HOW EFFECTIVELY ARE FEDERAL, STATE AND LOCAL GOVERNMENTS WORKING TOGETHER TO PREPARE FOR A BIOLOGICAL, CHEMICAL OR NUCLEAR ATTACK?

HEARING

BEFORE THE

SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FINANCIAL MANAGEMENT AND INTERGOVERNMENTAL RELATIONS

OF THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

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HOW EFFECTIVELY ARE FEDERAL, STATE AND LOCAL GOVERNMENTS WORKING TOGETHER TO PREPARE FOR A BIOLOGICAL, CHEMICAL OR NUCLEAR ATTACK?

FRIDAY, MARCH 22, 2002

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FINANCIAL MANAGEMENT AND INTERGOVERNMENTAL RELATIONS,
COMMITTEE ON GOVERNMENT REFORM,
Tempe, AZ.

The subcommittee met, pursuant to notice, at 1 p.m., in the City Council Chamber, Tempe, AZ, Hon. Stephen Horn (chairman of the subcommittee) presiding.

Present: Representatives Horn.

Also present: Representative Flake.

Staff present: J. Russell George, staff director and chief counsel; Henry Wray, senior counsel; Justin Paulhamus, clerk; Steve Voeller, chief of staff to Congressman Jeff Flake; and Pat Curtin, office manager for Congressman John Shadegg.

Mr. HORN. A quorum being present, this hearing of the Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations will come to order.

We are delighted to have the Governor of the State of Arizona, and we are delighted to have you, you will be introduced to the hearing by the Councilman of this wonderful Town of Tempe, and we look forward to it.

[The prepared statement of Hon. Stephen Horn follows:]

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Opening Statement
Chairman Stephen Horn
Subcommittee on Government Efficiency,
Financial Management and Intergovernmental Relations
March 22, 2002

A quorum being present, this hearing of the Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations will come to order.

On September 11, 2001, the world witnessed the most devastating attacks ever committed on United States soil. Despite the damage and enormous loss of life, those attacks failed to cripple this nation. To the contrary, Americans have never been more united in their fundamental belief in freedom and their willingness to protect that freedom.

The diabolical nature of those attacks and then the deadly release of anthrax sent a loud and clear message to all Americans: We must be prepared for the unexpected. We must have the mechanisms in place to protect this nation and its people from further attempts to cause massive destruction.

The aftermath of the September 11th clearly demonstrated the need for adequate communications systems and rapid deployment of well-trained emergency personnel. Yet despite billions of dollars in spending on federal emergency programs, there remain serious doubts as to whether the nation's public health system is equipped to handle a massive chemical, biological or nuclear attack.

Today, the subcommittee will examine how effectively federal, state and local agencies are working together to prepare for such emergencies. We want those who live in the great State of Arizona and its fine cities to know that they can rely on these systems, should the need arise.

We are fortunate to have witnesses today whose valuable experience and insight will help the subcommittee better understand the needs of those on the front lines. We want to hear about their capabilities and their challenges. And we want to know what the federal government can do to help.

We welcome all of our witnesses and look forward to their testimony.

Mr. HORN. So Councilman Arredondo.

Mr. ARREDONDO. Congressman Horn and chairman of the committee, thank you for coming to Tempe, Arizona. It is with great pleasure that I have the opportunity to say hello to you and extend the invitation to come back.

And of course, Congressman Flake, thank you for always thinking of your home town and knowing that you can always tell it by the Butte out there. We appreciate you bringing this very important issue to the forefront and allowing Tempe to be part of it even though it is only hosting.

It is my pleasure today to introduce our Governor of our great State of Arizona, the Honorable Jane D. Hull.

I wanted to make some points perfectly clear because we do not get this honor oftentimes. It is my pleasure to introduce this Governor because she will always be known in Tempe as the Governor of Education where Arizona State University is very important.

While she has inherited many difficult situations, she has worked very diligently to keep education, our community and our strengths together through her whole tenure as Governor. She has strengthened our relationships with Mexico, and because of the wonderful things she has done in Tempe, Arizona, she will always be the Governor of Education, and that we will always embrace her leadership and thank her for coming to Tempe, Arizona.

The Governor of the State of Arizona, Jane D. Hull.

[Applause.]

Governor HULL. Good afternoon, Mr. Chairman and Congressman Flake. We are very glad to welcome you all to Arizona.

The chairman reminded me how well I know his daughter Marsha, who lives here and does a tremendous job for those of you who have not had the opportunity to meet her.

But, again, we are glad to have you here today and glad to have you having an opportunity to hear what we have been doing after September 11th.

As Congressman Flake and I both believe, the best ideas come from the people. They come from the bottom down, and not to disparage Washington or Phoenix, the capital, but they come much better from the bottom up than they do from the top down. The local citizens who live and work in the trenches are the ones really who should be making the decisions.

I really appreciate the fact that you are here to listen to us because it is extremely important to all of us, particularly those of us, and the chairman is from California, that live in the West and think that no one from east of the Rockies even knows where the West is. So always glad to have you out here.

I am here today to testify regarding the actions that were taken by the State of Arizona and our local governments in coordination with the Federal Government to address the challenges of assuring security of our State and our Nation. Along with our fellow citizens across the country, Arizona has watched the horror of September 11th unfold before our eyes.

In a single moment, we witnessed the worst of human behavior, and in the next the very best of human behavior. And even more, we witnessed the tremendous spirit of Americans.

As in other States, Arizona has demonstrated courage in the face of adversity. Within hours of the attack, Arizona members of FEMA's emergency response team, including several canine units, were mobilized and were one of the first groups to be transported by military plane to Washington. Several of them are hear today.

Did the dog come? The dog is not here.

We had the dog on the floor of the house for opening ceremonies. So sorry he is not here today.

They were followed by two teams of Phoenix fire fighters, some of the same brave men and women who responded to the bombing in Oklahoma. They are recognized as some of the finest fire fighters in the Nation, and we are fortunate to have them serve us daily.

Citizens of every background in Arizona stood in line in 100 degree heat to donate blood. Others organized the collection of blankets and materials and supplies for shipment to both New York and to Washington.

Arizona's children were especially moving. They collected, as children did in other States, their pennies, their savings, and donated them, as well as their own toys, to the children who had been left homeless and in many cases parentless in New York.

Since the tragic events, which I think have changed all of our lives and I believe has changed all of our priorities, we know that the threat of possible terrorist activities will go on at any time and any place, and certainly what has just happened in Israel is appalling to all of us.

The sense of having personal security in our lives, I think, is probably gone forever or changed at least. The State of Arizona has stood ready, however, to take all of the necessary actions to protect the people of Arizona and the United States when faced by those who would harm us and our way of live.

We are not new to comprehensive efforts aimed at anticipating and responding to possible terrorist attacks. The cooperative spirit of all levels of government was evident when the city of Tempe hosted Super Bowl XXX in 1996. It was apparent again in our very successful efforts in preparation for Y2K.

And in 1997, we established the Arizona Domestic Preparedness Task Force, consisting of Federal, State, county, and local agencies, public and private entities who develop plans for the detection, prevention, and response of terrorist activities.

That was done largely because of funding from Washington, which we appreciate.

Those years of preparation by true professionals allow us to respond quickly to the threats posed by the attacks of September 11th. Within minutes, the Arizona Department of Public Safety mobilized their operations center headed by a national expert on weapons of mass destruction, whom you will be hearing from later today.

DPS developed a unique, secure communication system to insure that we have the best lines of communication among Federal, State, county, and local law enforcement. Arizona is a recognized leader in those efforts, and you will be hearing from them in just a few minutes.

Also within the Arizona Department of Emergency Management, known as FEMA, Arizona FEMA had its emergency operations center open and running with Federal, State and local agencies standing in alert.

This center has been in operation for decades dealing with national disasters and other emergencies. It directly communicates with State and local agencies, the FBI, FEMA, Red Cross, and members of major utilities and other private entities.

I was out there that day, and I had also been out there around midnight on Y2K, and again, the setup, you have a lot of people who come in from all over to basically work those 24–7 that everybody worked for so long.

The Domestic Preparedness Task Force reviewed and upgraded its response plans. The State Health Lab, located within the FBI, stayed open around the clock to insure that any reports of suspected anthrax or other forms of bioterrorism were immediately dealt with.

Over 900 suspected samples were tested, and I am happy to report that all of the samples were negative.

I established a State Homeland Security Coordinating Council consisting of 12 State agencies to oversee all State response efforts.

We really do not have a homeland securities czar. We have two or three czars. So let me introduce two of them that are here today. Dr. Jim Shamadan. I do not know where he is. Back there somewhere?

George Weiss, and Sandra Schneider has just joined us, along with Steve Truitt, our Tucson Director who basically handled the daily coordination of these efforts.

I activated Operation Vigilance and setup a central telephone number at that DPS center for leads, for reports of terrorism, for anything that needed to be in the intelligence community, and basically all of those calls were followed up by almost 100 DPS detectives.

Obviously, I called on the National Guard early and often. We basically had National Guard at the President's request into the airports within a week. Like all States, we had to wait for the FAA training to come in.

They have stood with the Federal agents at our border with Mexico, and again, they were put there in a civilian capacity to facilitate the commerce. Arizona is a State that, because we are very close to Mexico, September 11th was obviously coming into our produce season, as with California. We were very concerned about what was going to happen if the commerce could not go through.

They facilitated that commerce, and it actually went very, very smoothly, and the rest of them will be pulling out this week.

They assisted the Bureau of Reclamation with patrols at Hoover Dam. The bureau finally got people up there, but it was a long time when basically our DPA and our National Guard were up there and some of Nevada's.

They worked alongside the Deputy of Maricopa County Sheriff's Office to provide around-the-clock security for the Palo Verde Nuclear Generating Plant, which is the Nation's largest nuclear plant.

We worked closely with Mayor Rimsza of Phoenix, who did an outstanding job, along with Sheriff Joe Arpaio, in coordinating this

multi-agency task force to insure the safety of the thousands of fans who attended the World Series in Phoenix. And, again, that was another potential terrorist threat target.

These efforts can only be successful with cooperation and communication, and I think I used those words many, many times during September and October. On the Federal level, my office and the State agencies have been in regular contact with the White House, the Office of Homeland Security, and various other Federal agencies.

We have held frequent conference calls with cabinet members. In fact, we love the briefings that we get about twice a week with Tom Ridge, if he was there, with Joe Arpaio, with all of the offices of the administration. They were extremely helpful in keeping the Governors aware of what was going on.

