governor ROWLAND. Some days.

Chairman COX. Governor, you have been outstanding in your patience.

We have Mr. Cardin, who has not been recognized. You will have to be further outstanding in your patience, I think.

The gentleman is recognized, the gentleman from Maryland, for 5 minutes.

Mr. CARDIN. Thank you.

Governor, thank you for being here. Appreciate it very much. I am intrigued by Mr. Rogers' suggestion about expanding the high-threat urban area programs. I understand Connecticut has applied for funds under that program, but have you been successful in obtaining any funds to date?

Governor ROWLAND. We have. Off the top of my head, I can't remember exactly how much. And I have not looked into whether that is the venue to respond to the risk. It may very well be. And I haven't really sat down and analyzed. I mean, I was asked on Friday to come down and testify on this bill. So what I am in spirit suggesting is that you go with the baseline and then go to risk assessment. I don't know if the existing program, from a formula standpoint, whether the existing program satisfies that, but it may very well.

Mr. CARDIN. It is my understanding that there are a lot of areas that have high risks that have not been able to qualify for that grant to date. My own community in Maryland, some of our counties have qualified, others have not. Yet we all, like Connecticut, have a similar problem of close proximity to potential targets that provide us additional concerns on security.

So I think if we could expand that program that is sensitive to high risk in a broader context, it might be a way in which we can get to one of the underlying points, and that is making dollars available based upon threat assessment rather than just a plain formula.

You raised, though, an interesting point, that it is difficult for you as Governor to assess threat when it is a changing target. And although we are trying to make the formula more sensitive to threat, and I agree that we should, I am curious how you as Governor do planning if the funding is not going to be predictable. If you have to wait every year to determine whether you are going to get the funds from Washington or not, based upon a competitive assessment of risk, how do you as Governor do your planning to make sure that your State is properly prepared in regards to homeland security?

Governor ROWLAND. Well, first and foremost, I am in the public safety business. So the last thing I would say is, well, geez, I really need to be able to communicate with the radios, but I am going to wait for as long as it takes to get the dollars from the Federal Government.

So I think to answer your question, we do what we have to do, and it may mean overtime at the airports, it may mean more operational expenses for our first responders; it may mean capital investment at our public health laboratories. For example, we are going to bond \$30 million to do some lab work, because our public health lab facilities are decrepit. So that is an investment I am willing to make. And I may or may not get reimbursed, but it is the right thing to do and I will do it anyway. So I think you will find that most first responders and Governors and even mayors will do what they have to do, politically and otherwise, to respond to the threats. And if the Feds are part of it, that is great and it is wonderful. But there may be cases where I am making investments where the Feds are not willing to reciprocate or to reimburse. But so far, we all seem to be on the same page.

To your point about the urban dollar request and some of your counties not getting it, that I think leads to Congressman Dicks' point. We need to know what the criteria is. I think that is a real legitimate issue for Governors and for this committee.

Mr. CARDIN. I agree with that. A similar issue on which we all agree is that the States need to coordinate their requests from the first responders, because we don't want to see duplication or waste, and it is important to prioritize, using your terms. But on the other hand, we have constantly gotten complaints that the monies are not getting down fast enough to the first responders.

I am just curious as to whether you think this is a problem with Federal law, or do we just have to have a better system in place to allow the first responders confidence that the system is working as quickly as it can to get the money to where it is needed for first responders to carry out their important functions?

Governor ROWLAND. I think it is a problem of interpretation. I said this earlier—I don't know if you were here—that I hope that fire chiefs and police chiefs back home aren't thinking when am I going to get my check, because that is not really the process.

Mr. CARDIN. I was here when you said that.

Governor ROWLAND. So I think there is that misinformation that bunches of money are going to be flowing to fire chiefs and police chiefs across the country, and that is not the case.

Mr. CARDIN. I can tell you in my State of Maryland and in Baltimore City which is, of course, a very large jurisdiction, there is money in the pipeline, but there is still not confidence from Baltimore City's use of those funds as to when those funds are going to be received. I am just wondering whether that is a unique problem or whether it is being confronted by other States, that there are monies that are being committed, but it seems like it takes a longer time than should be necessary for those funds to actually get approved.

Governor ROWLAND. Some legitimate issues. First of all, you have bidding procedures and processes. We are finding, even to buy some of the equipment, we have to go through our own legitimate bidding procedural processes. So we are finding that we are holding ourselves up. And even after we have done—think about this: you are doing a whole new kind of unnatural process of examining a threat, doing a grant application, which is very new to all of us, stumbling through that, getting it to the Feds, letting them look at

thousands and thousands and thousands of grant requests, getting the information back to us, crossing the T's, dotting the I's. We then go through the bidding procedures and processes. We then get the equipment back to the cities and towns.

So it is kind of an unnatural act, if you will, to get through this pyramid. So I think that there is going to be snags and there are, and there is misinformation and misunderstanding. But, at the end of the day, are we better off than we were yesterday, than we were last year, or than we were 2 years ago? And we certainly are.

Mr. CARDIN. Thank you.

Chairman COX. I thank the gentleman. And again, I thank you, Governor Rowland. You have been very, very helpful to this committee as we seek to determine the impact, both of the current grant programs and of potential changes in them.

I would say to my colleagues, based on the discussion that we have just had concerning, for example, the high-threat, high-density program that we presently have in the law, that certainly it is not the aim of either the majority or the minority bills simply to perpetuate that system, or to use that terminology as interchangeable with threat or vulnerability or consequences. I think many times people are using the term "threat" to mean vulnerability, the term "vulnerability" to mean threat; or when they say "vulnerability," they mean "consequences." We are going to be very clear about defining our terms legislatively.

But from my standpoint, the high-threat, high-density grant is at best a way station as we proceed towards more objective risk assessments that map threat against vulnerability. The high-threat, high-density program is, because of the fact that it was created so rapidly, somewhat arbitrary, extremely unsophisticated, it is an a priori determination that certain highly populated areas are more deserving of funding. I think the process by which these determinations are made lacks transparency and objectivity. It is one of the reasons we need legislation, and we are going to continue to develop it in this committee.

Governor, as we proceed to do this, the concerns of the State of Connecticut and your responsibilities as Governor will be uppermost in our minds. We very much appreciate your willingness to cooperate on it.

Governor ROWLAND. Thank you, Mr. Chairman. Good luck in your deliberations.

Chairman COX. Thank you.

We would now like to welcome our very patient and expert next panel. Our next panel will consist of John D. Cohen, Special Assistant to the Secretary of Public Safety for the Commonwealth of Massachusetts; Ray A. Nelson, Executive Director, Office for Security Coordination, the Commonwealth of Kentucky; and Lieutenant Colonel Scott Behunin, Director, Division of Emergency Service and Homeland Security for the State of Utah, who is testifying on behalf of the National Emergency Management Association.

Chairman COX. Gentlemen, welcome. Mr. Cohen, we will begin with you. Before you testify, I know that, Mr. Lucas, you would like to make a special welcome for Mr. Nelson. We are getting a vote on the floor any time, so what I would like to do is get your testi-

mony on the record first and then come back for questions, but I would first recognize Mr. Lucas.

Mr. LUCAS. Mr. Chairman, I will be brief. But it is my pleasure to introduce Colonel Ray Nelson who, after a distinguished career in the military, as of November of 2001, right after September 11, was appointed as the Executive Director of the Office of Security Coordination. I have worked with Mr. Nelson and we have had several town hall meetings with the local responders and he has been very effective and a very good advocate of homeland security. So it is a pleasure to have you here today, Mr. Nelson.

Mr. NELSON. Good to be here.

Chairman COX. I would recognize also the chairman from Kentucky for an additional word.

Mr. ROGERS. Thank you, Mr. Chairman. I will be real brief. It is a pleasure to have Mr. Nelson with us. He is distinguished back home, doing a good job for the Commonwealth of Kentucky, and we are proud that he is here with us today. Thank you.

Chairman COX. You are all welcome. We will begin with Mr. Cohen.

**STATEMENT OF JOHN D. COHEN, SPECIAL ASSISTANT TO THE
SECRETARY OF PUBLIC SAFETY, COMMONWEALTH OF MASSACHUSETTS**

Mr. COHEN. Thank you, Mr. Chairman, Ranking Member Turner and members of the committee. I appreciate the opportunity to be here with you today and congratulate you for taking on what I view and what many of the folks that I am working with in state and local governments view, as one of the most critical issues having to do with homeland security today.

My perspective is somewhat unique because, in addition to working with Massachusetts over the last 2 years, I have worked with a number of cities, including Houston, Detroit, New York City and Los Angeles and other states, Arizona and Maryland on helping officials there think through the issue of homeland security and develop strategies to address these issues on state and local basis.

I have to be honest. I guess to some degree my perspective on this issue differs a little bit from the governor's because, as I travel around the country and as recently as yesterday, I am hearing a high level of frustration over both the direction and the progress that we have made over our national homeland security efforts. In some sense that frustration stems from the fact that many state and local leaders who I am working with think that some in Washington have an overly narrow focus on what is meant by homeland security. They believe it is not just simply a domestic intelligence issue, but it is blending of intelligence capabilities with other key areas of government: public safety, public health, social services, and general government operations.

Treating homeland security as an adjunct responsibility of state and local government with a different set of systems, rules and processes, many believe, is not only counterproductive but ineffective. We tell the public we need to be vigilant each day. We tell state and local governments they need to work each day to detect, prevent, and be prepared to respond to an act of terrorism. But we

don't provide them the resources they need to carry out this critical function.

We need to make sure that state and local governments have the information, communication systems, and operational processes that they use to provide daily emergency and nonemergency service each day and that these systems are robust enough to be prepared to respond to catastrophic emergencies.

If the jurisdiction's 9-1-1 system becomes overloaded during a snowstorm, it is certainly not going to work during a terrorist attack. If the information systems used by local law enforcement cannot help us catch snipers, even though they are stopped over 11 times in the vicinity of each attack and even though their prints were lifted at the scene of a robbery-homicide, then we are not going to be able to catch a terrorist or stop a terrorist attack. If our radio systems used by first responders do not allow them to talk to each other at the scene of an accident or at the scene of a structure fire or during a hurricane, they are not going to work in response to a terrorist attack.

We need to become much more information driven in our homeland security efforts. Two years have passed since the attacks of September 11 and yet the Nation still lacks a comprehensive threat and vulnerability assessment, one that tells us which locations are most at risk and from what.

To Congressman Rogers' point, it is unclear to me how the urban area security initiative grant funds can be distributed based on threat and vulnerability assessments when one has not even been completed yet. This is a serious deficiency, and it has resulted in a disjointed domestic homeland security effort, one that has resulted in a lack of consistency from city to city. Without a national threat and vulnerability assessment, our nation's first preventers and responders are forced to respond to a one-size-fits-all, color-coded threat and advisory system. They are forced to seek to obtain Federal funding resources through a system that essentially rewards the jurisdiction that hollers the loudest.

If we were doing this correctly, this national threat and vulnerability assessment would be guiding all of our operational and tactical planning in the development of training exercises and funding decisions. But unfortunately, work on this assessment has only just begun, and although ODP has released some pretty good standards, recently we have heard from Homeland Security it may take up to 3 to 5 years to complete this assessment.

We have to be careful that we do not just take a solution where we say we have to provide more funds. We have to be smarter about how we provide these funds. We have been told for years that interoperability can only be achieved if we spend hundreds of millions of dollars building these huge, statewide radio systems. But, what we have now learned over the last year is that is not in fact the case; you can achieve interoperability for a fraction of that cost.

We need to make sure that dollars are provided to those communities that are most at risk. That is a valid point that somebody made earlier. But we also have to recognize that as we mitigate risks and harden targets, terrorists will seek out softer targets. And, the targets of today may not be the targets of tomorrow.

We also need to be much more sophisticated in understanding how these groups operate. While a cell may be targeting a major city, the members of that cell may be most vulnerable to discovery or arrest while they are engaged in some type of traditional criminal activity or while they are in the rural community in which they live. If a major event occurs, no one city will be able to handle the response to that, as we saw with the Pentagon. The communities relied upon their neighbors.

So, to separate funding from the regions in which that funding needs to be allocated doesn't make sense, because what you have to do is force that region to come together and plan—to plan from a detection perspective, to come together and plan from a response perspective and to plan from a standpoint of inventorying what types of resources they have and what type of resources they need should an event occur.

I know there is a lot of debate right now between whether the funds should go to states or go to localities directly, and that is a tough issue. But I would offer this piece of information to the members as they consider this: if states are going to be given the lead in disbursing funds to localities, there needs to be some type of oversight to ensure that county and local leaders are at the table when these plans are created.

In Massachusetts, before they distributed interoperability funding, they brought every public sector entity that would need to be on the system together to develop a strategy. They will be distributing those funds in a smart, rational manner.

We also need to ensure that statewide strategies are based on local needs, because when that 9-1-1 call goes in, it is not going to be the state that is going to respond; it is going to be the local fire department, the local police department, or the county fire and police departments.

This is not a simple issue, but it doesn't require that we forget the lessons of the past. There are a lot of innovative people at the state and local levels out there—they just need to get the resources to get the job done.

Chairman COX. Thank you for your testimony.

[The statement of Mr. Cohen follows:]

PREPARED STATEMENT OF JOHN D. COHEN

Introduction

Good morning Chairman Cox, Ranking Member Turner and other distinguished members of the committee. Thank you for the opportunity to participate in this critically important hearing.

The comments and observations I offer today are based on having spent my entire career—close to 20 years—involved in law enforcement operations, oversight and policy development. My views on this issue come from a somewhat unique experience base that includes service as a:

- Special Agent in the Office of Naval Intelligence;
- Police officer who regularly worked side by side with federal agents to conduct investigations of international criminal organizations;
- Senior investigator for a Congressional committee that conducted oversight reviews of our nation's intelligence and law enforcement efforts;
- Policy advisor to the Director of the Office of National Drug Control Policy; and
- A homeland security advisor who has helped a number of city and state governments assess and improve their ability to detect, prevent and respond to acts of terrorism. My clients have included: the Commonwealth of Massachusetts,

the State of Arizona, the City of Detroit, the City of Houston, Transportation for London, New York City, and the City of Los Angeles.

Background

President Bush has declared that we are a nation at war with terrorists. And, as you are well aware, since 9/11, the role of federal, state and local governments has become much more complex and is very much in a state of flux. Today, governments must identify and integrate homeland security needs and responsibilities into day-to-day activities. And, although we have come a long way in the 25 months since the attacks on the World Trade Center and the Pentagon, the view from state and local officials who serve at the front lines of our domestic war on terrorism is that we have not come nearly far enough. We still have a long way to go before we are truly and sufficiently secure in both our liberties and our safety.

We should first learn a lesson from the British and the Israelis, who understand that terrorism is a daily threat and that an attack could happen any day, anytime and anywhere. The public needs to be vigilant each day, and state and local governments need to make detecting, preventing and being prepared to respond to acts of terrorism a part of everyday business. We also need to become more information-driven in our homeland security efforts. Over two years have passed since the Sept. 11 attacks, and the nation as a whole still lacks a comprehensive threat and vulnerability assessment—one that tells us which locations are most at risk and from what. This serious deficiency has resulted in a disjointed domestic homeland security effort—one without consistency in the level of preparedness from city to city. Without such a threat and vulnerability assessment, our nation's first preventers and responders are forced to respond to a one size fits all color coded threat and advisory system and seek to obtain federal funding resources through a system that rewards the jurisdiction that hollers the loudest. In theory, it is this national threat and vulnerability assessment that should be guiding operational and tactical planning, the development of training exercises, and all funding decisions. Unfortunately, work on this assessment has only just begun and some Department of Homeland Security officials are predicting the completion of this coordinated, proactive and long-term strategy over 3 to 5 years away.

Establish a national threat and vulnerability assessment

There is no question that the lack of a comprehensive national threat and vulnerability assessment is a serious deficiency in this nation's homeland security efforts. Federal, state and local governments must make it a top priority to identify and ensure the protection of those infrastructures and assets that we deem most critical in terms of national public health, safety, governance, economic security and public confidence. Given that we do not have unlimited resources, we must allocate resources based on threat vulnerabilities which requires a comprehensive, national, state-by-state, jurisdiction-by-jurisdiction, business-by-business and market-by-market threat assessment and vulnerability analysis of critical infrastructures and assets. It cannot be done in an ad hoc, non-inclusive, reactive or subjective way if it is to provide immediate, short and long-term success in achieving efficient and effective national security and homeland defense.

The threat and vulnerability assessment not only serves as a guide for funding decisions but also directs state and local homeland security priorities and efforts. Unfortunately, aggressive awareness and prevention efforts cannot provide a 100 percent guarantee that all terrorist attacks will be prevented. Therefore, it must be a top priority of the national government to be prepared to mitigate the wide range of potential activity by terrorists (and others) that include, threats, hoaxes, small scale attacks designed to disrupt services and cause mass casualties. Preparedness is achieved by using threat and vulnerability information to develop potential incident scenarios and developing plans to respond to these scenarios; developing the systems and processes that support the rapid identification of the "indicators" of emerging incidents; and training first responders to quickly identify emerging incidents and initiate pre-established mitigation procedures.

Being prepared requires the constant evaluation of sustainable performance in order to prevent, prepare for and respond to incidents and diligence in seeking grant funding to support these efforts. Public safety entities must therefore establish a dynamic threat and vulnerability identification process that will guide operational planning and training activities. The monitoring of key threat-related information will involve blending existing threat and vulnerability assessments with other relevant information/intelligence (such as an inventory of all assets, crime reports, federal intelligence updates, etc.). The purpose of this effort will be to identify and document the "baseline threat" and to create a process for updating that threat baseline on a continuing basis. This process will include the identification and collection of other non-public safety-related information (health, quality of life, litter and de-

bris reports, etc.) that may be relevant to determining the vulnerability of the system. As a part of these efforts, local governments should establish a prioritized list of potential targets and potential methodologies of attack; share target lists with key officials in operations; identify environmental or other conditions that may facilitate the ability of a terrorist to successfully carry out an attack; establish a process for identifying and tracking key pieces of information that represent the “indicators” of evolving/emerging terrorist-related activity; monitor these indicators as a part of their daily enforcement efforts; and disseminate key information to those responsible for geographic enforcement areas.

Allocate resources based on threat and vulnerabilities-provide more flexibility to state and local entities on how funds are used

The current methodology used to allocate homeland security grant funds to state and local governments is inadequate to meet the needs of those governments. It is not just about providing more money. We need to become smarter on how we allocate funds ensuring that resources are provided to those jurisdictions or regional entities that face the greatest risk. It makes no sense from a law enforcement perspective to use population based formulas or other non-data driven techniques to determine what jurisdictions will get homeland security funding. One of the principle methods to disburse these funds is to make it contingent on the threat and vulnerability risk analysis. Priorities should be given to those jurisdictions that face the greatest risk because they are the locations of a target which is attractive to a terrorist attack. These funds should also be provided in such a manner to foster regional cooperation because at the end of the day, should a catastrophic event occur, effective emergency response will require collaboration on a regional basis.

Once funds are allocated, state, county and local governments must have the flexibility to use those funds in a manner which best addresses their specific needs. Cities and localities have their own unique needs based on their specific threat assessments. Therefore, the provisions that guide the use of federal funds should not be structured so that they impede the ability of state and local governments to address the specific threat and vulnerability needs of these localities. The priorities of one large city may not be the same as those of another large city. Likewise, small states or rural areas may find that their threat and vulnerability assessments determine that there should be a greater importance on regional cooperation. And, with current information suggesting that in the future terrorists may focus on softer targets in more rural areas, funding should be fluid and flexible enough to adjust to communities? updated priorities.

In the future, the federal government also needs to broaden its focus on homeland security to include the linkages between domestic counter-terrorism and crime control efforts. We need only to look as far as the involvement of terrorists in traditional criminal activity to realize that counter terrorism is inherently tied to fighting crime every day and we need to ensure that counter-terrorism and crime control efforts are interlinked. Therefore, to improve our homeland security, we need to improve existing technology, infrastructure and business processes so that cities and other localities can not only run more efficiently on a day-to-day basis, but also be prepared in the event of a terrorist attack.

State and local authorities play a critical role in detecting and preventing such attacks. In the future, a police officer with the help from a member of the community may be the first to identify an impending terrorist threat. For example, the fact that a terrorist cell is operating in this country may first be uncovered by a local police officer or a member of the community. Terrorists are dangerous, not because they say or believe dangerous things, but because their beliefs motivate them to commit acts of violence targeting people, places and things. These acts of violence—whether motivated by political or religious ideology—are still criminal acts. Also, we know that terrorists work with crime organizations and often use traditional crimes such as drug and illegal weapons trafficking, money laundering and bank robbery to offset costs and further support their objectives. It is inefficient and dangerous to create barriers to effective information sharing because we choose to define counter-terrorism as a domestic intelligence issue and crime fighting as a law enforcement issue.

For now and the foreseeable future, efforts to detect, prevent and respond to acts of terrorism will be a part of the day-to-day business of public safety entities. Ongoing problems of crime and disorder are not isolated incidents and, over time, they can escalate into more consequential situations. Public safety efforts in this regard should be based on the understanding that terrorists often commit “traditional” crimes to support their extremist agenda; they often collaborate with individuals involved in “traditional” criminal activity; the same methods used to effectively address crime serve as the foundation for anti and counter-terrorism efforts. Con-

sequently, public safety entities must be able to proactively and continuously monitor crime trends and emerging terrorist threats.

We must work to incorporate efforts to detect, prevent and respond to acts of terrorism and other critical incidents into our national crime prevention efforts. Intelligence/information gathering and crime analysis efforts must be expanded to support police departments serving as the “hubs” for the collection, analysis, dissemination and re-evaluation of threat and vulnerability information relevant to preventing crime. Departments should use this information to proactively develop and deploy risk mitigation strategies and monitor the implementation of those strategies to ensure success.

Establish a risk identification and mitigation process

The federal government must also recognize that risk identification and mitigation efforts must be flexible and updated on a regular basis. As we expand the nation's ability to collect, analyze and update threat-related information, it will be critical that this information be disseminated. This approach will facilitate the development of effective law enforcement prevention and interdiction operations that deter, pre-empt or disrupt terrorist activities. As specific risk mitigation efforts are achieved, this information should be factored into system-wide vulnerability assessments so that appropriate re-evaluation of risks can be accomplished. By constantly updating threat information with reports of suspicious activities and risk mitigation efforts, intelligence analysts will be able to more accurately assess real threats to the system.

Create national standards for radio interoperability

There is a greater awareness today among policy makers and operational personnel of the problems caused by the lack of radio interoperability and the benefits that could be realized if independent radio systems used by first responders could be interlinked. The challenge of providing radio system interoperability has less to do with technology and more to do with identifying and putting in place the processes, protocols and agreements necessary to support multiple agencies using an integrated radio system.

Addressing these non technology issues needs to be a part of the pre-design stage of system implementation. Once a state or region has identified what agencies need to talk to each other and under what conditions that communication should take place, the technical design of a system can then be accomplished. The lack of best practices and defined national standards has complicated the efforts of state and local governments to acquire and deploy radio interoperability systems. Some states have begun taking steps to answer these critical questions as a part of the pre-acquisition phase interoperability system deployment. For example, the Commonwealth of Massachusetts has begun to design and plan a strategy to provide a fully interoperable, statewide radio/data system. The Commonwealth began by aggressively surveying every public safety entity in the state to catalogue interoperability issues, identify necessary partners, and facilitate working with those partners.

Initially, many in public safety believed that the only way to achieve radio system interoperability was through the use of a statewide radio system that allows state and local agencies to operate—if necessary—on the same radio channel. This belief stemmed from aggressive efforts by a number of radio system providers (the entities that would benefit from the sale of these types of system) to convince public safety officials that these types of systems offered the best solution to the problem. Some have argued that the lack of progress in achieving interoperability can be directly tied to the efforts of industry to influence the attitudes of federal, state and local officials on this issue.

Over the past several years, state and local officials have begun to look at solutions other than statewide or regional networks to solve the interoperability problem. Statewide radio systems are expensive, costing tens and sometimes, hundreds of millions of dollars. Statewide radio systems also require that state and local agencies operate within the same frequency range, often requiring that their individual existing systems be upgraded.

Through the efforts of the Public Safety Wireless Network Program (PSWN) and the National Institute of Justice, attention has focused on a more cost effective and efficient solution to achieve radio system interoperability—one that involves the use of inter-connector or “patching” technology. The use of inter-connector technology provides for radio system interoperability at a fraction of the cost of a new statewide radio system, while allowing individual local jurisdictions the flexibility of maintaining existing radio infrastructures.

A growing number of state and local jurisdictions are providing radio system interoperability utilizing this inter-connector or “patching” technology. For example, the states of Maryland, Colorado and Arizona have begun to network a number of

inter-connector devices in fixed locations in an effort to provide permanent radio system interoperability. Arizona is deploying a “patching” network that will be capable of supporting both day-to-day public safety operations and the response to critical incidents. The state will deploy a number of cross-band radio connector devices at various locations along the border region. Each of these devices will then be linked providing contiguous coverage for an area that stretches along the entire border between Mexico and Arizona. Once installed, the independent radio systems used by federal, state, county, local and Mexican public safety entities will be inter-linked and personnel will be able to communicate with each other. In support of this project, the state has established a project management advisory board comprised of state and local officials from the region that will be chaired by Yuma County. This board will focus on facilitating communication between US public-safety entities (police, fire, EMS) with appropriate entities from Mexico through the development of appropriate protocols and mutual aid agreements.

Focus on coordinated regional efforts

Efforts to detect, prevent and respond to acts of terrorism require a high degree of regional cooperation. Like many other state and local governments, in the wake of the 9/11 terrorist attacks and subsequent anthrax threats, the greater Boston area began to reevaluate its priorities for existing and planned government programs. And, the efforts of the Massachusetts Bay Transportation Authority (MBTA) are a good example of how a single entity can take the lead in coordinating with other public safety entities within a region.

The MBTA is the nation’s oldest transit authority. With a service area that includes 175 communities within the greater Boston area, the MBTA provides bus, boat and rail service to approximately 600,000 customers each day. The MBTA system includes four subway lines, 13 commuter rail lines, five boat routes and 162 bus routes that service approximately 3,244 square miles and the 175 cities and towns that comprise the MBTA’s service area. The system brings together persons of different socio-economic, racial, age and cultural groups who share the constricted transit environment. Today, the transit system includes not just subways and buses, but also commuter rail, commuter boat and para-transit service. The MBTA system now extends beyond the immediate greater Boston area into such communities as Worcester, Newburyport, Middleboro, Plymouth and even Providence, Rhode Island.

Crime and other safety issues are addressed through the activities of the MBTA Transit Police Department and through the Safety Department (a part of MBTA’s Operations Component). Crime and disorder problems on the system are often linked to crime and disorder issues that originate in the neighborhoods through which the various components of the transit system travel. Typically, local public safety entities address neighborhood crime and other public safety issues, even those that impact the system.

Mass transit systems around the world have long been considered attractive targets for individuals and groups wanting to commit acts of terrorism. Transporting large numbers of people within concentrated predictable areas and time frames each day, these public transportation systems provide the opportunity for a single attacker (using an explosive device or a firearm) to kill or injure a relatively large number of people. Additionally, the central purpose of these transit systems is to move people throughout a large geographic area. Therefore, they offer an effective dispersal mechanism for biological, chemical or radiological weapons. But, attacks by terrorists need not be mass casualty events to be catastrophic. A significant disruption in service—whether caused by an attack, a hoax or the threat of attack—“can seriously impact a region’s economy and the public’s faith in government’s ability to provide basic protections to its citizens.”¹

However, while acknowledging that the potential vulnerability of the MBTA is important, there is only limited value in determining that the entire system is an attractive target for terrorists. The MBTA Transit Police have neither the stamina nor the resources to post a police officer on every train, every boat, every bus, in every station and in every building within the system. The challenge for the MBTA Transit Police is to determine what component(s) of the system are most at risk for attack at any given time and then take steps to mitigate those risks. Therefore, they have developed a homeland security strategy that includes continually:

- Collecting information about individuals and groups of individuals who have the motivation and the means to carry out an attack upon the system and are living in, visiting and traveling through the MBTA service area;

¹*Protecting Public Surface Transportation Against Terrorism and Serious Crime: Continuing Research on Best Security Practices*, Mineta Transportation Institute, September 2001.

- Identifying the business processes, personnel behavior and physical characteristics of the various components of the system infrastructure that could be vulnerable to an attack;
- Disseminating threat and vulnerability information to relevant operational staff, law enforcement personnel and the public so that risk mitigation strategies can be rapidly developed and implemented; and
- Tracking the progress of these risk mitigation efforts so that senior management can support and hold key personnel accountable for the effective implementation of these efforts.

For now and the foreseeable future, efforts to detect, prevent and respond to acts of terrorism will be a part of the day-to-day business of the transit police department. The transit police department acknowledges the fact that on-going problems of crime and disorder are not isolated incidents and, over time, they can escalate into more consequential situations. With a strong emphasis on prevention, regional issues and conditions are being resolved to prevent future incidents; police time is being saved; and safety and security on the transit system significantly enhanced.

Conclusion

If we as a nation are truly serious about preventing acts of terrorism, there are several challenges that must be addressed. The Department of Homeland Security must work with state and local officials to rapidly draft our national threat and vulnerability assessment; base the planning, training and allocation of resources on threat and vulnerabilities; establish a risk identification and mitigation process; proactively and continuously monitor crime trends and emerging terrorist threats; ensure that crime control and anti and counter-terrorism efforts are inter-linked; create national standards for radio interoperability; and focus on coordinated regional efforts to respond to terrorist acts and critical incidents.