I was in Washington about two or 3 weeks ago, and I had the opportunity of meeting not only with President Bush, but with Homeland Security Director—I still call him Governor Tom Ridge. He says he prefers Governor—to talk more about that relationship and certainly with Governor Ridge to talk about the smart border concept, the fact that we have done a lot of work in Arizona on technology on the border, and all we need now, to mention those dirty words, is funding.

I know there are a couple of bills going through that would help us both with creating the smart borders that we need and, second, in rebuilding the Hoover Dam bypass, which basically the Hoover Dam has now been closed to trucks since September 11th and will remain closed to trucks because of the condition of the dam.

So we are hoping that we will get the funding to complete that bypass road, which has been started, so that we do not have that situation again. It is costing truckers and those who are transporting goods a lot of money to have to go clear around, as Jeff knows, but you cannot come down that road, and we are losing some trucks periodically.

So, again, we are hopeful that can be resolved.

I was recently in Mexico with Governor Fox, and he has insured his commitment to working with us with the border problems. They have done a lot in Mexico to alleviate some of the problems that we have had.

I believe that Arizona enjoys one of the finest interagency cooperative spirits in the Nation. There is always room for improvement. In that effort, in the next 2 months, two conferences related to terrorism will be held in Arizona.

One is designed to educate first-responders and health care providers on the potential threats of bioterrorism. It is co-hosted by my office, by the Department of Health Services, the Department of Military and Emergency Affairs, and the FBI.

A second conference will deal with communications interoperability and is co-hosted by the Arizona Criminal Justice Commission. As was evidenced in New York, radio and electronic communications between first-responders is a dire necessity. This situation, particularly in Arizona, needs vast improvement.

I appreciate the Federal funds that are planning to come our way to specifically address this crucial issue to all of the States.

I would be remiss if I didn't bring just two other issues to your attention. First, the attack and response to terrorism both here and abroad shows how vital Arizona's military bases are to the defense of our country. We need to do everything we can do to protect them, to protect Luke, to protect Yuma, to protect Fort Huachuca, and to protect Davis-Monthan, and certainly we work with that a great deal, and I would just remind you about the base closings.

Second, some of the Federal funds that are available for security purposes have been designed to include a match of various sorts from State and local governments. As you well know from the West, and I am sure you have heard from a lot of the Governors; you have not heard from me about, "the financial condition that most of the states are in."

Yesterday I signed a bill that will remove another $230 million from the 2002 budget. We have already removed about $675. So the 2002 budget is down $1 billion, and hopefully will balance in July.

We now begin the job of cutting another $1 billion from the 2003 budget. That is about 17 percent of the State's budget, and I have obviously tried very hard not to hit education.

So it is tough for all of the Governors, but again, I believe that what is being done in Washington is extremely important, and I would only ask that as we go for matches, that one understands that all of the States and on behalf of literally all of the Western States, we are all suffering, and it will be difficult for us to make matches.

Finally, just in ending, and again, I thank you for coming, and I thank you for listening; the State of Arizona is in the forefront of the Nation's efforts to prepare for and, if necessary, respond to terrorist threats whenever and however they occur.

Our local first-responders stand shoulder to shoulder with our Federal colleagues. We appreciate the tremendous cooperation that we have received from all the Federal and local agencies. We appreciate the briefings and the conversations that we have had with the cabinet officers, with the officials of FEMA, and certainly Governor Ridge is talking to our people once a week, which we really appreciate.

I think we have set in place a very flexible, responsive, domestic preparedness program that assures that Federal, State, and local officials work together as seamlessly as possible to meet any challenge.

I want to thank you for this opportunity to appear before you, and thank you again for coming West, even though both of you are from the West, and I know that you will enjoy hearing from our agencies and from the panels that are setup.

They are the true experts, and more than that, they are the people who have really pulled this together because they know what they are doing.

With that, I want to thank you very much, and if you have any questions, I would be glad to answer.

[The prepared statement of Governor Hull follows:]

STATEMENT OF THE HONORABLE JANE DEE HULL
GOVERNOR, STATE OF ARIZONA

BEFORE THE SUB-COMMITTEE ON GOVERNMENT EFFICIENCY,
FINANCIAL MANAGEMENT AND INTERGOVERNMENTAL RELATIONS
COMMITTEE ON GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES

MARCH 22, 2002

Good afternoon, Mr. Chairman and Congressman Flake. Thank you for holding this hearing in beautiful Arizona.

As Congressman Flake and I both believe, the best ideas come from the people closest to the problem. They are the local citizens who live and work in the trenches everyday. I appreciate your efforts to visit here to obtain that vital input and perspective.

I am pleased to be here to testify regarding the actions taken by the State of Arizona and its local governments, in coordination with the Federal government, to address the challenges of assuring the security of our state and our nation.

Along with our fellow citizens across the country, Arizonans watched the horror of September 11th unfold before our eyes. In a single moment, we witnessed the worst of human behavior; and in the next, the very best of human behavior. And even more, we witnessed the tremendous spirit of Americans. As in other states, Arizonans demonstrated courage in the face of adversity:

- Within hours of the attacks, Arizona members of FEMA's emergency response team, including several canine units, mobilized and were one of the first groups to be transported by military plane to Ground Zero.

- They were followed by two teams of Phoenix firefighters, some of the same brave men and women who responded to the bombing in Oklahoma City. They are recognized as some of the finest firefighters in the nation, and we are fortunate to have them serve us daily in Arizona.

- Citizens of all backgrounds stood for hours in 100° heat to donate blood.

- Others organized the collection of blankets and other supplies for shipment to New York and Washington.

- I was especially moved by Arizona's children who collected pennies, nickels and dimes and donated their own toys and clothes to the children of the victims.

Since the tragic events of September 11th, we know that the threat of possible terrorist attacks, at any time and place, is possible. The sense of personal security in our lives has changed forever. However, the State of Arizona has stood ready to take necessary actions to protect the people of Arizona and the United States when faced by those who seek to harm us and our way of life.

Arizona is not new to comprehensive efforts aimed at anticipating and responding to possible terrorist attacks. That cooperative spirit on all levels of government was evident when Tempe hosted the Super Bowl 2 blocks away in 1996. It was apparent again in our very successful efforts in preparation for Y2K. And in 1997 we established the Arizona Domestic Preparedness Task Force, consisting of federal, state, county and local agencies, public and private entities, who develop plans for the detection, prevention and response to terrorist activities.

Those years of preparation by true professionals allowed us to respond quickly to the threats posed by the attacks of 9/11:

- Within minutes of the attack, the Arizona Department of Public Safety mobilized its Operations Center, headed by a national expert on weapons of mass destruction, who you will hear from later today. DPS developed a unique secure communications system to ensure that we have the best lines of communication among federal, state, county and local law enforcement . Arizona is a recognized leader in those efforts.

- Within one hour of the attack, the Arizona Department of Emergency Management had its Emergency Operations Center up and running with federal, state and local agencies, public and private, standing at alert. This Center has been in operation for decades, dealing with natural disasters and other emergencies. It directly communicates with state and local agencies, the FBI, FEMA, Red Cross and members of major utilities and other private entities.

- The Domestic Preparedness Task Force reviewed and upgraded its response plans.

- The State Health Lab, working with the FBI, stayed open around the clock to ensure that any reports of suspected anthrax or other forms of bio-terrorism were immediately dealt with. Over 900 suspected samples were tested, and I am happy to report all tests were negative.

- I established a State Homeland Security Coordinating Council, consisting of 12 state agencies, to oversee all state response efforts. With me today is Dr. Jim Schamadan, Sandra Schneider and George Weisz, who along with Steve Jewett, handle the daily coordination of these efforts.

- I activated "Operation Vigilance" at DPS, and set up a central telephone number for citizens to forward leads and intelligence information, which have been followed up by as many as 100 DPS detectives.

- I did not hesitate to call upon the dedicated men and women of our National Guard, who volunteered as well, to assist in assuring public safety.

  - They have been patrolling ten airports throughout Arizona.
  - They have stood with federal agents at our border with Mexico to assure orderly commerce with security.
  - They have assisted the Bureau of Reclamation with patrols at Hoover Dam.
  - They have worked alongside deputies of the Maricopa County Sheriff's Office to provide around-the-clock security for the Palo Verde Nuclear Generating Station, the nation's largest nuclear power plant.

- We worked closely with Mayor Rimsza of Phoenix, who did an outstanding job along with Sheriff Joe Arpaio in coordinating a multi-agency task force to ensure the safety of thousands of fans who attended the World Series in Phoenix, a potential terrorist target.

These efforts can only be successful with cooperation and communications. On the Federal level, my office and state agencies have been in regular contact with the White House, the Office of Homeland Security and various other federal agencies. We have held frequent conference calls with cabinet members, and two weeks ago, I met in Washington with President Bush and Homeland Security Director Tom Ridge to enhance that relationship and express our needs and activities here in Arizona. I also met recently with President Fox of Mexico, who expressed his commitment to working with us to ensure the security of our border.

I believe that Arizona enjoys one of the finest inter-agency cooperative spirits in the nation. But there is always room for improvement. In that effort, next month two conferences related to terrorism will be held in Arizona. One is designed to educate first responders and health care providers on the potential threats of bioterrorism. It is co-hosted by my office, the Department of Health Services, the Department of Military and Emergency Affairs and the FBI.

A second conference will deal with communications interoperability and is co-hosted by the Arizona Criminal Justice Commission. As was evidenced in New York, radio and electronic communications between first responders is a dire necessity. This situation, particularly in Arizona, needs vast improvement. I appreciate the federal funds that are planned to come our way to specifically address this crucial issue.

I would be remiss if I did not bring two other items to your attention.

First, the attack and response to terrorism, both here and abroad, shows how vital Arizona's military bases are to the defense of our country. We need to do everything we can to protect them.

Secondly, some of the federal funds available to states for security purposes have been designed to include a match of various sorts from state and local governments. As you know, Arizona, just like states around the country, has been hit hard by our current economic difficulties. Yesterday I signed a bill to cut $230 million from the current year's budget, and further cuts of up to $1 billion are now on the table. We need our federal partners to reconsider the need for such matches in order to expedite fulfilling the need for security for our citizens.

In conclusion, the State of Arizona is in the forefront of the nation's efforts to prepare for and, if necessary, respond to terrorist threats whenever and wherever they occur. Our local first responders stand shoulder to shoulder with their federal colleagues. We appreciate the tremendous cooperation we have received from all federal and local agencies. I believe we have set in place a flexible, responsive domestic preparedness program that assures that federal, state and local officials work together as seamlessly as possible to meet any challenge.

Thank you for this opportunity to appear before you.

Mr. HORN. Well, we thank you very much for giving us the really leadership that you have provided as Governor and the cooperation you received from it.

And I want to now ask that Representative Flake, on behalf of the committee here, will thank you for us.

Mr. FLAKE. I just want to echo those words. I know that you have a very busy schedule. You have outlined some of the issues that you are dealing with, and so we appreciate it a great deal.

It speaks to the importance that you place on this issue, and we all know that one of the hallmarks of the whole administration has been the interagency coordination and cooperation that exists here in Arizona. And we at the Federal level learn a lot from that because we have our own problems with interagency issues, and the fact that you were able to pull together such a great team in such a short period of time and carried out such great work speaks well for you, and we really appreciate you carving out time in your busy schedule to be here.

Thank you.

[The prepared statement of Hon. Jeff Flake follows:]

Congressman Jeff Flake
Arizona, District 1

Opening Statement
Field Hearing
House Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations
Friday, March 22, 2002
Tempe City Council Chambers

I would like to thank the Chairman, Mr. Horn, for conducting these series of hearings to shed some light on an issue that is clearly one of the primary roles of the federal government: protecting our citizens from our enemies within the United States, and our enemies outside our borders.

I will be extremely brief in my statement, because we have a terrific lineup of witnesses, representing federal, state, county and city governments, as well as the private sector (and I'd like to thank the Governor for adjusting her schedule to attend this hearing on short notice. I very much appreciate it.) I am anxious to learn how our experts are preparing for the possibility of chemical, biological and nuclear attacks and how we in the federal government can be of greater service to their efforts.

The attacks of September 11 not only showed us how much damage can be inflicted upon us in such short order, but it also showed us how much talent our country has in responding to a large scale attack. While the act of war committed upon us by Al-Qaida was not chemical, biological, or nuclear, it certainly reminded us that in other parts of the world, there is a sincere hatred toward America. It forces us to come to grips with what we already know; that other countries (some of which despise the U.S.) are acquiring or have acquired weapons of mass destruction.

We must be prepared in the event of another—perhaps more deadly—attack. It is our duty as elected representatives to work together on this matter. I look forward to hearing from our experts.

Again, I thank the Chair, and yield back the balance of my time.

Governor HULL. Thank you very much. Have a nice weekend.

Mr. HORN. Thank you.

Mr. ARREDONDO. Chairman Horn, hopefully you, too, as we in Arizona and particularly Tempe have come to appreciate the Governor, because of the wisdom and the leadership she has provided, we congratulate her and thank her for coming to Tempe.

Congressman Flake, prior to me introducing our next guest, I would be remiss upon our city, our educators if I did not say thank you to the hard work you have carried back in Washington, DC, to provide those homeless kids a safe haven to attend school.

I thank you for your leadership, your hands on approach to continue the support where kids have an opportunity every day to succeed. Thank you for representing our district very well.

With that, it is with great pleasure that I get to introduce the Honorable Skip Rimsza. Skip was tied up in traffic on the Phoenix side. So it took him a little longer to get to the Tempe side. [Laughter.]

But he is here, and we congratulate Mr. Rimsza for the things that he has stood for and has done in Phoenix.

We know for a fact that he has overseen already 16 new additional city parks to enhance the quality of life for his citizens. But more so and the most important thing that we would like to recognize and thank him is for the new units in the Phoenix Police Department dedicated to solely fighting hate crimes.

You know, I could go on and on, but the real person is here, and it is time for me to introduce the Honorable Skip Rimsza, Phoenix Mayor.

[Applause.]

Mr. RIMSZA. Thank you very much.

I do apologize for my late arrival.

We are very pleased to host you here in our community, and I know the city of Tempe is delighted to have you here in our facility.

I will just take a few short moments to chat with you about the urban center challenges we have for homeland security, and there are a couple of things that at least from my perspective are important to touch upon.

First, we understand in the city of Phoenix that there is no single agency capable of expectory planning by themselves for the kinds of things that we are now forced to consider as potential elements that happen in urban centers. So you being here today and the partnership, frankly, that has developed since September 11th between local government, State government, Federal Government are nothing short of profound.

I would refer quite personally to the World Series game, the very first one that was played here in Phoenix right after the September 11th attacks as one where all levels of government came together to provide the level of security that was, I think, critically important for that event to be a success.

The collaboration at that event with the Federal Government and State and local organizations was nothing short of profound, and I do think the September 11th events have caused us all to set aside any parochial perspectives we might have had and find even better ways to work together.

We think the collaboration that has resulted in the new funding that is being discussed for us is very important to us and you.

One of the key issues for cities, I would tell you, is this. We would like to make sure that Congress recognizes that cities really are the places where public safety is provided. To give you an example, cities in Arizona have about 10,000 public safety employees. The State itself has 1,000.

So we are kind of the place we like to think, and I think the Vice Mayor would agree with me, where the rubber meets the road when it comes to public safety. So as you look at the funding that might be available to protect our communities from any kind of terrorist acts, we would like you to very carefully consider the places where the work is being done today and make sure the resources get to those locations.

I also have to take a short moment and speak about urban center cities. From our perspective, and we think it is broadly held, that locations where terrorists might focus their activities will tend to be densely populated urban centers. Once again, therefore, we would suggest that the allocation of any resources or partnerships be focused on those urban centers so that they can respond to the likely locations of attacks.

There are some exceptions to that I think we all recognize, such as nuclear power plants or water supply sources that are outside urban centers, but it would be something we would really like you, too, to think about as you work through this process.

The next one is sustaining the funding. I've had both the joy and the pleasure and the pain of dealing with the COPS MORE Grants over the years, and it was nice to have the Federal Government pickup a portion of adding new police officers, and it was helpful, and we took advantage of that.

But the reality is many urban center cities, in particular were not able to take full advantage of it because, unlike Phoenix, they weren't growing. Their tax bases weren't growing, and as you may know and may recall, cities had to commit to keep those officers on after 5 years out of their own operating budgets.

And that is, I think, a challenge that should be considered as you look at funding for these kinds of security investments, not just initial funding for the capital equipment or the additional training, but some base maintenance funding to keep equipment and, frankly, the people sharp for, I think, decades to come.

In fact, from our perspective, this is the new reality. This is not something that is going to go away ever in the future of our country. And so some baseline permanent funding after the initial large funding I think is important to consider.

I would suggest to you that the FEMA model for urban search and rescue has been very successful for our communities. As you may be aware, the city of Phoenix's fire fighters responded to an earthquake in California, obviously a tremendous disaster.

We also were onsite in Oklahoma City and were part of the recovery effort in New York City. The one challenge with that for us and, I think, you is that response is 72 hours after the incident, and I think all of us are recognizing that this investment that we are talking about making now needs to be put in place in a way

that we can respond within minutes, if possible hours probably at the longest.

So it is a different kind of investment than the FEMA model, but the FEMA model is not a bad backdrop to consider for your processes.

Just to kind of give you a quick outline for that, FEMA funds for us the capitalization of some fairly sophisticated equipment, some very specialized training from our fire fighters. We take that equipment. We have it palletized and stored in a location here in the valley, and then if called by FEMA, we can rally our fire fighters and police officers and that equipment in about 3 days to put them on the scene to help with any rescue and recovery efforts.

That system works pretty well with the one enhancement we think is necessary, which is having equipment more readily available and having the training more active on a more day-to-day basis.

The last thing I would mention to you, which is a critical issue to every public safety system in the country, is the new radio systems that we are all capitalizing today. The Phoenix City voters just approved $120 million to replace our old, antiquated radio system with a new 800 megahertz radio system, and I am pleased and proud that the Phoenix voters wanted to do that.

We are doing this so we can communicate directly with other agencies internal to the city. That would be so that a police officer and a fire fighter and someone from Streets and Transportation can all communicate at the same time on the same radio system.

At the same time, we want to be able to communicate with other public safety agencies either in other cities, like Tempe, or the State. One of the problems that appears to be arising with this new, very significant investment, virtually every city in America, is the sale of the 700 megahertz public safety spectrum, and that's because, to put it simply, there is a level of over-speak between the two systems that is problematic.

You might have heard or recall that in New York some of the challenges that they experienced when the fire fighters and police officers entered the building is the loss of communications. One of the reasons we are all looking to 800 megahertz is to avoid that kind of loss because it's a better frequency for public safety officials to operate on.

One of the things we are all concerned about is if we inadvertently sell the 700 megahertz system and then create over-speak. All we are asking is solve that problem before we sell those radio frequencies so that our officers do not get blocked from critical communications when they are most important.

If you do not mind, we have a short video I think we are going to play for you, and then I will conclude.

[Video played.]

Mr. RIMSZA. I would just conclude that this model is one that is a good base model. The challenge for all of us is how to make this even more efficient and more quickly able to respond.

I can tell you from the perspective of us locals, the enhanced training and equipment that is available here within our community is very important to us, and we have always been glad to partner with FEMA in this.

I would hope though, as always, that we never have to respond ever again to one of these tragedies, but it makes me feel good, as Mayor, that we are prepared to.

Thank you.

Mr. HORN. Well, we thank you very much, Mr. Mayor.

I was telling the staff on the way out that your fire department has been No. 1 in the Nation and that we can be proud of that. I assume they are still No. 1.

Mr. RIMSZA. I am certain they are. If they were not, they would be calling me for more equipment. [Laughter.]

Mr. HORN. Well, we thank you very much for that overview.

Mr. ARREDONDO. Chairman Horn, Congressman Flake, it is time for you to get on to your business. We at Tempe want to thank you for being here.

I would be remiss if I did not allude to the fact that our two Assistant Police Chiefs are here in the back. If they would please stand.

And our fire department is represented here, and we will even have some of our staff members participating in your panel. As you have requested, there will be a list given. You do something that no other congressional hearing folks do and that is the recognition of the people that really make this happen.

We at Tempe extend our warmest hello to you and congratulations in being here.

Thank you.

Mr. HORN. Well, that is well put because that is exactly what we are trying to do, and as we all know, September 11, 2001 the world witnessed the most devastating attacks ever committed on U.S. soil. And as we have looked about this, we are going around to various cities and parts of America, and we wanted those who live in the great State of Arizona and its fine cities to know that they can rely on these systems should the need arise.