While stopping an attack by a committed terrorist is difficult, a strong emphasis on prevention, underlying issues and safety can significantly enhance our national security. We must always keep in mind that the threat of today may not be the threat of tomorrow. And, any program that is established must be flexible enough to take into account that the entities receiving money today may not be the highest priorities tomorrow.

Thank you for the opportunity to participate in this hearing.

Chairman COX. Mr. Nelson.

STATEMENT OF RAY A. NELSON, EXECUTIVE DIRECTOR, OFFICE FOR SECURITY COORDINATION, COMMONWEALTH OF KENTUCKY

Mr. NELSON. Chairman Cox, Ranking Member Turner, distinguished committee members, I, too, would like to personally thank you, and on behalf of the members of the Commonwealth, for being here today. In the essence of time, simplicity, and avoiding redundancy, I would like to reiterate a couple of minor points from our perspective.

We have done some research in Kentucky, and we have found that not only does the Department of Homeland Security put out grants that touch our first responders and also the many other agencies that support them, but there is actually less than 50 percent of those grants coming out of DHS. When you look at DHHS, DOJ, even Veterans Administration, they are putting out grants that touch either terrorism, homeland security, or our first responders.

One of the challenges I have in the State, as the director, is trying to get my hands around these monies, as well to find out what is going down to our first responders, what programs are in place coming out of the other departments here in the Federal Government to ensure again that we don't have duplication, redundancy and waste in some of these programs. That has been a major challenge that we have had.

The other point is that the States are mandated to do a state-wide assessment. We are doing vulnerability assessments, needs assessments, which will culminate in a comprehensive strategy. Out of that strategy, we will develop our plans on how we are going to do that. The means to do that, of course, is the appropriations, the funding. What we don't have now is the information on our capabilities and needs. We don't have it refined. We think we have an answer, but we don't have a good one so that we can develop these plans. The only way that we are going to be able to do that from a State perspective is to have these funds come through the Governor's Office for coordination. The problem is there is less than 50 percent of this money that is coming through, so we don't have visibility on it. I have to read the newspaper or see the morning news about a new program that is coming to the State. So, we need to change how we do business there.

The other thing we need to do, of course, and I want to just reiterate the point of maintaining baseline capability and capacity. Tactically speaking, you never want to put all of your eggs in one basket; you never want to put all of your forces at ground zero. We have to maintain baseline capacity and capability in a regional manner to allow us to respond anywhere that the threat may come.

The last thing is we need to really enforce standards, cooperation, and interagency coordination process, from both Federal, State, and local governments. This will ensure that the information in all of these programs is integrated, and that it meets the goals and ideas of the strategy that the States are currently planning.

So with that, I will summarize and thank you very much for the opportunity to be here today. I look forward to questions later.

Chairman COX. Thank you for your testimony.

[The statement of Mr. Nelson follows:]

PREPARED STATEMENT OF RAY NELSON

Chairman Cox, Ranking Member Thompson and Distinguished Committee Members:

I sincerely appreciate the opportunity to testify before you today and personally thank you on behalf of the citizens of Commonwealth of Kentucky.

In providing you a state perspective, I hope I am able to aid you in your efforts to better plan for the use of federal grant programs as we prepare our nation for threats or acts of terrorism by making our communities safer and provide our citizens with the security they expect and deserve. Thanks to the efforts of Congress, states and communities have received millions of dollars to ensure that they have the resources necessary to meet this new threat. These enormous homeland security efforts have required unprecedented cooperation between disciplines and jurisdictions and the building of partnerships at every level of government. The result has been the recognition of the complexities of the interagency coordination process. The increased requirements for interagency coordination are paramount as we work together in preparing for acts of terrorism. On that note, I would like to provide you with some issues that states and local governments are dealing with as we receive and distribute federal grants.

I would like to start by addressing the scope of homeland security 'related' grant programs. The grant programs coming out of DHS are not the only Homeland security related grants that are being directed to our emergency responders, community leaders, state agencies, and the many supporting agencies that would be involved in any crisis. In working with GAO, we have identified over 92 federal grants that have an impact on homeland security. Of those, over 50 percent (47) come from federal agencies outside DHS. Most of these grant programs have been in existence for some time, but their focus remains on our emergency responders and our ability to protect our communities and respond to a crisis. The grants coming from the other federal agencies are programs requiring direct application with direct funding

(stovepipe) to the agency applying for the grant. This process circumvents the inter-agency coordination process.

My second point is the requirement for each state to develop an integrated *'Homeland Security Strategy'*. We are all currently involved in conducting statewide threat, vulnerability and needs assessments; that will result in a comprehensive state strategy. We must ensure that we can deter, deny, detect, delay and defeat any would be terrorist; and then of course, be able to respond and recover from a successful attack should one occur. Our strategy will undoubtedly focus on a regional approach, to ensure that we maintain, and sustain, a base-capability and capacity statewide, as well as maintaining our focus on population centers, critical infrastructure and the actual threat. As you can see, this approach cannot be accomplished working in a vacuum or through a stovepipe funding process.

My third point today is to remember that development of a strategy and capabilities is only the beginning—sustainment of these efforts will be the challenge. States need to have assurances of baseline federal funding that will fund these initiatives for the long term. With limited shelf-life of equipment, improvements in technology and training upgrades, states will need consistent and predictable funding.

This brings me to the focal point of my comments here today. We must develop, and enforce, a federal, state and local government interagency coordination process as it relates to federal homeland security grant programs. To effectively orchestrate a federal, state or local jurisdiction homeland security strategy, requires that all affected agencies coordinate to maximize the efforts and effects of current federal grant programs. The outcome of our efforts will depend upon the state's ability to build comprehensive and integrated plans at the state and local level. We can no longer afford to allow organizations to operate as autonomous entities and plan in a vacuum. As an example, the interoperability problems we face today are a direct result of a lack of interagency coordination.

As states, we recognize our role and responsibility and are moving rapidly to ensure we take the steps necessary to develop and sustain our capabilities. As a nation, we can only be secure when every community in every county in every state is secure. Therefore, if our states, in particular our governors, are to be held responsible and accountable for the safety and security of our citizens, all federal grant programs that affect our emergency responders, or the multitude of agencies supporting their efforts, must be coordinated through the governor's office.

As the state's homeland security coordinator, I frequently 'discover' additional homeland security grant programs coming from federal agencies; whether it is for school terrorism planning, agri-terrorism, inter-city bus security programs or eco-terrorism; by reading the local newspaper. This is not the most effective way of doing business. Having said this, I must complement the Department of Homeland Security in their efforts to coordinate all federal grant programs coming from the new department. However, there are numerous other federal agencies that have not embraced the necessity for interagency coordination at the federal, state and local levels.

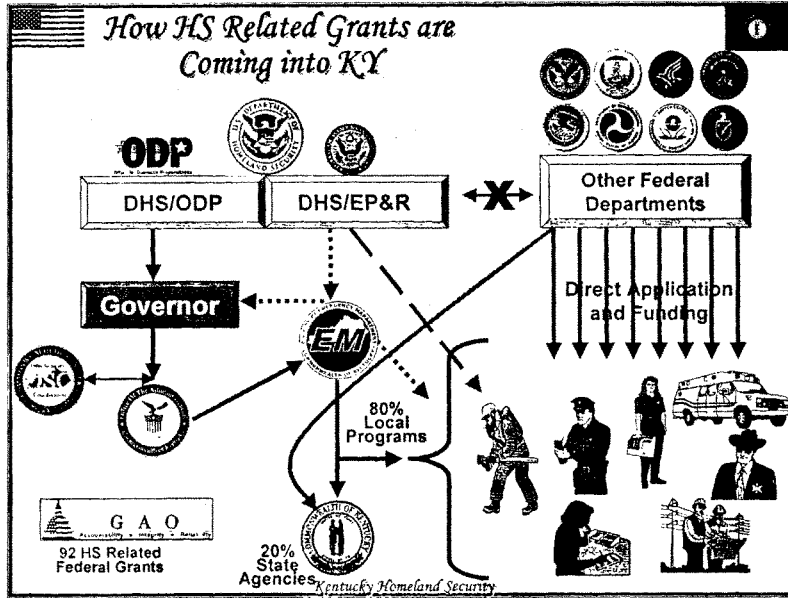
My final point is that to ensure the effective use of taxpayer's dollars, we must measure effectiveness, efficiencies, performance and compliance, in the expenditure of these funds. Without mandated coordination, performance and compliance measures, we will be no better off five years from now, than we were on 10 September 2001.

In the words of professor Albert Einstein, "Today's problems cannot be solved with yesterday's thinking".

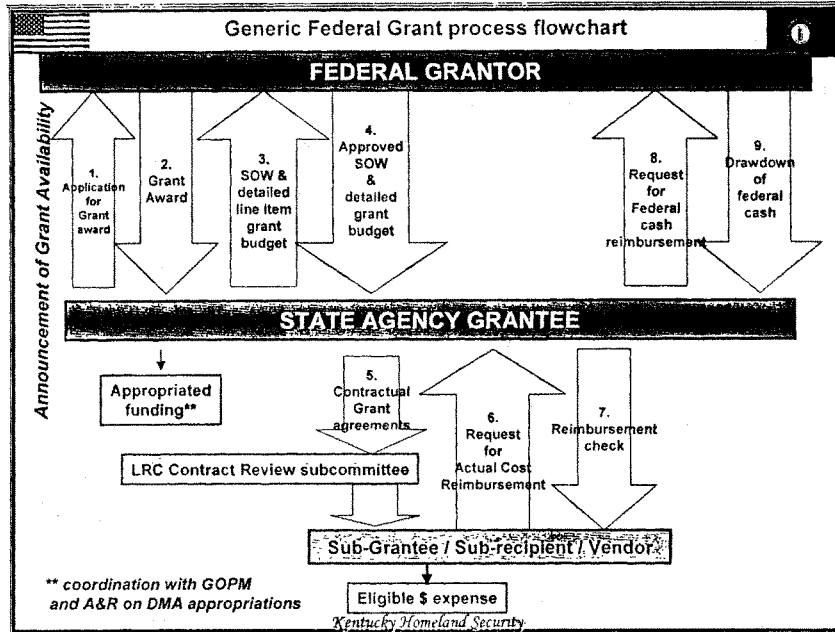
This is no longer business as usual. We must coordinate all Homeland Security "related" Grant Programs throughout the federal government to allow a fully coordinated implementation by the States, counties and cities. There is only one strategy and all initiatives should support this statewide strategy.

In closing, I would like to reiterate that each and every day our communities become more secure and our first responders better prepared. Achieving our goal to make our homeland secure will take time. This is a team effort and states are committed to being a team player. We need the resources to meet this challenge, but please don't tie our hands. Give us the flexibility and tools help us do our job better.

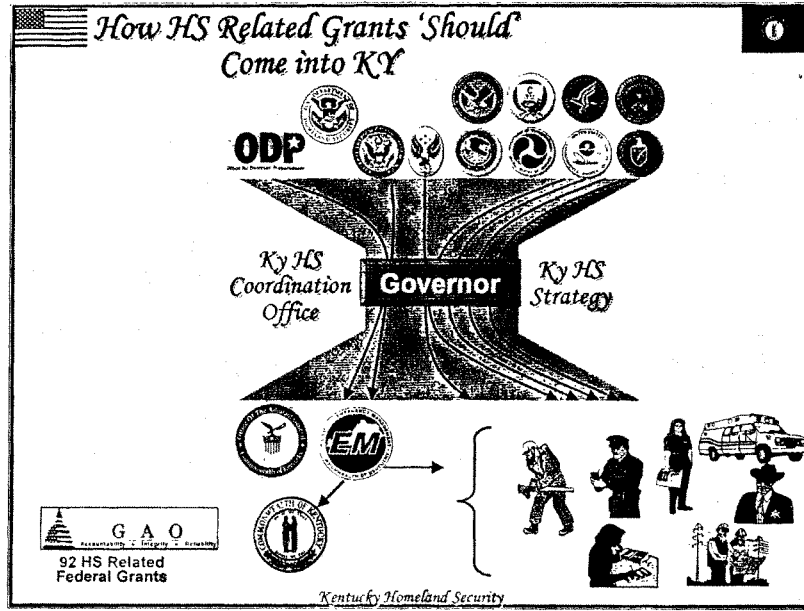
I appreciate this opportunity and will be glad to answer any questions you may have.



This diagram reflects how federal homeland security related grants are coming into KY.



This diagram reflects the federal grant process. This process needs to be simplified and standardized.



This diagram depicts the manner in which federal homeland security related grants "should" be coming into KY.

Chairman COX. Lieutenant Colonel Behunin.

**STATEMENT OF LIEUTENANT COLONEL SCOTT BEHUNIN,
DIRECTOR OF EMERGENCY SERVICE AND HOMELAND SECURITY,
STATE OF UTAH**

Lieutenant Colonel Behunin. Thanks, Chairman Cox and Ranking Member Turner, for allowing me to speak today on behalf of NEMA, the National Emergency Management Association.

NEMA represents the 50 State directors who answer to the Governor on issues like emergency preparedness, homeland security, mitigation, response, and recovery activities for natural, man-made, and caused disasters.

We appreciate the attention and funding that Congress has given to ensure first responders and emergency management is adequately prepared for threats to our Nation's homeland security. Our emergency responders are better prepared today to face the various threats associated with terrorism because of the Federal commitment to address the war on terrorism. This is being played out in our cities and towns and our States. States continue to take an all-hazards approach to disaster preparedness, as we have integrated our domestic preparedness efforts into proven systems that are already being used and dealt with on man-made and natural disasters.

The most critical issue for NEMA is the opportunity to build and sustain a national emergency infrastructure that addresses the needs of the entire emergency community without taking away programs that are the basic building blocks of these systems. We must seek to build baseline capabilities in each State that are adequately funded through reliable and predictable multiyear funding.

NEMA continues to support Federal efforts to increase emergency management capacity-building at the State and local level for personnel, planning, training, equipment, interoperable communication, coordination, and exercises. Building each State's homeland security capacity allows for a national system that is resilient enough to deal with ever-changing threats. Our national system must also have resources in place to maintain and sustain a system as equipment changes, technology changes, and new training methods become available. A significant Federal commitment must be made to give State and local governments the tools to ensure adequate preparedness in every jurisdiction.

All efforts to increase emergency management capacity-building must be coordinated through the States to ensure harmonization with the State emergency operations plan and ensure equitable distribution of resources and to synthesize resources at intra—and interstate mutual aid. The Stafford Act, which governs the way disaster assistance is allocated, successfully uses States and Governors as the managers of Federal disaster relief funds for local governments which can be overwhelmed in the need of assistance when a disaster occurs.

While many States are implementing programs to assist in regional coordination for homeland security, it is critical that Federal requirements for regional efforts are coordinated with the State homeland security plans. Otherwise we end up with a patchwork quilt of preparedness activities that are not systematically address-

ing holistic needs identified in a comprehensive plan. While NEMA supports incentives for regional initiatives, regional efforts must be coordinated with an accountable authority such as the Governor.

States understand the need to get funds out quickly to first responders and have long coordinated, statewide and regionally, to ensure adequate State assistance to local governments for emergency preparedness and response. States continue to work to ensure the grants get out as quickly as possible to all localities.

New requirements included in the 2003 and 2004 appropriations bill mean that we have less time to get out significant amounts of funds to local governments, but States are managing the process and meeting deadlines put in place by Congress. While we strive to ensure the influx of funding gets to local governments swiftly, we also want to make sure that we are deliberative about the ways the grants are used in order to meet the goals of homeland security plans.

Currently, States are doing assessments as directed by ODP. This process helps to identify gaps, shortfalls, priorities for addressing homeland security in each State. Federal funding should be flexible enough to allow for the State homeland security grant to address the unique needs identified by these strategic plans. Statewide strategic planning ensures a basic preparedness response capability throughout the State.

Of critical importance to the State homeland security grant comes down to some key issues that have not been mentioned yet today, and that is being able to fund training for these personnel to attend training and exercise and to cover overtime and the back-fill in overtime. I would also like to see the streamlining of the grant application and not so much oversight by the administering agency.

As far as the standard, we believe there should be standards established. There are standards, a current standardization program with the Emergency Management Accreditation Program, or EMAP, and that process is going on now to measure up the capabilities of State emergency management jurisdictions around the country.

In conclusion, as we work to fully implement our new Federal Department of Homeland Security and revise the State homeland security grant program, we must not forget about the all-hazards approach to emergency management and the role it plays in preventing our Nation from losing focus on the daily perils that we face in addition to the new threats. We must be prudent and thoughtful in addressing homeland security enhancements in our preparedness and not waste the opportunities we have before us today. Only through a partnership of Federal, State, and local government, along with the citizens and businesses, can our country prepare and respond to all emergencies and all disasters.

Thank you.

[The statement of Lieutenant Colonel Behunin follows:]

PREPARED STATEMENT OF LIEUTENANT COLONEL SCOTT BEHUNIN

Introduction

Thank you Chairman Cox, Ranking Member Turner, and distinguished members of the Committee for allowing me the opportunity to provide you with testimony on the state homeland security grant program. I am Scott Behunin, Vice-Chair of the

National Emergency Management Association Homeland Security Committee and Director of Utah Division of Emergency Services and Homeland Security. In my statement, I am representing the National Emergency Management Association (NEMA), who are the state emergency management directors in the 50 states and the U.S. territories. NEMA's members are responsible to their governors for emergency preparedness, homeland security, mitigation, response, and recovery activities for natural, man-made, and terrorist caused disasters.

We appreciate the attention and funding that the Congress has given to ensuring first responders and emergency management is adequately prepared for threats to our nation's homeland security. Our emergency responders are better prepared today to face the various threats associated with terrorism because of the federal commitment to address the war on terrorism that is being played out in our states, cities, and towns. States continue to take an *all-hazards* approach to disaster preparedness as we have integrated our domestic preparedness efforts into the proven systems we already use for dealing with both man-made and natural disasters.

We recognize the efforts that Chairman Cox and Ranking Member Turner and the members of the Select Committee have made to simplify homeland security grants and appreciate the opportunity to provide input in the process of crafting a compromise bill that will make the state homeland security grant program stronger and more flexible. We salute the foresight of Congress in creating this Committee when forming the Department of Homeland Security, while maintaining individual program authorities for the 22 agencies included in the Department in the traditional Committees. The Select Committee is a step in the right direction to address the immediate threat of terrorism and for building preparedness for the national emergency system.

NATIONAL CAPACITY BUILDING

The most critical issue for NEMA is the great opportunity that we have before us to build and sustain a national emergency infrastructure that addresses the needs of the entire emergency community (for example, fire, law enforcement, emergency medical services, emergency management, public health, and emergency communications) without taking away programs that are the basic building blocks of these components. We must seek to build baseline capabilities in each state that are adequately funded through reliable and predictable multi-year funding. NEMA continues to support federal efforts to increase emergency management capacity building at the state, territory, and local level for personnel, planning, training, equipment, interoperable communications, coordination, and exercises. Building each state's homeland security capacity allows for a national system that is resilient enough to deal with ever-changing threats. Our national system must also have resources in place to maintain and sustain the system as equipment changes, technology changes, and new training methods become available.

In order to build this capacity, we must not take funding from the traditional program accounts that ensure our all-hazards preparedness. This includes programs like the Emergency Management Performance Grants (EMPG), the COPS program, and the Fire Grants. A significant federal commitment must be made to give state, territorial, and local governments the tools to ensure adequate preparedness. While states have significantly increased their commitment to emergency management over the last decade, states are struggling with budgetary issues and the increased investments necessary to meet new demands. The threat of terrorism is a national security issue that must be addressed with federal dollars and federal coordination.

State Coordination

All efforts to increase emergency management capacity building must be coordinated through the states to ensure harmonization with the state emergency operations plan, ensure equitable distribution of resources, and to synthesize resources for intra-state and inter-state mutual aid. The Stafford Act, which governs the way disaster assistance is allocated, successfully uses states and Governors as the managers of federal disaster relief funds for local governments, which can become overwhelmed and in need of assistance when disasters occur. While many states are implementing programs to assist in regional coordination for homeland security, it is critical that federal requirements for regional efforts are coordinated within the state homeland security plans. Otherwise, we end up with a patchwork quilt of preparedness activities that are not systematically addressing holistic needs identified in comprehensive plans. While NEMA supports incentives for regional initiatives, regions must be coordinated with an accountable authority such as the Governor.

States understand the need to get funding quickly to the first responders and have long coordinated statewide and regionally to ensure adequate state assistance to local governments for emergency preparedness and response. There has been some discussion of the states' effectiveness to coordinate these programs; our data

shows that the criticism is exaggerated. States continue to work to ensure the grants get out as quickly as possible to the localities. New requirements including in the 2003 appropriations bill and the 2004 appropriations bill mean that we have less time to get significant amounts of funds out to local governments, but states are managing the process and meeting the deadlines put in place by Congress. While we strive to ensure the influx of funding gets to local governments swiftly, we also want to ensure that we are deliberative about the way the grants are used in order to meet the goals of our state homeland security plans.

Currently, states are working with local governments to complete state homeland security assessments with ODP. This process helps to identify gaps, shortfalls and priorities for addressing homeland security in each state. Federal funding should be flexible enough to allow for the state homeland security grant to address the unique needs identified in these strategic plans. Statewide strategic planning ensures a basic preparedness and response capability throughout each state in a coordinated approach.

REFORM FOR THE CURRENT PROGRAM

Critically important to the state homeland security grant program is allowing funds for emergency responders to be used to pay for training and exercises. Additionally security costs for critical infrastructure and key assets, as well as hardening defenses and security to these potential targets, must be recognized in times of heightened alert associated with specific threats. Flexibility is needed to cover the overtime costs associated with training and exercising. In order to send a first responder to train on equipment, states and localities must pay overtime for that person's time, but also overtime for the person who takes their shift to replace them on duty.

We suggest that the Department of Homeland Security provide quarterly reports on the status of federal funds for state and local governments in detail to Congress and share those reports with key state and local government associations and first responder associations. We believe this would provide the opportunity for all interested parties to see the same data regarding homeland security grants as well to see where assistance is needed in getting grant funding distributed and most importantly, it would provide an ability to track our progress in protecting our communities from terrorism.

Federal streamlining is necessary to consolidate the federal grant application process for homeland security funds in order to ensure that funding can be provided faster to first responders. NEMA has been supportive of initiatives to eliminate duplication such as multiple planning requirements and efforts to allow for waivers on the uses of grant funds so grants may be best tailored for state and local needs. The current application submission, review, and approval process is lengthy and should be reviewed for efficiency. In particular, extra steps for federal approval are involved once a community and state identify equipment that they would like to purchase with grant funds. Allowing greater autonomy in the process would allow states to better meet unique needs in their communities and expedite funding to local communities.

Fiscal Conditions and Match Requirements

Further, because the war on terrorism is a national emergency and states and local governments are in the toughest fiscal situation since the deep recession in the early 1980s, we must be wary of programs that would require significant matches. In fact, for local governments to meet the match would be even more difficult given their fiscal constraints. If a significant match is required, the application of this initiative will only go to those agencies and governments that can fiscally afford the match and not necessarily where the need is greatest. If a match is necessary, we would suggest that the match be non-fiscal or in the form of a deliverable as opposed to soft or hard dollars. We support the idea of suspending the match requirement in the early years of the program.

Standards

A national performance standard should be developed so state and local governments know specifically what is recommended for preparedness. The Department of Homeland Security should take into account the size of a jurisdiction when considering preparedness guidelines, knowing that there are not enough resources to go around. Having a definition of a robust homeland security and emergency management program will help state and local governments prioritize areas in need of funding.

Standards must be developed to ensure interoperability of equipment, communications, and training across state, regional, and local jurisdictions. In terms of establishing voluntary minimum standards for the terrorism preparedness programs of

state and local governments, NEMA offers itself as a resource in this area. Our organization, along with other stakeholder groups such as the Federal Emergency Management Agency, the International Association of Emergency Managers, National Governors' Association, National Association of Counties, International Association of Fire Chiefs, and others, has developed and is implementing an Emergency Management Accreditation Program (EMAP). EMAP is a voluntary standards and accreditation program for state and local emergency management that is based on NFPA (National Fire Protection Association) 1600 "Standard for Disaster/Emergency Management and Business Continuity Operations" (an ANSI or American National Standards Institute approved standard) and FEMA's Capability Assessment of Readiness (CAR). Consequence management preparedness, response and recovery standards are being developed in conjunction with those for the traditional emergency management functions. NEMA suggests that these standards already being collaboratively developed through EMAP be considered in the development of minimum standards for training, exercises and equipment. Additionally, EMAP acceptance would provide the natural mechanism for federal and state agencies to meet the requirements of the Government Performance Results Act (GPRA). EMAP, in partnership with FEMA and the Department is conducting baseline assessments of all states, some of which wish to pursue accreditation in conjunction with this initial assessment. Last month, the EMAP program accredited the emergency management program of the State of Florida and the District of Columbia.

Other Needs

As you consider legislation, we ask that you consider other specific needs to: improve information and intelligence sharing between federal, state and local governments; upgrade emergency operations centers; assess, plan, and provide interoperable communications equipment and solutions; address the lack of public safety spectrum and radio frequency; provide mutual aid planning assistance; and provide effective warning systems for all citizens.

NEMA is taking the initiative to develop solutions to some of the issues and concerns of state government related to homeland security with strategic partnerships. On April 1, 2003, NEMA, along with the Adjutants General Association of the United States and Mitretek Systems launched a Center for State Homeland Security. The Center will provide assistance for states in implementing their homeland security missions by facilitating access to the best available tools, information and facilities. The Center will provide direct support to states in key areas where assistance is needed including engineering, analysis, program planning, management, and procurement, in addition to identifying best practices. This project will help states navigate the vast web of information on homeland security and provide a framework for benchmarks to assist with spending accountability.

CONCLUSION

As we work to fully implement a new federal Department of Homeland Security and revise the state homeland security grant program, we must not forget about the all-hazards approach to emergency management and the role it plays in preventing our nation from losing focus on the daily perils that we face in addition to new threats. We must be prudent and thoughtful in addressing the homeland security enhancements to our preparedness and not waste the opportunities we have before us today. Only through a partnership of federal, state, local government, along with our citizens and businesses, can our country prepare and respond to *ALL* emergencies and disasters. Thank you for your consideration.

Chairman COX. I thank each of you gentleman for your excellent testimony and for your willingness to help us here today.

Let me begin, Mr. Cohen, with you. You have testified that intelligence and information-gathering and crime analysis efforts must be expanded to support police departments serving as the hubs for collection, analysis, dissemination, and reevaluation of threat and vulnerability information. And you are suggesting that we more closely integrate the two tasks of terrorism prevention/response on the one hand, and crime prevention and control on the other hand.

I wonder if you are familiar with the existing provisions of Federal law enacted in the mid-1990's and signed by President Clinton that authorized State and local law enforcement to be deputized by the Federal Government to enforce immigration law. Is that an area where we can be doing more?

Mr. COHEN. I think you hit on an area where there needs to be more advances made in how we are responding to this problem. Yesterday I attended a meeting and, Mr. Chairman, just by way of background, I was both a special agent in the Office of Naval Intelligence, and I was a police officer that was assigned to Federal task forces, so I have spent a good chunk of my career working both on the Federal side and the local side, working right on the streets. I don't think we have done a very good job yet as a country linking together the resources at the local law enforcement level with those at the Federal level. And, there is a reason for that. I think we are operating on two different sort of philosophical mindsets. On the Federal law enforcement side, at least with some agencies, we still tend to view homeland security as an intelligence or counterterrorism as an intelligence-type of issue in which we have to keep information close to the chest, and we have to be very selective in what we provide other law enforcement, whether they are local police, state police, or even some other Federal agencies. On the local side, the approach is bringing as much information as you can from as many different sources, blend it together and then develop a preventive approach to stopping that entity or that person from doing something violent.

Right now, I would like to see a better job done. The law enforcement people who I am working with blend intelligence information with law enforcement information. Now, whether that information comes from an immigration investigation; whether that information comes from a drug dealing or a drug trafficking investigation; or whether that information comes from an intelligence source; the key is that we have to blend those law enforcement and information-sharing activities together.

Chairman COX. As we blend, we recognize that fighting terrorism and fighting crime are complementary functions. We are being asked at the same time or at least, Mr. Behunin, in your testimony you have suggested this, and I think we have had this suggestion from other first responder groups—we are being asked to get rid of matching requirements. If you get rid of a matching requirement, you have made something entirely a Federal responsibility and not a State or local responsibility.

How do we conform those two approaches? If at once we are supposed to be recognizing that these are complementary functions and melding fighting terrorism with fighting crime and, on the other hand, we are supposed to have it be purely federally funded, how can we accomplish one at the same time as the other? Shouldn't we maintain some local interest in how these funds are spent? In particular, as we are considering making regional grants to units beneath the State level, don't we lose the opportunity for the United States Congress and even for the executive branch of government to conduct proper oversight? Don't we need the States and our regional governments to do some oversight and have a financial stake?

Lieutenant Colonel BEHUNIN. Well, in a perfect world, yes, I think that is appropriate. Our office runs through, for example, the CSEP program; it falls under our responsibility and other Federal grants that are matched. I guess the best example in this particular time it makes it very difficult—is the money that is out

there now is the only reason there is a game in town. That is the only reason they get together, because what I am hearing from local jurisdictions is I have enough on my plate right now, I cannot stand to have any other burden. We all know the States are at increased burden and cannot meet those matches.

We just recently had a round of emergency operation center grants that were 75–25. And when you look at the distribution of funds, those that had the money were able to match and get the largest cut. I received one of those grants, but I was able to match the minimum and received a pittance compared to what they received. The money is not there to match. Now, if you want to match in personnel and in other areas, you can do that to some degree, but right now the money is not there. I would like to see more State involvement. The bottom line is the money is not there.