We have been interested in the chemical attacks, the biological attacks, the water supply, and as everybody knows in this room, the West has always had problems with water supply.

I look with great interest on what is happening in Arizona, your productivity in food and orchards and all the other things, and we want to make sure that it's purified and not compromised by some of the terrorists.

When I was in Europe a month ago, four terrorists tried to poison the Rome water supply, and so this is the kind of thing we face. We are going to ask during this and get ideas from people that are going to be witnesses so that we can be better prepared for that type of thing, which we have never had to face before September 11th.

So let us bring the first panel here, which is Councilman Arredondo and Paul Posner, who is the Managing Director. I will announce them as they start with their presentation.

And Ron Castleman, Ray P. Churay, and Michael Austin, David Englethaler, and Lieutenant Colonel Norman Beasley. We have seats for Panel 1 right here, and we will start the way we generally do.

We will swear in all of the witnesses, and if you do not mind, just stand and raise your right hand.

[Witnesses sworn.]

Mr. HORN. We will start as we do always in Washington and out in the field with the U.S. General Accounting Office as headed by the Comptroller General of the United States, who has the best job and the toughest job in Washington. He has a 15-year term and nobody can mess with him. [Laughter.]

Including Congress and Presidents, and we have got an excellent one in Mr. Walker right now.

The expert from the General Accounting Office now, Paul Posner is Managing Director, Federal Budget Issues of the U.S. General Accounting Office. GAO works for the Congress and not the executive branch. We look to them, and I looked at the terrorism blue books. There must be at least 50 of them already. I mean, they are on top of this, and we appreciate that.

So, Mr. Posner.

STATEMENTS OF PAUL POSNER, MANAGING DIRECTOR, FEDERAL BUDGET ISSUES, U.S. GENERAL ACCOUNTING OFFICE; RON CASTLEMAN, REGIONAL DIRECTOR, FEDERAL EMERGENCY MANAGEMENT AGENCY; RAY P. CHURAY, ASSISTANT SPECIAL AGENT IN CHARGE, PHOENIX FIELD OFFICE, FEDERAL BUREAU OF INVESTIGATION; MICHAEL P. AUSTIN, DIRECTOR, ARIZONA DIVISION OF EMERGENCY MANAGEMENT; DAVID ENGLETHALER, DIRECTOR, ARIZONA DEPARTMENT OF HEALTH SERVICES AND RESPONSE OFFICE AND EMERGENCY RESPONSE COORDINATOR, ARIZONA DEPARTMENT OF HEALTH SERVICES; AND LT. COL. NORMAN BEASLEY, ASSISTANT DIRECTOR FOR CRIMINAL INVESTIGATIONS, ARIZONA DEPARTMENT OF PUBLIC SAFETY

Mr. POSNER. Thank you, Mr. Chairman.

And it is a pleasure to be here in the Phoenix area. I want to again commend you for holding field hearings that are particularly relevant since taking a bottomup look at our system is so important for how we prepare to protect the Nation from terrorism attacks.

It is somewhat novel to have a highly intergovernmental issue be focused in the national security area. We are used to dealing with State and local governments in document program areas, whether it's education and healthcare and law enforcement and a variety of other things. Well, we have learned that nothing we do in the Nation can be done by one government alone; that critically any national goal, whether it is protecting public health or whether it is educating handicapped children is critically dependent on State and local governments and our ability to form partnerships with them over time.

What we are learning now is protecting the Nation's boundaries and borders itself from foreign threats is equally dependent on harmonious and important working relationships.

What does this mean then for what we have to think about going forward? One is that it means Federal initiatives are really not Federal. They are national in nature, and that is one of the reasons why meeting together at the local level is so critical.

It means that Federal orders and policies mean very little if they are not done in partnerships with State and local governments and the private sector to address these challenges.

And ultimately the challenge for us at the Federal level, we have to balance the national interests in obtaining preparedness and mitigation with the unique needs and interests of our local communities. One size will not nor should it fit all.

For both sides this kind of arrangement raises opportunities and challenges. By working collectively with State and local governments, the Federal Government gains the opportunity to get support and resources that we simply do not have.

I mean, we cannot defend and protect water systems in this country or transit systems or anything else. These are owned by other levels of government. Fundamentally you were the first-responders to every single serious incident, and we do not. So we get the chance to enhance the protection of the Nation. We risk the potential that we are going to have inconsistent approaches and we are going to have to basically adopt the priorities that local governments feel are important.

Some Federal officials may feel that is a risk, but nonetheless, we have no other choice but to work through the system.

Local governments gain support and financing, as well, for critical local issues. But they risk being exposed to national standards and requirements that may not particularly fit well with particular local values and conditions.

With that as kind of the framing, I want to briefly reprise the written statement that will be entered in the record with your permission.

Mr. HORN. Without objection, that is automatically in the record.

Mr. RIMSZA. Thank you.

The main points are these. A national strategy at the Federal level is critical. We at the Federal level have many players, many agencies involved in this whole area of counterterrorism and homeland security. At latest count, over 40 Federal agencies have a role to play.

The concern is obviously that this breeds the potential for fragmentation, overlap, duplication, inefficiency. We think this is a longstanding problem with Federal initiatives across the Board, not just homeland security, particularly important here because the States are so large.

There is also a concern that there is the potential for this problem to get worse, not better, after crisis. Well intentioned people across the board attempt to become relevant in solving problems.

In the process, for example, after Oklahoma City, we noted that a number of agencies got into the act of providing assistance to State and local governments for training and planning.

That may have been welcomed by some States and local governments. Others told us that created widespread confusion and overlap and frustration in dealing with the Federal Government.

So the concern is the crises like we have just experienced presents opportunities, but they also present potential challenges, and the fragmentation could get worse before it gets better, as a lot of agencies get in the act.

We have recommended consolidation of State and local planning grants and training grants at the Federal level, and we are pleased that at least the President's budget does suggest the need to do that, and as you know, he has recommended a block grant to get that done.

The second point going forward is the need for strong national goals and indicators. We have something at the Federal level called the Government Performance and Results Act, which really was modeled after State and local governments more than anything we have done. This sets the table that anything we do in the budget or in management should be informed by some expectation of what we are going to accomplish in terms of the results.

We think the preparedness will not be sustainable. Funding, support, programs are going to be difficult to sustain if we do not have informed, balanced, national level kinds of measures done in partnership with State and local governments and the private sector.

Without it, we lack the ability to make budget decisions based on performance. This could lead to either the abandonment of effective programs or the endless funding of ineffective ones.

The point is: How do we move then from an environment where we can really start to measure what we are trying to do, measure levels of preparedness, measure the impact of Federal funds, particularly relevant now that we are ratcheting up that level?

And what we mean by this is not just measuring input, not the number of people in training, although that is part of it. But trying as best we can, as difficult as it is, to measure some kinds of indicators about how well prepared we are.

Obviously there are a lot of efforts already underway in the State and local community and at the Federal community. Exercises, the Emergency Management Assistance Accreditation Programs that States and local governments are working among themselves are part of the question because the idea of how you measure performance and set goals is not one that any one level government, again, should do, certainly not the Federal Government.

These standards need to be national and not Federal, and ultimately they need to be premised on hard work reaching some agreement of what does it mean to be prepared. Is it the lack of an event? Is it the limitation or containment of any damage that does happen as a result of an event?

Those are some of the difficult questions we are going to have to start thinking about.

Finally, we need to think about how we best define a Federal role to promote State and local preparedness in ways that really foster the kind of partnership we are talking about. States and local governments' resources, as folks here know, alone are not sufficient.

We can build on the all hazards approach to emergency management. That is important. If you have experience and you are prepared for an earthquake and other kinds of disasters, you are well on the way to being prepared for this, but this threat is different.

It crosses conventional boundaries and involves new actors, different skills, new legal authorities, the private sector in ways really that are very, very difficult to fashion as people here know better than I.

So the challenge for the Federal Government is how can we design tools to help harmonize the interests of all the partners, and here we offer some suggestions and a statement based on what we've learned elsewhere in the Federal system.

The point is our goal should be to enhance, not to preempt, and our goal should be to protect others who may want to take our money and supplant it and replace it for their own funds. We want to somehow strike this balance.

In the area of grants, for example, there are three or four challenges we think we need to kind of think about as we go forward. One is to insure that the money is well targeted to places that, No. 1, have the greatest threats and, No. 2, have the least financial capability of delivering the public services on their own, and this means devising some reasonable indicators that can separate out these kinds of issues.

We have suggested in disaster assistance that FEMA do a better job of articulating criteria to define when a jurisdiction is more capable than others of handling emergencies of certain types. We need to do a better job at the Federal level, not just in this area, but across the board in targeting Federal money.

The second issue that is perennial that challenges us throughout the Federal Assistance System is fiscal substitution. Clearly, we are trying to offer money because there is a problem. If the money, in fact, is used by State or local governments, as we often find it is, to replace local money, then, in fact, we have not accomplished anything except general fiscal relief.

In fact, we did a study that said in general across the board about 60 cents of every Federal dollar given to State and local governments is supplanted. There are ways to protect this. We have maintenance of effort provisions. We find that some areas are more vulnerable to this than others, particularly areas where State and local governments have longstanding involvement. The substitution is a particular problem.

A third related issue is accountability. We know that whenever the Federal Government grants money, the State and local governments have their own accountability for their own citizens, but somehow we have to develop procedures to insure that there is some performance reporting back to the Federal level.

One thing we have learned about block grants over the years is if we do not have meaningful ways of telling appropriators what we are getting for that money, notwithstanding the discretion and flexibility we give to those communities, congressional interest withers away and those programs tend to wither away as well or get recategorized.

So as we think about this FEMA block grant, meaningful ways to kind of translate local performance into results that can be reported consistently at the national level really important.

Another important strategy, encourage partnerships below the Federal level. Just as we are fragmented, we know that communities in metropolitan areas, for example, face tremendous barriers in working together across boundaries.

You have solved them much more so than we have because you have had to, but we know that an emergency management and oth-

erwise economies of scale can really make a difference. Mutual aid agreements are a testament to that.

The question is: As we design Federal programs, can we encourage more of that to take place? Would that be useful?

The metropolitan planning model of the Department of Transportation's ICE TEA is an example where all grants essentially have to get screened by a regional planning agency. Whether that works or not here remains to be seen, but some kind of mechanism to encourage that process is important.