Chairman COX. Mr. Nelson, you have tried to direct our attention to having government at all levels cooperate. And, of course, the name of the game in homeland security is sharing and cooperation in ways that we have not before. We are trying to break down the barriers between law enforcement and intelligence, between Washington and the States and localities.

In addition to the structures that are already in place, do you have in mind anything specific that we should be generating?

Mr. NELSON. As these—for example, the grants, if we could get the grants to come through the Governor's office, we could coordinate those with the State's strategic plan. That would be the first step with that; because then with the guidance that would come out of Congress on how to expend those funds, the Governor could put on additional guidelines, perhaps, on focus areas within the State, not telling the mayors or the Governors how to do their job, but to emphasize with them what the focus is, what the current priorities might be, that we can then execute and take advantage of the monies that are coming. That is basically what we really need more than anything else.

Chairman COX. Mr. Turner.

Mr. TURNER. Mr. Chairman, I am not sure how much opportunity the witnesses have had to look at the legislation before our committees. We have two pieces of legislation, one sponsored by the Chairman, one by me and other members on the Democratic side. When we look at trying to improve how we fund homeland security—which is our mutual objective here, because we feel that in many ways the funding has been haphazard—it hasn't been focused. One of the things that I have envisioned is trying to establish a process where we can determine the essential capabilities that our States and our locales need, and I will ask each of you to briefly respond to this.

Do you perceive that as a need, to establish some standard that we are trying to target so that we can measure our progress in preparing all of our communities to meet the essential capabilities that you need to respond and, as I think you said, Colonel, not just to terrorism but to all hazards? Do you think that would be an important contribution that we could make?

Lieutenant Colonel BEHUNIN. Yes. We are trying to find that in our State, the State of Utah at this point. We have six counties that have an all-hazards capability response. I mean the bomb

team, HAZMAT, and all that kind of stuff. We have 23 counties that have little or nothing, we are trying to bring up to a basic level of expected response capability or, as you define it, as essential. I think that is certainly easier in our State than it is for the Nation. How many decon units per thousand do we need, what kind of communications systems do we need, what kind of training and so forth? How do you measure that? I think that is yet to be determined.

But I think it makes sense, because at some point the money is going to dry up and there is going to have to be a balance where real life is. And if we meet the minimum, so be it, and if we are a high-threat city, maybe that notches us a little higher and so forth and so on, based on threat. But I think that is a smart move; yet to define is a tough job.

Mr. NELSON. I agree that we need to identify a baseline so that we always have a measuring point. In a sense, I think we have already established that point. We know what resources we have used to conduct crime prevention. The public health sector knows what we have had to do over the past 20, 50 years to keep in check these diseases. Fire service knows what we need to have to support the community.

Now, have we fully funded those to support those basic needs? Probably not. But I think that may be the baseline to support our communities.

Then, as we get into the terrorism and counterterrorism arena, those are all kinds of add-ons. One of the things I try to emphasize with our mayors, judge executives, and the corporate leaders is that there are some things that we need to do permanently to protect ourselves, whether it is physical security, operational security, or whatever. But there is this surge capacity we must have and build so we can move resources around the State, around the city, wherever, based on that threat. Because the threat will change.

The more we harden a facility and reduce our vulnerabilities, the terrorists are going to look for some other way to hit us, either through a vulnerability that we haven't detected, or they are going to go to a different target. So we have to do some things permanently, long term, and then again, we have to establish a surge capacity.

So baseline is protection of us today on all of those things we have been doing for the last 200 years.

Mr. COHEN. I think you bring up an excellent point. I think there is a lot of confusion out there still, over 2 years since September 11, on what we actually mean by homeland security. Depending on which jurisdiction you are in at any given time, that definition may be different. Localities right now are creating their own definitions and standards, and that makes it very complex when they are looking to draw resources down from the Federal Government.

Interoperability is a perfect example. Secretary Ridge, I think a week ago in Detroit when he was at the Homeland Security Advisory Council, said that they have started a new project which I think he calls the lexicon program. The Department is going to actually define words that are commonly used throughout homeland security, because depending on where you go throughout the country, interoperability can mean something different. In some cases,

it is something that you only need in the event of a catastrophic incident. In other jurisdictions, it is something that you need to have every single day.

So I think a very important step, if we are going to get a handle on this funding issue and making sure we are putting the dollars where they can do the best, is we all have to be operating off of a common philosophy, common terminology, and common standards.

Chairman COX. I thank our witnesses for appearing today.

Ms. JACKSON-LEE. Mr. Chairman, I have not had a chance to ask questions.

Chairman COX. Well, there is a vote on the floor right now.

Ms. JACKSON-LEE. I have voted already, and I will be willing to continue questioning while the Chairman goes to vote.

Chairman COX. The gentlewoman will be able to submit her questions for the record, but we are going to have to excuse the panel. They have been with us since 10:30 this morning.

Ms. JACKSON-LEE. I would like to pose some questions at this point and make some comments on the record. I think it is more than appropriate.

Chairman COX. We will leave the record open for questions and comments. The gentlewoman—

Ms. JACKSON-LEE. Well, can I make a comment on the record, please?

Chairman COX. Please be brief, in 30 seconds or less.

Ms. JACKSON-LEE. First of all, let me say that I think this is the most important hearing that we have had probably in the whole session of homeland security, because it goes back to the crucial point of first responders. And what I hear you saying, Mr. Nelson, is that more funding, as I glean from your testimony, is necessary and needed for homeland security. I will be asking that question as well as being able to provide monies directly to the first responders. I have concern that there are too many layered processes before the first responders, like firefighters and police persons, can get monies to the community. If you can just answer that one question, and I will submit the rest of my questions for the record, because as I said, this is a very important hearing.

Chairman COX. I appreciate the gentlewoman putting her questions on the record. The witnesses are excused. The hearing is adjourned.

[Whereupon, at 1:45 p.m., the committee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF COMMISSIONER RAYMOND W. KELLY

Chairman Cox, Congressman Turner and Members of the Committee, thank you for the opportunity to discuss with you what New York City has done and is doing in response to the terrorist attacks of September 11 and to the continuing terrorist threat, especially as it concerns New York City.

There is no question that the terrorist threat to New York City is serious and ongoing. As recently as February of this year, a tough, seasoned Al Qaeda operative named Iyman Faris was in New York City on a mission to destroy the Brooklyn Bridge. This is the same man who fought alongside Osama Bin Laden, who engaged in a battle which included the wholesale slaughter of Russian prisoners, and who helped supply Al Qaeda fighters more recently with sleeping bags, airline tickets, cash and cell phones. Nearly two years *after* the destruction of the World Trade Center, Iyman Faris was in New York City. He stayed in a hotel near Newark airport. He rented a car there and drove into Manhattan. He ate at a Pakistani restaurant a few blocks from City Hall. And after conducting surveillance of the Brooklyn Bridge, Faris reported back to his handlers that, "the weather is too hot," meaning security was too tight for the plot to succeed. I want to stress, again, that an experienced Al Qaeda operative, linked directly to Bin Laden, was in Manhattan plotting to destroy the Brooklyn Bridge just eight months ago.

We know how Al Qaeda thinks: If at first you don't succeed, try, try again. They viewed the first attack on the World Trade Center as a failure. So they came back. New York City has been the target of six separate plots—that we know of—by Islamic terrorists in the last decade alone. There was the first bombing of the World Trade Center in 1993, followed by the plot to simultaneously attack the Lincoln and Holland Tunnels, the George Washington Bridge, the United Nations, and 26 Federal Plaza—the Federal office complex in lower Manhattan. Fortunately that plot was uncovered, as was another plot in 1997 to attack the New York City subway system. This was followed, of course, by the horrendous destruction of the World Trade Center in 2001. Two more plots against New York City, one involving the Garment District, and the one to destroy the Brooklyn Bridge were underway this year when they too were uncovered.

The highly visible security that the New York City Police Department had in place on the Brooklyn Bridge, in addition to the unseen protection, appeared to pay off in the Faris case. The added coverage we have been providing at sensitive locations like the Brooklyn Bridge is just the tip of the iceberg in a comprehensive counter-terrorism strategy. At the beginning of 2002, we created a new Counter Terrorism Bureau. We assigned over 250 officers to it. About half of them were posted to the Joint Terrorist Task Force with the FBI. On September 11th of 2001 we had 17 detectives assigned to the Task Force. Now 121 are assigned there.

When all is said and done, we have about a thousand police officers directly involved in protecting the city against another terrorist attack. We also dramatically expanded the role of our Intelligence Division. We are conducting around-the-clock threat assessments, and integrating this real-time information into daily decisions about where to place resources and personnel. We appointed outstanding individuals from outside the Department to lead our intelligence and counter-terrorism functions. They have decades of CIA, counter terrorism and national security experience.

We built a new counter terrorism center from scratch and staffed it with police officers who speak Farsi, Urdu, Arabic, and Pashto. We have sent New York City detectives with the FBI to Guantanamo, Cuba and to Afghanistan to interrogate terrorist suspects there. We have also sent our detectives to other international capitals to work directly with their counterparts in tracking down any threats to New York.

At home, we are engaged in extensive training, and we are conducting drills on a daily basis. Our Hercules teams, comprised of specially trained officers, with heavy weapons, appear unannounced at sensitive locations. They are there to respond to a terrorist incident and to disrupt the kind of surveillance we know Al Qaeda engages in. We also regularly conduct something we call Sampson drills, involving teams of up to 100 officers at a time, including snipers, who can be dispatched quickly to any given location in the city.

Our detectives meet with suppliers of explosives, laboratory equipment, scuba gear, specialized rental equipment. . . just about anything that a terrorist may want to acquire in advance of an attack. The Police Department has also held briefing sessions for various segments of the public who may come in contact with terrorist plotters. For example, we briefed real estate agents on exactly what Al Qaeda tells its operatives to look for in renting an apartment.

Last March, with the commencement of the war in Iraq, we launched a heightened security program called "Operation Atlas" to protect New York City from possible reprisal. Given the ongoing terrorist threat, Operation Atlas remains in place today. It brings together all of the core elements of the Police Department; Patrol, specialized units, Counter Terrorism, and our Intelligence Division, in a coordinated defense of New York City. Checkpoints are established periodically at key locations into and out of Manhattan. COBRA teams, which specialize in biological and radiological response, have been deployed throughout the city. We have increased protection of commuter ferries. Archangel teams, composed of emergency services personnel, bomb experts and investigators, have been staged across the city. Hammer teams, the police and fire department experts in hazardous materials, have been deployed jointly. We are also having teams of officers board subway trains, and search them car-by-car for anything suspicious. We want to discourage or even intercept a terrorist attack in the subway system. We have put a medical team together to help us train and protect police officers who might face biological or other unconventional weapons.

The short version is this: We are doing a lot, and it is costing us a lot; something on the order of \$200 million a year in operational expenses for counter terrorism in the Police Department alone. The police department has also identified \$261 million in training needs, equipment and supplies directly related to counter terrorism. We asked the Federal government for \$261 million. We've received a little less than \$60 million. And that \$261 million does not include requests from other NYC departments. Only recently has financial help from the Federal government begun to arrive. We are grateful for the help, but it does not come anywhere near the needs that we have. Part of our challenge is, of course, the fiscal restraints under which we all must operate. You may not be able to do anything about those. But you can correct the system that sends more than 80 percent of the Federal assistance to first responders across the country in a manner that is blind to the threats this country faces, blind to the vulnerable infrastructure that exists in different places, and blind to the consequences of an attack.

The City of New York's initial estimate of its counter terrorism needs for all agencies was \$900 million. I have attached a summary of that estimate to my testimony and would like to submit a more detailed description for the record. To date, the City has been awarded about \$84 million in assistance from the Federal government for homeland security. It began arriving in August of this year. We expect that an additional \$75 million will be approved from fiscal 2003 funds. I want to thank all those who helped create and who funded the High Threat Urban Area program but, as you can see, far and away, the people and City of New York are bearing the cost of defending the homeland in New York. This is despite New York being the number one target and that the consequences of an attack there could have national and worldwide repercussions.

Of the total of approximately \$160 million in Federal assistance for New York City, eighty percent of those funds have come from the High Threat Urban Area program, even though that program accounts for only about twenty percent nationally of the federal assistance for first responders. The High Threat Urban Area program attempts to compensate for the failure of the other programs to address the country's counter-terrorism needs. Unfortunately, it does not succeed in correcting the lack of any consideration for threat in the other programs.

In fiscal 2003, the Federal government provided a total of \$3.45 billion for first responders through the Department of Homeland Security in three major programs: \$1.9 billion in homeland security formula grants to states, \$750 million in Fire-fighter Assistance Grants, and \$800 million for high threat urban areas. Only the last program for High Threat Urban Areas—which was only 23 percent of the total—takes into account terrorist threat, vulnerabilities and consequences.

In fiscal 2004, the total amount and proportion of funds being distributed on the basis of threat and need will decline. For this year, high threat urban areas will receive \$725 million, nearly a ten percent cut, while the other programs will receive \$2.95 billion, more than a ten percent increase. The result is that more than 80 percent of the Department of Homeland Security's first responder funds will be distributed blind to the nation's counter-terrorism needs.

Let me first tell you why I am including the firefighter assistance grants in these totals. I recognize that there are needs in many communities throughout the country and that the Firefighter Assistance grant program existed prior to the events of September 11, but it has been increased greatly in response to September 11. I am not suggesting that those funds should be distributed on the basis of threat, but neither can their existence be ignored. Because these grants are limited to a maximum of \$750,000 per jurisdiction, they are of little help in those areas that have significant counter-terrorism needs, though they can be a significant help to rural areas and smaller communities.

Regarding the Homeland Security formula grants to the states, they were created after the events of September 11 and are a direct response to those terrorist attacks. They should be distributed on the basis of known threats, the presence of critical infrastructure and the magnitude of the consequences of an attack. Currently, those grants are distributed completely otherwise. Each state receives three-quarters of one percent of the total amount and the remainder is distributed on the basis of the state's population.

The result is virtually a complete mismatch between the funding provided under this program and the need, as evidenced by the Department of Homeland Security's funding of the high threat urban areas. I have attached a table that compares the funding received by the ten states that received the most high threat urban area funds and their ranking, on a per capita basis, of the formula grants. New York, which received the most high threat funds, ranked 49th in the formula grants. California, which received the second most high threat funds, ranked 50th. Texas, which received the third most high threat funds, ranked 48th.

Incidentally, Mr. Chairman, I was Commissioner of U.S. Customs when Ahmad Ressaam, the millennium bomber, was captured by Customs inspectors as he attempted to smuggle explosives into the U.S. as part of a plot to bomb Los Angeles International Airport. More evidence, I believe, that Al Qaeda focuses on high profile, major city targets.

It is clear that large amounts of the first responder funding are not going where they are needed. The result is wasted resources and, much worse, a population placed at risk of attack and of the economic consequences of an attack. Some have suggested that the high threat funds "make up" for the misdirected block grant and firefighter grants but the goal is not to even out every state and locale. We are in a war against terror and we must deploy our resources where they will do this country the most good.

In light of this, I have a few recommendations.

First, the funds in all of the programs to assist first responders established after September 11 should be distributed on the basis of three factors—known threats, the presence of vulnerable critical infrastructure, and the consequences of an attack. I want to thank Chairman Cox, Congressman Turner and Congressman Sweeney for introducing legislation that would move these programs in that direction.

Second, as you can see from my description of the steps that New York has taken, personnel costs are a significant part of the expense. Consequently, overtime costs and the personnel costs associated with training and with filling positions while personnel are being trained should be eligible uses of the funds.

Third, the funds should be directed to local governments. Currently, this is done by requiring a minimum pass-through to local governments. In New York, the City and the State are working very well together. However, it may be that the Department of Homeland Security should have the authority to provide grants directly to regional consortiums, as is provided for in Chairman Cox's bill. I would also recommend that the Department have the authority to provide grants directly to individual local governments, as was done in the first round of High Threat Urban Area grants.

The funds should not require maintenance of effort on the part of the local governments as a condition of the grant. Such a requirement can result in the denial of Federal assistance just when it is needed most. Unlike the federal government, local governments cannot run deficits. As a result they may have to cut expenditures and if there is a maintenance of effort requirement they could become ineligible for federal grants. Similarly, any matching requirements should be interpreted to include, for example, in kind contributions.

Finally, State and local governments should be able to make procurement purchases through the federal contracts already negotiated by the General Services Administration. In New York, for example, the City can purchase equipment through statewide contracts. If State and local governments were able to do this through federal contracts, it would be more expeditious, help ensure the interoperability of the equipment and would probably produce a cost savings. The City has its own budget difficulties. This year the City of New York closed an \$8 billion deficit. The deficit for next year is estimated to be an additional \$2 billion. Although the Mayor has attempted to protect the Police Department from cuts, even we have had to reduce our expenses. I would just like to note here, that the City estimated that it lost \$3 billion in revenues directly as a result of the September 11 attacks, and not as a result of the general economic slowdown, in 2002 and 2003. That estimate was reviewed and validated by the General Accounting Office. Although the City has been promised \$20 billion from the federal government post-September 11, that figure will cover only about one-quarter or less of the actual losses, both to the City and the City economy, from the attack. The City did not receive any Federal assistance for lost tax revenues. We are grateful for the Federal assistance received to date but the City needs further assistance to meet the threats posed by this war on terror.

Thank you for this opportunity. I would be happy to work with you on any proposals and I will be glad to answer any questions.

ATTACHMENT FOR RAYMOND W. KELLY'S PREPARED STATEMENT

EMERGENCY PREPAREDNESS AND RESPONSE NEEDS OF FIRST RESPONDERS CITY OF NEW YORK

New York City has 5 first responder agencies—New York Police Department (NYPD), Fire Department of New York (FDNY), Office of Emergency Management (OEM), Department of Health and Mental Hygiene (DHMH), and Health and Hospitals Corporation (HHC).

- These agencies are responsible for the prevention of and response to any terrorist attacks in New York City, with its resident population of approximately 8 million and approximately 11 million population total during the workday. New York City is the center of national and international finance, media and diplomacy. It has been a target of six Al Qaeda-linked attacks, twice successfully.
- The City has taken steps to protect against terrorist attacks, including establishing a Counterterrorism Bureau and expanding its Intelligence Bureau in the NYPD. One thousand police officers are now devoted to these activities. The City has undertaken emergency planning and preparation in all of the first response agencies. Virtually all of these efforts have been funded from the City's own funds despite the City's struggles to meet the more usual responsibilities of a municipality in a time of large City deficits.
- However, these funds will apparently be distributed through existing programs that were not designed to prepare the country for a terrorist attack.

The risk of terrorist attack is not distributed by population. New York City is approximately 2.85 percent of the nation's population and Washington DC is approximately 0.2 percent. Those two cities represent far more than 3 percent of the risk of attack.

- New York's 5 first responder agencies have identified \$900 million in needs. The Federal Government should provide that one-third to half of the first responder funds go directly to 3 or 4 or 5 local jurisdictions most at risk of attack and with the largest needs—including New York City and Washington, DC.
- In addition, the First Responder and Bioterrorism programs must not be funded by eliminating existing federal programs that currently provide funding for the City, such as the Local Law Enforcement Block Grant or the State Criminal Alien Assistance Program (SCAAP)

EMERGENCY PREPAREDNESS AND RESPONSE NEEDS CITY OF NEW YORK FIRST RESPONDERS

Counterterrorism, Intelligence and Public Safety	\$200,000,000
Training for First Responders	
Police	\$40,053,028
Fire	\$41,761,026

EMERGENCY PREPAREDNESS AND RESPONSE NEEDS CITY OF NEW YORK FIRST
RESPONDERS—Continued

Dept. of Health and Mental Health	\$16,050,000
Public Hospitals	\$1,861,600
Subtotal	\$99,725,654
Security Enhancements for Facilities	
Police	\$90,256,275
Fire	(included under equipment)
Office of Emerg. Management	\$6,500,388
Dept. of Health and Mental Health	\$78,195,000
Public Hospitals	\$12,788,825
Subtotal	\$187,740,488
Emergency Preparation and Response Equipment	
Police	\$81,848,251
Fire	\$76,150,000
Office of Emerg. Management	\$7,448,690
Dept. of Health and Mental Health	\$10,368,185
Public Hospitals	\$13,712,179
Subtotal	\$189,527,305
Communications and Information Technology	
Police	\$49,484,646
Fire	\$160,000,000
Office of Emerg. Management	\$9,183,429
Dept. of Health and Mental Health	(included under facilities)
Public Hospitals	\$5,301,000
Subtotal	\$223,969,075
TOTAL	\$900,962,522

COMPARISON OF RANKING OF HIGH THREAT FUNDING AND BLOCK
GRANT FUNDING PER CAPITA

FISCAL 2003

The Department of Homeland Security distributes First Responder funds through two basic programs—High Threat Urban Area programs, where the funds are distributed based on an assessment of the threat of a terrorist attack, and State Block Grants where the funds are distributed under a formula where each state gets the same flat amount and the remainder of the funds are distributed based on population. Under the Block Grants, which account for more than 70 percent of the First Responder funding, there is no consideration at all of the threat of terrorist attack. The chart below shows how the 10 states that received the most High Threat Urban Area funding rank on a per capita basis under the block grant programs.

STATE	RANK FOR HIGH THREAT FUNDING	RANK FOR BLOCK GRANT PER CAPITA
New York	1	49
California	2	50
Texas	3	48
Illinois	4	45
Maryland ¹	5	32
Washington	6	36
Virginia ¹	7	39
Pennsylvania	8	46
Florida	9	47
New Jersey	10	42

¹ Funding for the National Capital Area (\$60.6 million) was divided evenly between Maryland and Virginia.

QUESTIONS FROM THE HON. JIM TURNER FOR THE HON. JOHN G. ROWLAND

Question: 1. In your testimony, you stated that the regionalization concept in the Chairman's legislative proposal would never work, and that if such regionalization was self-administered by localities, it would be chaos. As an alternative, would you support the process envisioned in the PREPARE Act (H.R. 3158) where Department of Homeland Security (DHS) provides guidance to States and localities to assist them in determining their needs for essential preparedness capabilities, and the States and localities then make a joint determination on how to best meet these needs, whether it be at the State, local, or regional level of government? No response has been received.

Question: 2. You also indicated in your testimony that a grant matching requirement of 25 percent was not needed, and that such an economic requirement would prevent some states and localities from applying for grant funds. Would you support legislation that provided: (1) the ability to adjust the cost share to up to 90 percent federal/10 percent state and local, and if so, what criteria should be used to make such an adjustment; and (2) the ability for States and localities to provide a "soft-match" to meet the matching requirements (i.e., meet the matching requirements by using means other than cash)? No response has been received.

Question: 3. You testified that Congress should maintain a minimum baseline of funding to all States for terrorism preparedness. As opposed to setting a percentage or some other formula to determine this baseline of funding, would you support legislation that mandated that each State be provided with funding to meet its need for essential preparedness capabilities, after such needs have been determined by the States and localities using DHS guidelines? Would you support multi-year funding to meet such needs? No response has been received.

Question: 4. In response to questions from Members of the Select Committee, you stated that DHS should be tasked to develop basic minimum standards, and that grant programs for terrorism preparedness should not be entitlements, but rather, that grant programs should meet the terrorism preparedness needs—based on these standards—of the States and localities. The PREPARE Act (H.R. 3158) would require DHS to provide such minimum standards, and to fund the preparedness needs of the States and localities based on these standards. Is the PREPARE Act consistent with your construct of how the terrorism grant programs should be executed? No response has been received.

Question: 5. In another response to a question from a Member of the Select Committee, you stated that the State of Connecticut had received funding under the High-Threat, High-Density Urban Area Grant program. A review of the Office for Domestic Preparedness' grant application for the two rounds of this program (fiscal year 2003 appropriation and fiscal year 2003 supplemental appropriation) clearly indicates that Connecticut was not eligible for any of these grant funds. Therefore, can you clarify your response to the Committee's question, and provide any insight as to why cities in the State of Connecticut were not eligible for this program? Would you be concerned with moving completely to a grant system exclusively based on threat? No response has been received.

Question: 6. The grant process in Chairman Cox's bill, H.R. 3266, is open to states, interstate regions, and intrastate regions. This would potentially require the Under Secretary of Information Analysis and Infrastructure Protection to sort through hundreds of applications on a regular basis, making detailed threat comparisons for each. The PREPARE Act, H.R. 3158, requires states to include local and regional entities in a detailed planning process to identify needs and where the grant funds need to flow in order to pay for those needs. In your experience with receiving federal first responder grants, which funding model is more likely to reach the goal of fast, effective, and accountable grant funding? No response has been received.

Question: 7. I agree with the problem that Chairman Cox has repeatedly raised, that of first responder grant money going to places with lower needs. Can you describe how Connecticut has used the first responder funds it has received, and why it is important to keep funding intact for

regions that don't have the same threat profile as New York or Los Angeles or Washington D.C.? No response has been received.

Question: 8. States and local jurisdictions have prepared detailed analyses and assessments to meet requirements established by the Office of Domestic Preparedness. Have these assessments been useful as you compile state plans? Shouldn't the federal government take into account all of the specific vulnerabilities identified? No response has been received.

Question: 9. Chairman Cox's bill draws a clear line between funding for terrorism preparedness and funding for traditional missions of the first responder communities. I don't think a clear line between the two can be drawn in a practical sense. Did first responders in law enforcement and public works in Connecticut take actions during the August blackout? Would their actions have been any different if the blackout was caused by an act of terror? No response has been received.

Question: 10. When states and regions assess their emergency response needs, is that generally based on threat (what terrorists want to do), vulnerabilities (what targets are in the vicinity and how secure are they), or a combination of the two? Shouldn't grants take into account the total risk, both threat and vulnerability? No response has been received.

Question: 11. H.R. 3266 requires grant applicants to provide, as part of the application, a "description of the source of the threat to which the proposed grant relates, including the type of attack for which the applicant is preparing for in seeking the grant funding." Do states and regions typically have access to the intelligence necessary to know the exact source of a terrorist threat that may affect them? Aren't a lot of first responder grants used to improve general emergency readiness rather than to improve defenses against a specific type of attack? No response has been received.

Question: 12. Since 9/11, the federal government has spent four to five billion dollars each year on first responder grants. I am unaware of any justification for why this is the right amount—certainly the amount isn't based on an assessment of threat, of vulnerability, or of first responder needs. Would you support legislation that tied the first responder budget to some assessment of what is needed by the nation's first responders? No response has been received.

Question: 13. The PREPARE Act, H.R. 3158, includes a provision that would require the federal government to reimburse state and local jurisdictions for the overtime costs incurred when the threat level is elevated. How difficult is it for your jurisdictions to increase operations under heightened threat? No response has been received.

Question: 14. Almost none of the federal first responder grants since 9/11 cover personnel costs. The PREPARE Act, H.R. 3158, states that having an adequate number of trained first responders is essential to be prepared to prevent or respond to terrorist attack. Can you comment on whether grant funds should include personnel costs? No response has been received.

QUESTIONS FROM THE HON. JIM TURNER FOR SCOTT BEHUNIN

Question: 1. The grant process in Chairman Cox's bill, H.R. 3266, is open to states, interstate regions, and intrastate regions. This would potentially require the Under Secretary of Information Analysis and Infrastructure Protection to sort through hundreds of applications on a regular basis, making detailed threat comparisons for each. The PREPARE Act, H.R. 3158, requires states to include local and regional entities in a detailed planning process to identify needs and where the grant funds need to flow in order to pay for those needs. In your experience with receiving federal first responder grants, which funding model is more likely to reach the goal of fast, effective, and accountable grant funding? No response has been received.

Question: 2. Threats from terrorists are based, in part, on what a terrorist intends to attack. Terrorists intend to attack the United States where the defenses and countermeasures are weakest. Terrorists will presumably know what areas have been deemed worthy of receiving grant funds. So, areas that DHS determines to be "low threat" will automatically become

higher threat. So doesn't it make sense to ensure that all communities have some baseline level of preparedness? No response has been received.

Question: 3. States and local jurisdictions have prepared detailed analyses and assessments to meet requirements established by the Office of Domestic Preparedness. Have these assessments been useful as you compile state plans? Shouldn't the federal government take into account all of the specific vulnerabilities identified? No response has been received.

Question: 4. The Chairman has said that the Under Secretary for Information Analysis and Infrastructure Protection has the resources needed for conducting the threat assessment to guide the grant review because he can draw upon the combined resources of the federal government. Other than the Department of Homeland Security, the only entity I know of that is conducting terrorist threat assessments on the homeland is the Terrorist Threat Integration Center. Do you believe that the TTIC has the extra resources available to assist the Under Secretary with grant application reviews, or is it at maximum capacity already? No response has been received.

Question: 5. According to testimony from Under Secretary Libutti and Assistant Secretary for Infrastructure Protection Liscouski, the Department of Homeland Security will have a plan for completing a threat and vulnerability assessment by December 15. Not a completed assessment, a plan of how they will do such an assessment. In fact, Mr. Liscouski indicated that he would be surprised if an actual comprehensive risk assessment will be done within FIVE years. Is it reasonable that we should wait years for an assessment to be done before targeting first responder grant? No response has been received.

Question: 6. When states and regions assess their emergency response needs, is that generally based on threat (what terrorists want to do), vulnerabilities (what targets are in the vicinity and how secure are they), or a combination of the two? Shouldn't grants take into account the total risk, both threat and vulnerability? No response has been received.

Question: 7. Chairman Cox's bill, H.R. 3266, would have the allocation of all first responder grants go by threat. The program that does this now, the High Threat Urban Area grants has distributed grant funds to 30 urban areas in 19 states. While we have repeatedly asked the Department of Homeland Security to explain how these grant funds are distributed, we have yet to receive a satisfactory answer. Do any of you have any insight into the Department's funding process? Would you support turning all first responder funding over to a system with no visibility and no way of knowing Washington is distributing billions of dollars? No response has been received.