Ultimately what we need to think about as we design assistance is sustainability. We want to have our initiatives make a difference for the long and not the short-term.

The Federal Government does best at starting and building, stimulating capacity. Ideally we would like to see these initiatives become institutionalized and build support, get a head of steam on their own on the local level. This might happen if we're aiding the kind of functions that provide multi-purpose functionality, not just terrorism preparedness, but preparedness for other kinds of hazards.

The public health example is a good one where when fighting bioterrorism, we're really strengthening the public health system to protect against a variety of threats, and that kind of thing augers well for the prospects of enhancing our long-term preparedness.

A few other tools that we talk about in the testimony are in the area of regulation. Crises have a way of prompting national standards, and at times we visited some communities where already some local governments are telling us that they are facing challenges in coming to, dealing with large, for example, national rail systems and rail corporations, and how we can develop ways to better regulate if we need to and develop standards that are really cooperative in nature. That is a real challenge.

And finally, the concern of information sharing. How do we insure that we share the kind of intelligence that State and local governments need to really effectively target their own resources in areas?

As you know, Presidential Directive 3, Mr. Ridge last week announced a new warning system. The challenge of providing State and local governments with access to sensitive national security information that is nonetheless vital for their citizens is a challenge we are going to be facing.

I know there is some legislation that has been developed that certainly warrant some thought and consideration.

The point is that we can help them better face their challenges in terrorism by better sharing information, but they can also help us, and that is the last point here. This is a two-way street. This is not just the Federal Government coming down as a benefactor.

Basically State and local governments have vital resources. They are essential to help us interdict and prevent terrorism as well. With 600,00 local police officer, 200,000 sheriff staff, you have really the resources to know better what is going on in communities than the Federal Government does. And how can we find ways to get that information back from you and utilize it productively to defend against these threats? That is an emerging challenge.

We notice the INS is starting to contract with certain communities to have them monitor overstayed visa applicants, to take advantage, in other words, of this great capacity that is out there.

So ultimately, in conclusion, the three points that are essential we think for preparing defending the Nation remain: defining a strategy, to defining the national objectives and the Federal role, developing reasonable and meaningful national, not Federal performance accountability standards, and designing tools and choosing them well and effectively to get the job done.

[The prepared statement of Mr. Posner follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Government Efficiency, Financial Management, and Intergovernmental Relations, Committee on Government Reform, House of Representatives

For Release on Delivery
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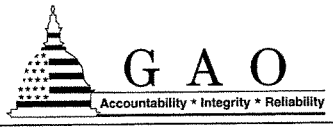
COMBATING TERRORISM

Intergovernmental Partnership in a National Strategy to Enhance State and Local Preparedness

Statement of Paul L. Posner
Managing Director, Federal Budget Issues,
Strategic Issues



GAO-02-547T

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to be here in Tempe to discuss issues critical to successful federal leadership of, assistance to, and partnerships with state and local governments in the area of preparedness for terrorist events. As you know, Mr. Chairman, federal, state, and local governments have a shared responsibility in preparing for catastrophic terrorist attacks. But the initial responsibility falls upon local governments and their organizations—such as police, fire departments, emergency medical personnel, and public health agencies—which will almost invariably be the first responders to such an occurrence. For its part, the federal government historically has principally provided leadership, training, and funding assistance. In the aftermath of the September 11th attacks, for instance, about one-quarter of the $40 billion Emergency Response Fund was dedicated to homeland security, including funds to enhance state and local government preparedness.

Because the national security threat is diffuse and the challenge is highly intergovernmental, national policymakers must formulate strategies with a firm understanding of the interests, capacity, and challenges facing those governments in addressing these issues. My comments today are based on a body of GAO's work on terrorism and emergency preparedness and policy options for the design of federal assistance,[1] as well as on our review of many other studies.[2] In addition, we draw on ongoing work for this subcommittee; pursuant to your request we have begun a review to examine the preparedness issues confronting state and local governments in a series of case studies over the next several months. We will examine the state and local perspective on these issues and thereby help the Congress and the executive branch to better design and target programs and strategies.

In my testimony, I reiterate GAO's call, expressed in numerous reports and testimonies over the past years, for development of a national strategy that will improve national preparedness and enhance partnerships between federal, state and local governments to guard against terrorist attacks. The

[1] See attached listing of related GAO products.

[2] These studies include the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, *Third Annual Report (Arlington, VA: RAND,* Dec. 15, 2001) and the United States Commission on National Security/21st Century, *Road Map for Security: Imperative for Change,* February 15, 2001.

creation of the Office of Homeland Security under the leadership of Tom Ridge is an important and potentially significant first step. We recognize that the President, in his proposed 2003 budget, has announced that the Office of Homeland Security will propose such a plan later this year. As it comes together, we believe that key aspects of this strategy should include:

- A definition and clarification of the appropriate roles and responsibilities of federal, state, and local entities. Our previous work has found fragmentation and overlap among federal assistance programs. Over 40 federal entities have roles in combating terrorism, and past federal efforts have resulted in a lack of accountability, a lack of a cohesive effort, and duplication of programs. As state and local officials have noted, this situation has led to confusion, making it difficult to identify available federal preparedness resources and effectively partner with the federal government.
- The establishment of goals and performance measures to guide the nation's preparedness efforts. The Congress has long recognized the need to objectively assess the results of federal programs. For the nation's preparedness programs, however, outcomes of where the nation should be in terms of domestic preparedness have yet to be defined. Given the recent and proposed increases in preparedness funding as well as the need for real and meaningful improvements in preparedness, establishing clear goals and performance measures is critical to ensuring both a successful and a fiscally responsible effort.
- A careful choice of the most appropriate tools of government to best implement the national strategy and achieve national goals. The choice and design of policy tools, such as grants, regulations, and partnerships, can enhance the government's capacity to (1) target areas of highest risk to better ensure that scarce federal resources address the most pressing needs, (2) promote shared responsibilities by all parties, and (3) track and assess progress toward achieving national goals.

Since the attacks of September 11th, we have seen the nation unite and better coordinate preparedness efforts among federal, state, and local agencies, as well as among private businesses, community groups, and individual citizens. Our challenge now is to build upon this initial response to further improve our preparedness in a sustainable way that creates both short- and long-term benefits. We applaud the subcommittee's interest in addressing this issue now and urge that it continue its efforts to oversee the efficiency and effectiveness of these key intergovernmental relationships to define and best achieve the necessary level of national preparedness.

Background

Because of such emergencies as natural disasters, hazardous material spills, and riots, all levels of government have had some experience in preparing for different types of disasters and emergencies. Preparing for all potential hazards is commonly referred to as the "all-hazards" approach. While terrorism is a component within an all-hazards approach, terrorist attacks potentially impose a new level of fiscal, economic, and social dislocation within this nation's boundaries. Given the specialized resources that are necessary to address a chemical or biological attack, the range of governmental services that could be affected, and the vital role played by private entities in preparing for and mitigating risks, state and local resources alone will likely be insufficient to meet the terrorist threat.

National preparedness is a complex mission that involves a broad range of functions performed throughout government, including national defense, law enforcement, transportation, food safety and public health, information technology, and emergency management, to mention only a few. While only the federal government is empowered to wage war and regulate interstate commerce, state and local governments have historically assumed primary responsibility for managing emergencies through police, fire-fighting, and emergency medical personnel.

The federal government's role in responding to major disasters is generally defined in the Stafford Act,[3] which requires a finding that the disasters is so severe as to be beyond the capacity of state and local governments to respond effectively before major disaster or emergency assistance from the federal government is warranted. Once a disaster is declared, the federal government—through the Federal Emergency Management Agency (FEMA)—may reimburse state and local governments for between 75 and 100 percent of eligible costs, including response and recovery activities.

There has been an increasing emphasis over the past decade on preparedness for terrorist events. After the nerve gas attack in the Tokyo subway system on March 20, 1995, and the Oklahoma City bombing on April 19, 1995, the United States initiated a new effort to combat terrorism. In June 1995, Presidential Decision Directive 39 was issued, enumerating responsibilities for federal agencies in combating terrorism, including domestic terrorism. Recognizing the vulnerability of the United States to

[3] *The Robert T. Stafford Disaster Relief and Emergency Assistance Act,* (P.L. 93-288) as amended establishes the process for states to request a presidential disaster declaration.

various forms of terrorism, the Congress passed the Defense Against Weapons of Mass Destruction Act of 1996 (also known as the Nunn-Lugar-Domenici program) to train and equip state and local emergency services personnel who would likely be the first responders to a domestic terrorist event. Other federal agencies, including those in the Department of Justice, Department of Energy, FEMA and Environmental Protection Agency, have also developed programs to assist state and local governments in preparing for terrorist events.

The attacks of September 11, 2001, as well as the subsequent attempts to contaminate Americans with anthrax, dramatically exposed the nation's vulnerabilities to domestic terrorism and prompted numerous legislative proposals to further strengthen our preparedness and response. During the first session of the 107th Congress, several bills were introduced with provisions relating to state and local preparedness. For instance, the Preparedness Against Domestic Terrorism Act of 2001, which you co-sponsored, Mr. Chairman, proposes the establishment of a Council on Domestic Preparedness to enhance the capabilities of state and local emergency preparedness and response.

The funding for homeland security increased substantially after the attacks. According to documents supporting the president's fiscal year 2003 budget request, about $19.5 billion in federal funding for homeland security was enacted in fiscal year 2002.[4] The Congress added to this amount by passing an emergency supplemental appropriation of $40 billion dollars.[5] According to the budget request documents, about one-quarter of that amount, nearly $9.8 billion, was dedicated to strengthening our defenses at home, resulting in an increase in total federal funding on homeland security of about 50 percent, to $29.3 billion. Table 1 compares fiscal year 2002 funding for homeland security by major categories with the president's proposal for fiscal year 2003.

[4] *"Securing the Homeland, Strengthening the Nation."* For the complete document, see the Web site: http://www.whitehouse.gov/homeland/homeland_security_book.html

[5] 2001 *Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States,* (P.L. 107-38).

Table 1: Homeland Security by Major Funding Categories for Fiscal Year 2002 and Proposed for Fiscal Year 2003

Dollars in millions

Major funding category	FY2002 enacted	Emergency supplemental	FY2002 total	The president's FY2003 budget request
Supporting first responders	$291	$651	$942	$3,500
Defending against biological terrorism	1,408	3,730	5,138	5,898
Securing America's borders	8,752	1,194	9,946	10,615
Using 21st century technology for homeland security	155	75	230	722
Aviation security	1,543	1,035	2,578	4,800
DOD homeland security	4,201	689	4,890	6,815
Other non-DOD homeland security	3,186	2,384	5,570	5,352
Total	**$19,536**	**$9,758**	**$29,294**	**$37,702**

Source: FY 2003 president's budget document, "Securing the Homeland, Strengthening the Nation."

A National Strategy Is Needed to Guide Our Preparedness Efforts

We have tracked and analyzed federal programs to combat terrorism for many years and have repeatedly called for the development of a national strategy for preparedness. We have not been alone in this message; for instance, national commissions, such as the Gilmore Commission, and other national associations, such as the National Emergency Management Association and the National Governors Association, have advocated the establishment of a national preparedness strategy. The attorney general's Five-Year Interagency Counterterrorism Crime and Technology Plan, issued in December 1998, represents one attempt to develop a national strategy on combating terrorism. This plan entailed a substantial interagency effort and could potentially serve as a basis for a national preparedness strategy. However, we found it lacking in two critical elements necessary for an effective strategy: (1) measurable outcomes and (2) identification of state and local government roles in responding to a terrorist attack. [6]

In October 2001, the president established the Office of Homeland Security as a focal point with a mission to develop and coordinate the implementation of a comprehensive national strategy to secure the United States from terrorist threats or attacks. While this action represents a potentially significant step, the role and effectiveness of the Office of Homeland Security in setting priorities, interacting with agencies on

[6] See U.S. General Accounting Office, *Combating Terrorism: Linking Threats to Strategies and Resources*, GAO/T-NSIAD-00-218 (Washington, D.C.: July 26, 2000).

program development and implementation, and developing and enforcing overall federal policy in terrorism-related activities is in the formative stages of being fully established.

The emphasis needs to be on a national rather than a purely federal strategy. We have long advocated the involvement of state, local, and private-sector stakeholders in a collaborative effort to arrive at national goals. The success of a national preparedness strategy relies on the ability of all levels of government and the private sector to communicate and cooperate effectively with one another. To develop this essential national strategy, the federal role needs to be considered in relation to other levels of government, the goals and objectives for preparedness, and the most appropriate tools to assist and enable other levels of government and the private sector to achieve these goals.[7]

Roles and Missions of Federal, State, and Local Entities Need to Be Clarified

Although the federal government appears monolithic to many, in the area of terrorism prevention and response, it has been anything but. More than 40 federal entities have a role in combating and responding to terrorism, and more than 20 federal entities in bioterrorism alone. One of the areas that the Office of Homeland Security will be reviewing is the coordination among federal agencies and programs.

Concerns about coordination and fragmentation in federal preparedness efforts are well founded. Our past work, conducted prior to the creation of the Office of Homeland Security, has shown coordination and fragmentation problems stemming largely from a lack of accountability within the federal government for terrorism-related programs and activities. There had been no single leader in charge of the many terrorism-related functions conducted by different federal departments and agencies. In fact, several agencies had been assigned leadership and coordination functions, including the Department of Justice, the Federal Bureau of Investigation, FEMA, and the Office of Management and Budget. We previously reported that officials from a number of agencies that combat terrorism believe that the coordination roles of these various agencies are not always clear. The recent Gilmore Commission report

[7] Another important aspect of enhancing state and local preparedness is risk management. Risk management is an important tool for prioritizing limited resources in the face of uncertain threats. For more information on risk management, see U.S. General Accounting Office, *Homeland Security: Risk Management Can Help Us Defend Against Terrorism*, GAO-02-208T (Washington, D.C.: October 31, 2001).

expressed similar concerns, concluding that the current coordination structure does not provide the discipline necessary among the federal agencies involved.

In the past, the absence of a central focal point resulted in two major problems. The first of these is a lack of a cohesive effort from within the federal government. For example, the Department of Agriculture, the Food and Drug Administration, and the Department of Transportation have been overlooked in bioterrorism-related policy and planning, even though these organizations would play key roles in response to terrorist acts. In this regard, the Department of Agriculture has been given key responsibilities to carry out in the event that terrorists were to target the nation's food supply, but the agency was not consulted in the development of the federal policy assigning it that role. Similarly, the Food and Drug Administration was involved with issues associated with the National Pharmaceutical Stockpile, but it was not involved in the selection of all items procured for the stockpile. Further, the Department of Transportation has responsibility for delivering supplies under the Federal Response Plan, but it was not brought into the planning process and consequently did not learn the extent of its responsibilities until its involvement in subsequent exercises.

Second, the lack of leadership has resulted in the federal government's development of programs to assist state and local governments that were similar and potentially duplicative. After the terrorist attack on the federal building in Oklahoma City, the federal government created additional programs that were not well coordinated. For example, FEMA, the Department of Justice, the Centers for Disease Control and Prevention, and the Department of Health and Human Services all offer separate assistance to state and local governments in planning for emergencies. Additionally, a number of these agencies also condition receipt of funds on completion of distinct but overlapping plans. Although the many federal assistance programs vary somewhat in their target audiences, the potential redundancy of these federal efforts warrants scrutiny. In this regard, we recommended in September 2001 that the president work with the Congress to consolidate some of the activities of the Department of Justice's Office for State and Local Domestic Preparedness Support under FEMA.[8]

[8] U.S. General Accounting Office, *Combating Terrorism: Selected Challenges and Related Recommendations*, GAO-01-822 (Washington, D.C.: September 20, 2001).

State and local response organizations believe that federal programs designed to improve preparedness are not well synchronized or organized. They have repeatedly asked for a one-stop "clearinghouse" for federal assistance. As state and local officials have noted, the multiplicity of programs can lead to confusion at the state and local levels and can expend precious federal resources unnecessarily or make it difficult for them to identify available federal preparedness resources. As the Gilmore Commission report notes, state and local officials have voiced frustration about their attempts to obtain federal funds and have argued that the application process is burdensome and inconsistent among federal agencies.

Although the federal government can assign roles to federal agencies under a national preparedness strategy, it will also need to reach consensus with other levels of government and with the private sector about their respective roles. Clearly defining the appropriate roles of government may be difficult because, depending upon the type of incident and the phase of a given event, the specific roles of local, state and federal governments and of the private sector may not be separate and distinct.

A new warning system, the Homeland Security Advisory System, is intended to tailor notification of the appropriate level of vigilance, preparedness and readiness in a series of graduated threat conditions. The Office of Homeland Security announced the new warning system on March 12, 2002. The new warning system includes five levels of alert for assessing the threat of possible terrorist attacks: low, guarded, elevated, high and severe. These levels are also represented by five corresponding colors: green, blue, yellow, orange, and red. When the announcement was made, the nation stood in the yellow condition, in elevated risk. The warning can be upgraded for the entire country or for specific regions and economic sectors, such as the nuclear industry. The system is intended to address a problem with the previous blanket warning system that was used. After September 11th, the federal government issued four general warnings about possible terrorist attacks, directing federal and local law enforcement agencies to place themselves on the "highest alert." However, government and law enforcement officials, particularly at the state and local levels, complained that general warnings were too vague and a drain on resources. To obtain views on the new warning system from all levels of government, law enforcement, and the public, the Attorney General, who will be responsible for the system, provided a 45-day comment period from the announcement of the new system on March 12th. This provides an opportunity for state and local governments as well as the private sector to comment on the usefulness of the new warning

system, and the appropriateness of the five threat conditions with associated suggested protective measures.

Performance and Accountability Measures Need to Be Included in National Strategy

Numerous discussions have been held about the need to enhance the nation's preparedness, but national preparedness goals and measurable performance indicators have not yet been developed. These are critical components for assessing program results. In addition, the capability of state and local governments to respond to catastrophic terrorist attacks is uncertain.

At the federal level, measuring results for federal programs has been a longstanding objective of the Congress. The Congress enacted the Government Performance and Results Act of 1993 (commonly referred to as the Results Act). The legislation was designed to have agencies focus on the performance and results of their programs rather than on program resources and activities, as they had done in the past. Thus, the Results Act became the primary legislative framework through which agencies are required to set strategic and annual goals, measure performance, and report on the degree to which goals are met. The outcome-oriented principles of the Results Act include (1) establishing general goals and quantifiable, measurable, outcome-oriented performance goals and related measures; (2) developing strategies for achieving the goals, including strategies for overcoming or mitigating major impediments; (3) ensuring that goals at lower organizational levels align with and support general goals; and (4) identifying the resources that will be required to achieve the goals.

A former assistant professor of public policy at the Kennedy School of Government, now the senior director for policy and plans with the Office of Homeland Security, noted in a December 2000 paper that a preparedness program lacking broad but measurable objectives is unsustainable.[9] This is because it deprives policymakers of the information they need to make rational resource allocations, and program managers

[9] Richard A. Falkenrath, *The Problems of Preparedness: Challenges Facing the U. S. Domestic Preparedness Program (Cambridge, Mass: John F. Kennedy School of Government, Harvard University,* December 2000).

are prevented from measuring progress. He recommended that the government develop a new statistical index of preparedness,[10] incorporating a range of different variables, such as quantitative measures for special equipment, training programs, and medicines, as well as professional subjective assessments of the quality of local response capabilities, infrastructure, plans, readiness, and performance in exercises. Therefore, he advocated that the index should go well beyond the current rudimentary milestones of program implementation, such as the amount of training and equipment provided to individual cities. The index should strive to capture indicators of how well a particular city or region could actually respond to a serious terrorist event. This type of index, according to this expert, would then allow the government to measure the preparedness of different parts of the country in a consistent and comparable way, providing a reasonable baseline against which to measure progress.

In October 2001, FEMA's director recognized that assessments of state and local capabilities have to be viewed in terms of the level of preparedness being sought and what measurement should be used for preparedness. The director noted that the federal government should not provide funding without assessing what the funds will accomplish. Moreover, the president's fiscal year 2003 budget request for $3.5 billion through FEMA for first responders—local police, firefighters, and emergency medical professionals—provides that these funds be accompanied by a process for evaluating the effort to build response capabilities, in order to validate that effort and direct future resources.