Question: 8. A Council on Foreign Relations Task Force found recently that there are no agreed upon standards for emergency preparedness and no way to measure how prepared a locality is or should be. Do you feel that it is important that there be some way to measure preparedness levels and preparedness needs? No response has been received.

Question: 9. In addition to providing first responder grant funds, should the Department of Homeland Security be giving states and local communities guidance in what equipment and training to buy? Isn't this guidance and planning necessary for equipment interoperability? No response has been received.

Question: 10. H.R. 3266 requires grant applicants to provide, as part of the application, a "description of the source of the threat to which the proposed grant relates, including the type of attack for which the applicant is preparing for in seeking the grant funding." Do states and regions typically have access to the intelligence necessary to know the exact source of a terrorist threat that may affect them? Aren't a lot of first responder grants used to improve general emergency readiness rather than to improve defenses against a specific type of attack? No response has been received.

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QUESTIONS FROM THE HON. CHRISTOPHER COX FOR JOHN D. COHEN

Question: 1. The current formula used to distribute funding for the largest grant program for first responders is based on political formulas. What are the dangers of funding homeland security efforts based largely on political formulas?

Answer: 1. Today, not every city across the nation faces the same threat of attack. We know that there are some areas of the country that represent more attractive targets than others. From an operational perspective, the danger that arises from using population based formulas or other non-data driven techniques is that the very jurisdictions that face the greatest risk of attack may not receive adequate resources to support efforts to detect, prevent and respond to a terrorist attack. Given that the nation does not have unlimited resources, it makes sense to take into account threat, vulnerability and risk when allocating homeland security related funding. Priority should be given to those jurisdictions that face the greatest risk. Homeland security funding should also be provided in such a manner to foster regional cooperation because at the end of the day, should a catastrophic event occur, effective emergency response will require collaboration on a regional basis.

Question: 2. In your testimony, you stress the importance of regional cooperation and give anecdotes from your experiences with the MBTA. Can you cite examples from your experiences as Special Advisor to the Secretary of Public Safety on Homeland Security in Massachusetts where directing funds specifically to one locale has in fact shortchanged regional planning because surrounding areas were not involved in the planning process?

Answer: As the Commonwealth began the process of disbursing 2002 homeland security related funding, two things became clear. First, a top priority for a number of local entities for the use of these funds focused on establishing interoperability among the independent radio systems used by first responder entities. Second, while there was general agreement that interoperability was important, there had been little coordination amongst these local entities in developing a plan to address this issue. This lack of collaboration and communication among individual local entities resulted in different agencies having different perceptions of both the problem and the potential solution. This inconsistency was not surprising because, traditionally, there is little collaboration among individual public safety entities when they acquire information and communications systems. This lack of coordination has resulted in the proliferation of radio and information systems that cannot interoperate with each other.

Accordingly, before providing this funding to localities, the Commonwealth worked with local entities throughout the state to develop a statewide interoperability plan that required collaboration among federal, state and local entities on a regional basis in designing and implementing radio interoperability systems. Through this process, we found that the radio interoperability solution that best met the needs of one region in some cases differed from that which best met the needs of other regions. With the completion of this plan, these funds will be allocated for the acquisition of interoperability solutions that effectively address the needs of each region throughout the state.

Question: 3. As Special Advisor to the Secretary of Public Safety on Homeland Security in Massachusetts, you have surely become frustrated with the application process for funding first responder needs. Governor Rowland testified that sixteen different grant programs for first responders are spread across three major federal agencies, and several sub-offices, and are

cumbersome and confusing. Would it be helpful for States to have one sole interface within the federal government for homeland security grants, as Chairman Cox outlines in his legislation?

Answer: In the past, there has been much confusion and uncertainty regarding grant applications, requirements, guidelines, allowable expenses, due dates and, of course, the distribution of funds. This confusion stemmed from the fact that relevant grant programs were typically managed by numerous entities throughout different departments of the federal government. However, recently, there has been progress in addressing this issue. The Department of Homeland Security has combined a number of homeland security grants and has centralized the management of these grants within the Office of Domestic Preparedness. Hopefully, DHS will continue moving in the direction of centralizing the management of all homeland security related grants. As part of this centralization, establishing one sole interface within the federal government for homeland security grants would be helpful.

QUESTIONS FROM THE HON. JIM TURNER FOR JOHN D. COHEN

Question: 1. H.R. 3266 allows first responder grant funds to be spent on the purchase or upgrading of equipment; exercises to strengthen emergency response; training in the use of equipment; and training to prevent terrorist attack. (Conversely, the PREPARE Act allows first responders to spend grant funds as necessary to provide the essential capabilities their jurisdiction needs.) Isn't it possible that H.R. 3266 would allow first responders to use funds year after year without meeting all of their preparedness needs?

Answer: Homeland security efforts will be more effective if coordinated at the statewide level. The collection, analysis and distribution of terrorism and other relevant information on a statewide basis should serve as the foundation for all operational planning and training efforts that focus on detecting, preventing, responding to and managing the consequences of a terrorist attack or other critical incident. It is fiscally irresponsible but also operationally dangerous to have a local and county entity operating in a stovepipe environment and making key decisions based on operational priorities that may be different from other entities within a state. Operating in this stove piped manner will pretty much guarantee that the use of funds will not be as efficient as it would if decisions are made on a regional and/or statewide basis. But, statewide plans need to be based on the understanding that local governments are generally the first to respond and the last to leave a catastrophic event, and homeland security funding needs to be used to support the needs of local first responders. Therefore, local and county governments (as well as the private sector) need to be at the table when statewide plans are created. There needs to be flexibility built into how localities can use these funds so that they operate in a manner consistent with the statewide plan but also address their specific needs. There is no "one-size-fits-all" answer, and the provisions that guide the use of federal funds should be structured in recognition of the fact that the threats of today may not be threats of tomorrow, so states need the flexibility of meeting the essential needs of communities and first responders in light of updated risk priorities.

Question: 2. The PREPARE Act, H.R. 3158, includes an authorization of \$20 million to immediately deploy interoperable communications equipment to every major metropolitan area and at least one per state. Can you discuss these "switch technologies," whether they're available for deployment, and the importance of connecting first responders on different radio systems?

Answer: County and local officials across the nation have complained for years that the ability of multiple public safety entities to effectively work together at the point of service—fires, accidents, natural disasters, search and rescues, etc.—has been seriously compromised because the radio systems used by independent entities operate on different radio frequencies. This means that first responders from one agency may not be able to use their radios to communicate with first responders from other agencies. This can result in a difficult (if not life threatening) operational environment, because every emergency response requires that information and instructions be communicated rapidly and accurately to all personnel that are on the scene. There has been much debate about the best way to achieve this interoperability. Today, there still remains a lot of confusion about what is actually meant by the term "interoperability." For example, in the minds of some public safety officials, interoperability is something that is only necessary during a critical and/or catastrophic incident, and it can best be achieved through the deployment of temporary capabilities (stockpiled radios, command vehicles, etc.). Others believe that interoperability is a crucial part of day-to-day emergency and non-emergency service delivery. Under this model, the infrastructure that supports interoperability must

be permanent, and front line personnel must be trained so that these systems can be used daily. In many respects, the challenge of providing equipment interoperability has less to do with technology and more to do with identifying and putting in place the processes, protocols and agreements necessary to support multiple agencies using an integrated system.

Some have suggested that the only way to achieve interoperability is through the establishment of regional or statewide radio systems that cost millions of dollars and will take years to establish. First responders need interoperability today and do not have the money to pay for such systems nor the time required to free up the spectrum necessary to establish the regional and/or statewide radio systems. As a result, over the past several years, state and local officials have begun to look at solutions other than statewide or regional networks to solve the expensive interoperability problem. Through the efforts of the Public Safety Wireless Network Program (PSWN) and the National Institute of Justice, attention has focused on a more cost effective and efficient solution to achieving radio system interoperability. It is a solution that involves the use of inter-connector “patching” or “switch” technology. The use of inter-connector technology provides for radio system interoperability at a fraction of the cost of a new statewide radio system, while at the same time allowing individual local jurisdictions the flexibility of maintaining existing radio infrastructures. Patching technology is readily available for deployment, and a growing number of state and local jurisdictions are providing radio system interoperability utilizing this technology. For example, the States of Maryland, Colorado and Arizona have begun to network a number of inter-connector devices in fixed locations in an effort to provide immediate radio system interoperability.

Question: 3. The Subcommittee on Emergency Preparedness and Response held a hearing where one witness talked about the importance of not supplanting state and local first responder dollars with federal funds. We all agree that preparing first responders needs to be a federal, state, and local partnership. Can you explain why it is so difficult to separate what the federal government should pay for and what is better left to state and local governments?

Answer: The difficulty in “separating what the federal government should pay from what state and local governments should pay” stems from the fact that to some degree, state and local officials viewed homeland security from a different perspective than some in Washington. Many state and local officials understand that efforts to protect the nation from future acts of terrorism need not be done at the expense of effective day-to-day service. Nor does it require that the state and local governments invest millions of dollars for technology and equipment that is only used in the event of a terrorist attack. In fact, the very information technology, communication systems, and business processes that support effective service delivery each and every day provide the foundation for effective efforts to detect, prevent and respond to terrorism and other critical incidents. If the information systems used by law enforcement entities day-to-day are designed in such a manner so that the sharing of crime related information is difficult, they will also have difficulty sharing terrorism related information. If first responders from multiple entities cannot use their radios to communicate at the scene of a major traffic accident because they all operate on different frequencies, then they will have the same problem at the scene of a terrorist incident. If a local 9–1–1 system becomes overwhelmed during a snowstorm, then it stands to reason that it will be unable to handle the large number of calls that arise during a terrorist incident. From a state and local perspective, being prepared to detect, prevent and respond to acts of terror means having the capabilities to provide effective service each day. For some time, this philosophy of “dual use” was not understood by some in Washington. However, recent guidelines disseminated by the Department of Homeland security suggest that the concept of “dual use” capabilities has become more accepted.

As the Commonwealth of Massachusetts looks toward the future, efforts to enhance its ability to detect, prevent, respond to and manage the consequences of acts of terrorism and other critical incidents will be based on three fundamental principles:

- The same multi-discipline methods used to effectively address crime, disorder, public health, social service and other emerging problems serve as the foundation for homeland security related efforts;
- Terrorists often commit “traditional” crimes to support their extremist agenda (they often collaborate with individuals involved in “traditional” criminal activity); and, therefore,
- The Commonwealth must be able to proactively and continuously monitor and respond to crime trends, emerging terrorist threats, public health conditions

and other emerging problems on a neighborhood—by-neighborhood basis and then be able to support efforts of local, regional, private sector entities and community members to rapidly develop, implement and track efforts to mitigate the identified problem.

Question: 4. The Chairman has said that the Under Secretary for Information Analysis and Infrastructure Protection has the resources needed for conducting the threat assessment to guide the grant review because he can draw upon the combined resources of the federal government. Other than the Department of Homeland Security, the only entity I know of that is conducting terrorist threat assessments on the homeland is the Terrorist Threat Integration Center. Do you believe that the TTIC has the extra resources available to assist the Under Secretary with grant application reviews, or is it at maximum capacity already?

Answer: I have no personal knowledge of whether the TTIC has adequate resources. However, completing this national threat assessment must be a top priority of our country's homeland security efforts. However, it is unrealistic to believe that the federal government alone can complete the national assessment. The only effective way to conduct a national threat assessment to guide the grant process is to include state and local governments in completing this effort. The federal government should provide a consistent format and guidelines so that each state, in close collaboration with local governments, can complete a statewide threat, vulnerability and risk assessment that can then be used by federal authorities to complete a national assessment.

Question: 5. According to testimony from Under Secretary Libutti and Assistant Secretary for Infrastructure Protection Liscouski, the Department of Homeland Security will have a plan for completing a threat and vulnerability assessment by December 15. Not a completed assessment, a plan of how they will do such an assessment. In fact, Mr. Liscouski indicated that he would be surprised if an actual comprehensive risk assessment will be done within FIVE years. Is it reasonable that we should wait years for an assessment to be done before targeting first responder grants?

Answer: No. There should be no greater priority than the completion of a comprehensive national threat and vulnerability assessment. This threat and vulnerability assessment will not only serve as a guide for funding decisions, operational and tactical planning and the development of training exercises, it should direct state and local homeland security priorities and efforts. Over two years have passed since the Sept. 11 attacks, and it is regretful that the nation as a whole still lacks a comprehensive threat and vulnerability assessment—one that tells us which locations are most at risk and from what. This has resulted in what some have described as an ad-hoc, disjointed domestic homeland security effort—one without consistency in the level of preparedness from city to city. Without such a threat and vulnerability assessment, our nation's first preventers and responders have been forced to respond to a "one size fits all," color coded threat and advisory system and to seek to obtain federal funding resources through a system that rewards the jurisdiction that hollers the loudest. A number of states (such as the Commonwealth) have recognized that the completion of a statewide threat, vulnerability, and risk assessment is critical to the development of risk mitigation strategies. As more states develop these statewide assessments, the federal government may want to use them to support their efforts.

Question: 6. When states and regions assess their emergency response needs, is that generally based on threat (what terrorist want to do), vulnerabilities (what targets are in the vicinity and how secure are they), or a combination of the two? Shouldn't grants take into account the total risk, both threat and vulnerability?

Answer: The allocation of grant funding should be based on risk—a combination of both threats and vulnerabilities. However, nationally, there is a lack of consistency regarding the criteria that states, regions and localities use to assess their threat, vulnerability and risk. In the coming months, the Commonwealth intends to establish a dynamic threat, vulnerability and risk identification process that will guide operational planning and training activities and direct federal grant funds to those most in need. The risk faced by any individual community is fluid, and the threats of today may not be threats tomorrow. Therefore, the federal government should help states and localities create systematic approaches to continually evaluate and update statewide risk assessments and therefore their preparedness levels and future needs.

Question: 7. A Council on Foreign Relations Task Force found recently that there are no agreed upon standards for emergency preparedness and no way to measure how prepared a locality is or should be. Do you feel that it is important that there be some way to measure preparedness levels and preparedness needs?

Answer: Yes. The Department of Homeland Security should work collaboratively with all levels of the government and private sector organizations to establish and identify national preparedness levels, preparedness needs, performance goals and performance metrics that define success. The lack of defined national standards has complicated the efforts of state and local governments to design and implement homeland security strategies.

Question: 8. In addition to providing first responder grant funds, should the Department of Homeland Security be giving states and local communities guidance in what equipment and training to buy? Isn't this guidance and planning necessary for equipment interoperability?

Answer: Yes. Once state and local governments have determined their operational requirements, national standards of what equipment, technology and systems best address these requirements would be helpful. But, while national standards should be provided, at the end of the day, decisions regarding equipment and training should be left to state officials and should be based upon the individual threat and vulnerability and risk assessments of states and localities.

QUESTIONS FROM THE HON. CHRISTOPHER COX FOR RAY A. NELSON

Question: 1. Why are cities not receiving the appropriate funds? What further incentives do states need to distribute funds in a timely manner?