FEMA has developed an assessment tool that could be used in developing performance and accountability measures for a national strategy. To ensure that states are adequately prepared for a terrorist attack, FEMA was directed by the Senate Committee on Appropriations to assess states' response capabilities. In response, FEMA developed a self-assessment tool—the Capability Assessment for Readiness (CAR)—that focuses on 13 key emergency management functions, including hazard identification and risk assessment, hazard mitigation, and resource management. However, these key emergency management functions do not specifically address public health issues. In its fiscal year 2001 CAR report, FEMA concluded that states were only marginally capable of responding to a terrorist event

[10]It was recommended that this index be classified so as to avoid calling attention to the country's most vulnerable areas.

involving a weapon of mass destruction. Moreover, the president's fiscal year 2003 budget proposal acknowledges that our capabilities for responding to a terrorist attack vary widely across the country. Many areas have little or no capability to respond to a terrorist attack that uses weapons of mass destruction. The budget proposal further adds that even the best prepared states and localities do not possess adequate resources to respond to the full range of terrorist threats we face.

Proposed standards have been developed for state and local emergency management programs by a consortium of emergency managers from all levels of government and are currently being pilot tested through the Emergency Management Accreditation Program at the state and local levels. Its purpose is to establish minimum acceptable performance criteria by which emergency managers can assess and enhance current programs to mitigate, prepare for, respond to, and recover from disasters and emergencies. For example, one such standard is the requirement that (1) the program must develop the capability to direct, control, and coordinate response and recovery operations, (2) that an incident management system must be utilized, and (3) that organizational roles and responsibilities shall be identified in the emergency operational plans.

Although FEMA has experience in working with others in the development of assessment tools, it has had difficulty in measuring program performance. As the president's fiscal year 2003 budget request acknowledges, FEMA generally performs well in delivering resources to stricken communities and disaster victims quickly. The agency performs less well in its oversight role of ensuring the effective use of such assistance. Further, the agency has not been effective in linking resources to performance information. FEMA's Office of Inspector General has found that FEMA did not have an ability to measure state disaster risks and performance capability, and it concluded that the agency needed to determine how to measure state and local preparedness programs.

Appropriate Tools Need to Be Selected for Designing Assistance

Since September 11th, many state and local governments have faced declining revenues and increased security costs. A survey of about 400 cities conducted by the National League of Cities reported that since September 11th, one in three American cities saw their local economies, municipal revenues, and public confidence decline while public-safety spending is up. Further, the National Governors Association estimates fiscal year 2002 state budget shortfalls of between $40 billion and $50 billion, making it increasingly difficult for the states to take on expensive, new homeland security initiatives without federal assistance. State and

local revenue shortfalls coupled with increasing demands on resources makes it more critical that federal programs be designed carefully to match the priorities and needs of all partners—federal, state, local and private.

Our previous work on federal programs suggests that the choice and design of policy tools have important consequences for performance and accountability. Governments have at their disposal a variety of policy instruments, such as grants, regulations, tax incentives, and regional coordination and partnerships, that they can use to motivate or mandate other levels of government and private-sector entities to take actions to address security concerns.

The design of federal policy will play a vital role in determining success and ensuring that scarce federal dollars are used to achieve critical national goals. Key to the national effort will be determining the appropriate level of funding so that policies and tools can be designed and targeted to elicit a prompt, adequate, and sustainable response while also protecting against federal funds being used to substitute for spending that would have occurred anyway.

Grants

The federal government often uses grants to state and local governments as a means of delivering federal programs. Categorical grants typically permit funds to be used only for specific, narrowly defined purposes. Block grants typically can be used by state and local governments to support a range of activities aimed at achieving a broad national purpose and to provide a great deal of discretion to state and local officials. Either type of grant can be designed to (1) target the funds to states and localities with the greatest need, (2) discourage the replacement of state and local funds with federal funds, commonly referred to as "supplantation," with a maintenance-of-effort requirement that recipients maintain their level of previous funding, and (3) strike a balance between accountability and flexibility. More specifically:

- Targeting: The formula for the distribution of any new grant could be based on several considerations, including the state or local government's capacity to respond to a disaster. This capacity depends on several factors, the most important of which perhaps is the underlying strength of the state's tax base and whether that base is expanding or is in decline. In an August 2001 report on disaster assistance, we recommended that the director of FEMA consider replacing the per-capita measure of state capability with a more sensitive measure, such as the amount of a state's total taxable resources, to assess the capabilities of state and local

governments to respond to a disaster.[11] Other key considerations include the level of need and the costs of preparedness.

- Maintenance of effort: In our earlier work, we found that substitution is to be expected in any grant and, on average, every additional federal grant dollar results in about 60 cents of supplantion.[12] We found that supplantation is particularly likely for block grants supporting areas with prior state and local involvement. Our recent work on the Temporary Assistance to Needy Families block grant found that a strong maintenance of effort provision limits states' ability to supplant.[13] Recipients can be penalized for not meeting a maintenance-of-effort requirement.
- Balance accountability and flexibility: Experience with block grants shows that such programs are sustainable if they are accompanied by sufficient information and accountability for national outcomes to enable them to compete for funding in the congressional appropriations process. Accountability can be established for measured results and outcomes that permitting greater flexibility in how funds are used while at the same time ensuring some national oversight.

Grants previously have been used for enhancing preparedness and recent proposals direct new funding to local governments. In recent discussions, local officials expressed their view that federal grants would be more effective if local officials were allowed more flexibility in the use of funds. They have suggested that some funding should be allocated directly to local governments. They have expressed a preference for block grants, which would distribute funds directly to local governments for a variety of security-related expenses.

Recent funding proposals, such as the $3.5 billion block grant for first responders contained in the president's fiscal year 2003 budget, have included some of these provisions. This matching grant would be administered by FEMA, with 25 percent being distributed to the states based on population. The remainder would go to states for pass-through to local jurisdictions, also on a population basis, but states would be given

[11] U.S. General Accounting Office, *Disaster Assistance: Improvement Needed in Disaster Declaration Criteria and Eligibility Assurance Procedures*, GAO-01-837 (Washington, D.C.: August 31, 2001).

[12] U.S. General Accounting Office, *Federal Grants: Design Improvements Could Help Federal Resources Go Further*, GAO-AIMD-97-7 (Washington, D.C.: December 18, 1996).

[13] U.S. General Accounting Office, *Welfare Reform: Challenges in Maintaining a Federal-State Fiscal Partnership*, GAO-01-828 (Washington, D.C.: August 10, 2001).

the discretion to determine the boundaries of sub-state areas for such a pass-through—that is, a state could pass through the funds to a metropolitan area or to individual local governments within such an area. Although the state and local jurisdictions would have discretion to tailor the assistance to meet local needs, it is anticipated that more than one-third of the funds would be used to improve communications; an additional one-third would be used to equip state and local first responders, and the remainder would be used for training, planning, technical assistance, and administration.

Regulations

Federal, state and local governments share authority for setting standards through regulations in several areas, including infrastructure and programs vital to preparedness (for example, highways, water systems, public health). In designing regulations, key considerations include how to provide federal protections, guarantees, or benefits while preserving an appropriate balance between federal and state and local authorities and between the public and private sectors (for example, for chemical and nuclear facilities). In designing a regulatory approach, the challenges include determining who will set the standards and who will implement or enforce them. Five models of shared regulatory authority are:

- Fixed federal standards that preempt all state regulatory action in the subject area covered;
- Federal minimum standards that preempt less stringent state laws but permit states to establish standards that are more stringent than the federal;
- Inclusion of federal regulatory provisions not established through preemption in grants or other forms of assistance that states may choose to accept;
- Cooperative programs in which voluntary national standards are formulated by federal and state officials working together;
- Widespread state adoption of voluntary standards formulated by quasi-official entities.

Any one of these shared regulatory approaches could be used in designing standards for preparedness. The first two of these mechanisms involve federal preemption. The other three represent alternatives to preemption. Each mechanism offers different advantages and limitations that reflect some of the key considerations in the federal-state balance.

Tax Incentives

To the extent that private entities will be called upon to improve security over dangerous materials or to protect vital assets, the federal government

can use tax incentives to encourage and enforce their activities. Tax incentives are the result of special exclusions, exemptions, deductions, credits, deferrals, or tax rates in the federal tax laws. Unlike grants, tax incentives do not generally permit the same degree of federal oversight and targeting, and they are generally available by formula to all potential beneficiaries who satisfy congressionally established criteria.

Regional Coordination and Intergovernmental Partnerships

Promoting partnerships between critical actors (including different levels of government and the private sector) facilitates the maximizing of resources and also supports coordination on a regional level. Partnerships could encompass federal, state, and local governments working together to share information, develop communications technology, and provide mutual aid. The federal government may be able to offer state and local governments assistance in certain areas, such as risk management and intelligence sharing. In turn, state and local governments have much to offer in terms of knowledge of local vulnerabilities and resources, such as local law enforcement personnel, available to respond to threats in their communities.

Since the events of September 11th, a task force of mayors and police chiefs has called for a new protocol governing how local law enforcement agencies can assist federal agencies, particularly the FBI, given the information needed to do so. As the United States Conference of Mayors noted, a close working partnership of local and federal law enforcement agencies, which includes the sharing of intelligence, will expand and strengthen the nation's overall ability to prevent and respond to domestic terrorism. The USA Patriot Act provides for greater sharing of intelligence among federal agencies. An expansion of this act has been proposed (S1615, H.R. 3285) that would provide for information sharing among federal, state and local law enforcement agencies. In addition, the Intergovernmental Law Enforcement Information Sharing Act of 2001 (H.R. 3483), which you sponsored Mr. Chairman, addresses a number of information sharing needs. For instance, this proposed legislation provides that the Attorney General expeditiously grant security clearances to Governors who apply for them, and state and local officials who participate in federal counter-terrorism working groups or regional terrorism task forces.

Local officials have emphasized the importance of regional coordination. Regional resources, such as equipment and expertise, are essential because of proximity, which allows for quick deployment, and experience in working within the region. Large-scale or labor-intensive incidents quickly deplete a given locality's supply of trained responders. Some cities

have spread training and equipment to neighboring municipal areas so that their mutual aid partners can help. These partnerships afford economies of scale across a region. In events that require a quick response, such as a chemical attack, regional agreements take on greater importance because many local officials do not think that federal and state resources can arrive in sufficient time to help.