Answer: The Commonwealth of Kentucky has developed a coordinated effort for planning for, reacting to and recovering from natural and man-made disasters. This effort develops Emergency Management Plans from the county level up and then seeks to provide funds, training and planning necessary to make them workable. This means that funds in Kentucky are distributed with the goal of meeting the needs of all of the citizens of a given County, not just a few select cities. In the Commonwealth, all disbursements of funds must be made through the 'county'. Furthermore, Ky Statutes require each county to establish an Emergency Planning Committee; whereas this body will develop contingency plans, establish operating procedures, and delineate the dispersal of state and federal grants. If cities say they are not receiving federal grant funds, then they are not participating the emergency planning committees that are mandated by state law.

The dispersal of funds through the state to local jurisdictions (i.e. counties here in Ky) is encumbered by federal requirements for detailed budgets, which is often delayed due to the requirement to 'bid' purchasing requirements. Incentives: Allow all state and local jurisdictions to make purchases from the GSA catalog.

Question: 2. Why are cities often not included in statewide homeland security planning?

Answer: As mentioned in the previous question, Ky Statues *require* cities to participate in local emergency planning committees. Is this a reality in all 120 counties in the Commonwealth?—Probably not! However, the current ODP Homeland Security assessment that is being conducted statewide, the Ky League of Cities and Ky Association of Counties were jointly contracted to coordinate the assessment of local jurisdictions; to ensure representation by all jurisdictions across the state. This is model we intend to utilize in all future grant programs.

Question: 3. Would it be helpful for States to have one sole interface within the Federal government for homeland security grants, as Chairman Cox outlines in his legislation?

Answer: In our research, working alongside GAO, we have identified 92 grant programs that support first responders, secondary responders, or specifically mention terrorism or homeland security. Furthermore, 51 percent of these grants are not coming out of the Department of Homeland Security (DHS). What exasperates this problem further, is that DHS is not coordinated with, nor informed of, other grant opportunities. If the other federal agencies that offer these grants would "coordinate" with DHS, or the state homeland security coordinators, then these additional programs could be integrated, coordinated and synchronized with state strategies. This is very difficult under the current grant management program.

The Department of Homeland Security is actively developing a 'one-stop-shopping' grant program, for those grants controlled and managed by DHS. However, there is no such effort to coordinate the other 51 percent of homeland security 'related' grant programs. If these grant programs are not coordinated at the state level, then

where would it be coordinated? “Isolation by Grant”, which turns cities and counties into islands of federal funding, with no logical connection to their surrounding jurisdictions, reflects a very harmful “me first” attitude that results in lives lost and money misspent.

QUESTIONS FROM THE HON. JIM TURNER FOR RAY A. NELSON

Question: 1. In your experience with receiving federal first responder grants, which funding model is more likely to reach the goal of fast, effective, and accountable grant funding?

Answer: There is only one model that can solve the disconnect between interstate jurisdictions and the hundreds of federal grant coming into our state. That model is the model where ‘all federal grant programs’ be coordinated through the Governor’s office. Anything short of this method will result in the continued ‘stove piping’ of funds to local jurisdictions and the inability to coordinate, integrate and synchronize this funding in to a state strategy.

Question: 2. So doesn’t it make sense to ensure that all communities have some baseline level of preparedness?

Answer: It is paramount that we maintain baseline capabilities and capacities not only across the nation, but across jurisdictions within the states. Furthermore, we must ensure continued baseline funding to each state so that capabilities and capacities that have been acquired can be sustained and maintained.

Note: The more we openly communicate the threat, then the threat will change. So, the more we openly designate high-threat areas, the terrorists will seek out a less protected target that can be used to deliver their message of fear and terror.

Question: 3. Have these assessments been useful as you compile state plans? Shouldn’t the federal government take into account all of the specific vulnerabilities identified?

Answer: 3.a Absolutely yes! The continuing assessment process is invaluable in the development of strategies, protective measures, contingency plans, and the expenditure of federal grant dollars.

3.b Although we must take into account all vulnerabilities identified, we must also prioritize our assets and resources. It will take years and billions of dollars to mitigate every vulnerability identified during the assessment process. Tough decisions must be made, and a certain level of risk accepted in our everyday lives.

Question: 4. Do you believe that the TTIC has the extra resources available to assist the Under Secretary with grant application reviews, or is it at maximum capacity already?

Answer: I do not feel that I am qualified to comment on the capabilities, or capacity, of the TTIC.

Question: 5. Is it reasonable that we should wait years for an assessment to be done before first targeting first responder grants?

Answer: Although I would like to say no, that we need a comprehensive assessment now, I understand the reality of limited resources to conduct these assessments. In fact, it may take five years or more to complete detailed assessments of our entire critical infrastructure across the state. Our greatest limitation is qualified personnel to conduct these assessments.

Note: The ODP mandated statewide assessments being conducted are *not* site-specific, detailed vulnerability assessments; that could be used to develop protective measures, counter-measures and contingency plans. It will take years to complete these detailed assessments.

Question: 6. When states and regions assess their emergency response needs, is that generally based on threat (what terrorists want to do), vulnerabilities (what targets are in the vicinity and how secure are they), or a combination of the two? Shouldn’t grants take into account the total risk, both threat and vulnerability?

Answer: Here in the Commonwealth, we have identified a risk management approach to defend against terrorism, to enhance levels of preparedness, and to respond to national and state emergencies, whether man-made or unintentional in nature. The approach is based on assessing Threats, Vulnerabilities, and the importance of assets—Criticality. The results of the assessments are used to balance threats and vulnerabilities, and to define and prioritize related resource and operational requirements. Therefore, grant programs should take into account all three aspects of this process: threat, Vulnerability and Criticality.

Additionally, a ‘Threat Index’ must be developed that can be used to measure the probability of attack occurring within a given region. State, sector or special event.

The index would be used to establish the base amount of funds allocated to a state. Keeping in mind that not all terrorist attacks are planned and staged outside the US, some funds would continue to be sent to states which have a low probability of attack index rating, but may have a greater potential of being a staging site for the terrorists. Making the index rating the primary guide for distribution and the population distribution the secondary guide would improve the funding streams to those most likely to have an attack. The Information Analysis and Infrastructure Protection Directory would be the primary agency for developing the probability of attack index, based on input from US intelligence services and Law Enforcement Agencies.

Question: 7. Do any of you have any insight into the Department's funding process? Would you support turning all first responder funding over to a system with no visibility and no way of knowing Washington is distributing billions of dollars?

Answer: 7.1(a) It is my understanding, the distribution model for the ODP State Homeland Security Grant program utilized a base amount for each state, plus a percentage of the remaining funds based on state population. Therefore, Base+Population=state allocation.

7.1(b) I believe they considered Threat + Critical Infrastructure + Population as part of the formula, but I have no knowledge on the criteria used for selection cities that will receive funds in the High Threat Urban Area grant program.

7.2 I would not support any funding methodology that excluded states and local jurisdictions from participating in the development of, or execution of, grant programs.

Question: 8. Do you feel that it is important that there be some way to measure preparedness levels and preparedness needs?

Answer: Performance measures and readiness levels are imperative in measuring our ability to prevent, respond or recover from acts of terrorism. Our military has used a standards based evaluation system for many years and has proven to be effective in not only determining readiness levels, but also in determining resources required to achieve desired readiness levels.

Question: 9. In addition to providing first responder grant funds, should the Department of Homeland Security be giving states and local communities guidance in what equipment and training to buy? Isn't this guidance and planning necessary for equipment interoperability?

Answer: 9.(a) General guidance is acceptable, and welcome, particularly in establishing interoperability and standardization requirements. However, vendor specific equipment, services or training resources should be avoided at all costs. Additionally, states need the flexibility to resource unique requirements identified within their jurisdictions; so long as it meets interoperability requirements.

9.(b) In the Commonwealth of Kentucky we have an established coordination process through which our Emergency Services Groups are working to coordinate the planning for and the expenditure of Homeland Security Funding. These Groups are comprised of all County, City, Industry and Volunteer agencies within a jurisdiction.

Question: 10. Do states and regions typically have access to the intelligence necessary to know the exact source of a terrorist threat that may affect them? Aren't a lot of first responder grants used to improve general emergency readiness rather than improve defenses against a specific type of attack?

Answer: 10.a All required intelligence resources 'are' available within the state. Either through federal or state agencies, including the National Guard, and local jurisdictions can receive the necessary information to conduct threat assessments. However, classified information may not be passed to those without the requisite clearance. From my personal experience, this has not been a hindrance to conducting a through assessment. Routinely, knowing the 'source' of intelligence is not important, and the source is often what makes it classified. Therefore, strip the sourcing and classified information, and relevant information can then be passed to the end-users of the intelligence. We must develop a system that will allow for the "sanitizing" of National Security Information to a working level that can be used by those engaged in the detection, prevention, response and recovery from a terrorist attack.

10.b Over the past two years, federal grant programs, and the preponderance of efforts within the states, have been focused on 'response' rather than prevention. The equipment restrictions placed on the states, and first responders, often prohibited the acquisition of defensive and anti-terrorism protective measure equipment and devices. The FY04 ODP grant will finally address 'anti-terrorism', although it

is not at the desired level. Most of us in the homeland security arena have said that 'prevention' is the cornerstone to our war terrorism here at home. Until we aggressively implement anti-terrorism and counter-terrorism programs, we will always be focused on 'responding' to an attack that we should have prevented.

Question: 11. Would you support legislation that tied the first responder budget to some assessment of what is needed by the nation's first responders?

Answer: The question presupposes that there is a direct correlation between the safety of a community and the amount of money spent on its First Responders. We have yet to see that proven. Maybe Utah does not need millions in First Responder funds, but really needs to be given good actionable information on how to short circuit terrorist activities that are staging within the state. Maybe they need better training of law enforcement officers to detect and deter terrorist activity, not another multi-million dollar drop. The question must be asked, when is enough, enough, and when can any state say that they are relatively secure. What is the definition of "secure"?

I believe that all budgets must be linked to a strategic plan. We must identify the Ends, Ways, and Means by which we achieve our goals and this will result in 'Requirements'—i.e. Funding. As we refine our strategies, we are also assessing our current capabilities and needs. This snapshot will provide us with current 'Requirements'—as it relates to the federal budget. These requirements will change over time, and therefore, a continual assessment process is necessary.

Additionally, the shorter timelines for obligating funds to local governments has placed an arbitrary deadline on a decision that should be a process of informed response to a stated need, but is instead a race to meet the deadline first, and figure out what we've done afterwards. It makes the entire process of distribution of funds suspect and thus lowers confidence in the stated goal of improving the security of citizens. Imposing penalties on states for not meeting deadlines created out of thin air rather than reasoned discussion will not improve the planning or distribution process for the funds. Penalties would only increase the cynicism of those involved and reinforce the appearance of funding for political gain rather than providing for the common defense of the Nation.


Question: 12. How difficult is it for your jurisdiction to increase operations under heightened threat?

Answer: Without some reassurance of reimbursement of expenditures used for additional protective measures, most jurisdictions will respond to a change in threat levels by redirecting and prioritizing existing resources. Personnel overtime costs are not the only expense incurred when implementing a higher level of protective measures. Additional fuel and maintenance of vehicles, barrier materials, revisions to credentialing programs, additional lighting, and changes to security programs, are just examples of additional costs associated with going to a higher level of security. Some jurisdictions with larger budgets may have budgeted for times such as these. The development of contingency funds is one way of covering the costs associated with a heightened threat level, but the preponderance of jurisdictions do not have this luxury.

Question: 13. Can you comment on whether grant funds should include personnel costs?

Answer: With the majority of states experiencing some sort of financial crisis, the inclusion of personnel in the grant programs would help significantly. For example, all efforts, including personnel manning, within my office is covered by money that was never budgeted for, yet the coordination requirements continue. The State Police and Emergency Management have been forced to take personnel reductions due to budget constraints, yet the majority of homeland security efforts evolve around law enforcement and emergency management. Governors have been placed in a difficult position by redirecting resources toward homeland security, when public attention remains on jobs, healthcare and education. Homeland Security does not get a governor reelected.

Kentucky Homeland Security



*Risk Management
&
Assessment Models*

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*Qualitative Risk
Assessment Process*

- **Step 1:** Determine the "Value" of assets and judge the consequences of successful attack/loss/ etc.
- **Step 2:** Identify threat against assets
- **Step 3:** Identify asset vulnerabilities
- **Step 4:** Determine "Risk" through scenarios
- **Step 5:** Identify actions to reduce risk

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Risk Management Assessments

We have identified a risk management approach to defend against terrorism to enhance levels of preparedness to respond to national and state emergencies whether man-made or unintentional in nature. The approach is based on assessing **Threats, Vulnerabilities, and the importance of assets** – *Continuity of Operations*.

The results of the assessments are used to balance threats and vulnerabilities and to define and prioritize related resource and operational requirements.

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Threat Assessments

Threat Assessments identify and evaluate potential threats on the basis of such factors as capabilities, intentions, past activities, current intentions and specific targeting. These assessments represent a systematic approach **to identifying potential threats before they materialize**. However, even if updated often, threat assessments might not adequately capture some emerging threats. Additionally, specific threat information must be assessed by its credibility, corroboration, specificity, imminence and gravity.

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Criticality Assessments

Criticality Assessments evaluate and prioritize important assets, systems and functions in terms of such factors as mission and significance as a target. For example, certain power plants, bridges, computer networks, or population centers might be identified as important to national security, economic security, or public health and safety. Key personnel should also be addressed in this assessment.

Criticality assessments provide a basis for identifying which assets and structures are relatively more important to protect from attack. In so doing, the assessments help determine operational requirements and provide information on where to prioritize and target resources while reducing the potential to target resources on lower priority assets.

(conduct this same assessment w/in each activity)

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You should also consider the following:

- Level of visibility
- Criticality of target site to jurisdiction
- Impact outside of the jurisdiction
- PTE access to potential target
- Potential target threat of hazard
- Potential target site population capacity
- Potential for collateral mass casualties

Criticality assessments provide a basis for identifying which assets and structures are relatively more important to protect from attack. In so doing, the assessments help determine operational requirements and provide information on where to prioritize and target resources while reducing the potential to target resources on lower priority assets.

(conduct this same assessment w/in each activity)

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Criticality Assessments

Criticality Assessments prioritize important assets of such as...
 exam...
 net...

Prioritized by the following:

- Loss of Life or Injuries
- Economic Loss: Nat'l, State, Regional, etc.
- Affect on US Defense capabilities
- Political or Social impact

...to...
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 prioritiz...
 potential to...
 (conduct this same assessment on Win each activity)

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Vulnerability Assessments

Vulnerability Assessments identify weaknesses that may be exploited by identified threats and prepare protective measures (mitigation factors) that address those weaknesses. In general, *teams of experts* skilled in such areas as structural engineering, physical security, operational security, information security, cyber-security, blast physics, personnel assurance and other disciplines conduct these assessments.

You Must Keep our "Adversaries" From Learning Your Weaknesses

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