Mutual aid agreements provide a structure for assistance and for sharing resources among jurisdictions in response to an emergency. Because individual jurisdictions may not have all the resources they need to respond to all types of emergencies, these agreements allow for resources to be deployed quickly within a region. The terms of mutual aid agreements vary for different services and different localities. These agreements may provide for the state to share services, personnel, supplies, and equipment with counties, towns, and municipalities within the state, with neighboring states, or, in the case of states bordering Canada, with jurisdictions in another country. Some of the agreements also provide for cooperative planning, training, and exercises in preparation for emergencies. Some of these agreements involve private companies and local military bases, as well as local government entities. Such agreements were in place for the three sites that were involved on September 11th— New York City, the Pentagon, and a rural area of Pennsylvania—and provide examples of some of the benefits of mutual aid agreements and of coordination within a region.

With regard to regional planning and coordination, there may be federal programs that could provide models for funding proposals. In the 1962 Federal-Aid Highway Act, the federal government established a comprehensive cooperative process for transportation planning. This model of regional planning continues today under the Transportation Equity Act for the 21st century (TEA-21, originally ISTEA) program. This model emphasizes the role of state and local officials in developing a plan to meet regional transportation needs. Metropolitan Planning Organizations (MPOs) coordinate the regional planning process and adopt a plan, which is then approved by the state.

Mr. Chairman, in conclusion, as increasing demands are placed on budgets at all levels of government, it will be necessary to make sound choices to maintain fiscal stability. All levels of government and the private sector will have to communicate and cooperate effectively with each other across a broad range of issues to develop a national strategy to better target available resources to address the urgent national preparedness needs.

Involving all levels of government and the private sector in developing key aspects of a national strategy that I have discussed today - a definition and clarification of the appropriate roles and responsibilities, an establishment of goals and performance measures, and a selection of appropriate tools—is essential to the successful formulation of the national preparedness strategy and ultimately to preparing and defending our nation from terrorist attacks.

This completes my prepared statement. I would be pleased to respond to any questions you or other members of the Subcommittee may have.

Contacts and Acknowledgments

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Mr. HORN. Thank you very much. We appreciate that overall national, State, city and regional perspective.

We now go to Mr. Ron Castleman, the Regional Director of the Federal Emergency Management Agency, FEMA. He is based in Dallas, and we are glad to have you here.

And I might add to all you do not have to read everything that you have. If you could summarize that would be helpful because we have got ten more witnesses.

Thank you.

Mr. CASTLEMAN. Good afternoon, Mr. Chairman and members of the subcommittee. I am Ron Castleman, Regional Director of Region VI of the Federal Emergency Management Agency, and it is a pleasure for me to be here today to discuss the pressing matter of how FEMA is assisting State and local governments to prepare for a potential terrorist attack involving biological, chemical or nuclear agents.

FEMA is the Federal agency responsible for leading the Nation in preparing for, responding to and recovering from disasters. Our success depends on our ability to organize and lead a community of local, State, and Federal agencies and volunteer organizations.

The Federal Response Plan forms the heart of our management framework and lays out the process by which interagency groups work together to respond as a cohesive team to all types of disasters.

In response to the terrorist events of September 11, 2001, the Federal Response Plan has proven to be an effective and efficient framework for managing all phases of disasters and emergencies. Much of our success in emergency management can be attributed to our historically strong working relationship with State and local partners.

Through our preparedness programs, we provide the financial, technical, planning, training and exercise support to give State, local, and tribal governments the capabilities they need to protect public health, safety, and property both before and after disaster strikes.

In meeting the challenges ahead for State and local government, FEMA's Office of National Preparedness is becoming more robust. The mission of the Office of National Preparedness is to provide leadership in coordinating and facilitating all Federal efforts to assist State and local first-responders, as well as emergency management organizations with planning, training, equipment, and exercises.

We continue to work with all 50 States and territories and federally recognized Indian tribes and Alaskan native villages to implement our current and other grant programs to assist State, tribal, and local governments.

Our programs enhance their capabilities to respond to all types of hazards and emergencies, such as chemical incidents, incidents involving radiological substances, and natural disasters.

With respect to Arizona, we continue to work very closely with the Arizona Division of Emergency Management. Through our terrorism consequence management preparedness assistance grant, we support the State's activities in the readiness arena. With FEMA financial support, Arizona has in place its domestic pre-

paredness task force that concentrates on such activities as developing and testing the State's strategy for preparedness and response; identifying necessary steps, Arizona communities need to take to prepare for weapons of mass destruction events; and establishing the most appropriate training curriculum to deal with domestic terrorism.

Further, each of Arizona's counties received FEMA funds from Arizona to participate in a statewide domestic terrorism risk assessment.

Finally, our terrorism consequence management assistant grant is also supporting various training workshops throughout the Phoenix area that cover mass fatalities, anthrax response, and other aspects of a response to a terrorist event.

We recognize that chemical, biological, and radiological scenarios will present unique challenges to the first-responder community. Of these types of attacks, we are in many ways better prepared for chemical attack because such an incident is comparable to a large scale hazardous material incident.

In such an event, EPA and the Coast Guard are well connected to local hazardous material responders, State and Federal agencies and the chemical industries. There are systems and plans in place for response to hazardous material systems that are routinely used for both small and large scale events.

EPA is also the primary agency for hazardous materials functions of the Federal Response Plan.

Bioterrorism, on the other hand, presents a greater immediate concern. With the covert release of a biological agent, the first-responders will be hospital staff, medical examiners, private physicians, and animal control workers instead of the traditional first-responders with whom we have a long-term relationship.

The Department of Health and Human Services leads the efforts of the health and medical community to plan and prepare for a national response to a public health emergency and is the critical link between the health and medical community and the larger Federal response.

Concerning the radiological threat, the Federal Radiological Emergency Response Plan has 17 Federal agency signatories, and the Nuclear Regulatory Commission is the lead Federal agency for coordinating the overall response, and FEMA is responsible for coordinating nonradiological support to that.

Finally, FEMA's Office of National Preparedness has asked the FEMA regions to provide information on what the region has done to review and modify State and local radiological emergency preparedness plans for response to a sudden catastrophic event.

It is FEMA's responsibility to insure that the national emergency management system is adequate to respond to the consequences of catastrophic emergencies and disasters regardless of cause. We rely on our partners at the State and local level, and without question, they need support to further strengthen capabilities and operation capacity.

FEMA must insure that the national system has the tools to gather information, set priorities, and deploy resources effectively.

The creation of the Office of National Preparedness and our emphasis on training, planning, equipment, and exercises will enable us to better focus on our efforts and will help our Nation become better prepared for the future.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Castleman follows:]

STATEMENT OF

RON CASTLEMAN

REGIONAL DIRECTOR

REGION VI

FEDERAL EMERGENCY MANAGEMENT AGENCY

BEFORE THE

SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FINANCIAL MANAGEMENT AND INTERGOVERNMENTAL RELATIONS

COMMITTEE ON GOVERNMENT REFORM

U.S. HOUSE OF REPRESENTATIVES

MARCH 22, 2002

Introduction

Good morning, Mr. Chairman. I am Ron Castleman, Regional Director, Region VI of the Federal Emergency Management Agency (FEMA). It is a pleasure for me to be here today to discuss the pressing matter of how FEMA is assisting State and local governments to prepare for a potential terrorist attack involving biological, chemical or nuclear agents. I will describe how FEMA works with other agencies and our State and local partners, our programs related to terrorism, and new efforts to enhance preparedness and response.

FEMA's Coordination Role

FEMA is the Federal Agency responsible for leading the nation in preparing for, responding to and recovering from disasters. Our success depends on our ability to organize and lead a community of local, State, and Federal agencies and volunteer organizations. We know whom to bring to the table when a disaster strikes in order to ensure the most effective management of the response. We provide management expertise and financial resources to help State and local governments when they are overwhelmed by disasters.

The Federal Response Plan (FRP) forms the heart of our management framework and lays out the process by which interagency groups work together to respond as a cohesive team to all types of disasters. This team is made up of 26 Federal departments and agencies, and the American Red Cross, and is organized into interagency functions based on the authorities and expertise of the members and the needs of our counterparts at the State and local level.

Since 1992, and again in response to the terrorist events of September 11, 2001, the FRP has proven to be an effective and efficient framework for managing all phases of disasters and emergencies. The FRP is successful because it builds upon existing professional disciplines, expertise, delivery systems, and relationships among the participating agencies. FEMA has strong ties to the emergency management and fire service communities and we routinely plan, train, exercise, and operate together to remain prepared to respond to all types of disasters.

State and Local Relationship

Much of our success in emergency management can be attributed to our historically strong working relationship with our State and local partners. Through our preparedness programs we provide the financial, technical, planning, training, and exercise support to give State, local and Tribal governments the capabilities they need to protect public health, safety and property both before and after disaster strikes. Our programs foster the partnerships that are so critical to creating a strong comprehensive national emergency preparedness system. Terrorism consequence management is just one component of our overall emergency management effort. For example, after September 11, Governor Ridge and Director Allbaugh agreed that there was a need to quickly assess State

capabilities to effectively respond to acts of terrorism. FEMA assembled an interagency team with members from Department of Defense, Department of Education, Health and Human Services, Department of Justice and Environmental Protection Agency to visit the 50 States and territories to assess their readiness against 18 criteria and to identify priorities and shortfalls. We examined several categories such as critical infrastructure, personnel, plans, equipment and supplies communications and related capabilities. The results were provided in a classified report to Governor Ridge right before Thanksgiving.

Meeting The Challenge Ahead – Creating the Office of National Preparedness

On May 8, 2001, the President tasked the Director with creating the Office of National Preparedness within FEMA to "coordinate all Federal programs dealing with weapons of mass destruction consequence management within the Departments of Defense, Health and Human Services, Justice, and Energy, the Environmental Protection Agency, and other federal agencies." Additionally, the ONP was directed to "work closely with state and local governments to ensure their planning, training, and equipment needs are met."

The mission of the Office of National Preparedness (ONP) is to provide leadership in coordinating and facilitating all Federal efforts to assist State and local first responders (including fire, medical and law enforcement) and emergency management organizations with planning, training, equipment and exercises. By focusing on these specific areas, we can build and sustain our nation's capability to respond to any emergency or disaster, including a terrorist incident involving chemical, biological or nuclear weapons of mass destruction and other natural or manmade hazards.

FEMA has made the following changes to support this expanded mission to support the Office of Homeland Security:

- Realigned preparedness activities from the Readiness, Response and Recovery Directorate to ONP;
- Realigned all training activities into the U.S. Fire Administration to allow greater coordination between training for emergency managers and training for firefighters;
- Moved the authority for credentialing, training and deploying Urban Search and Rescue teams from the Readiness, Response and Recovery Directorate to the U.S. Fire Administration.

ONP Organization

The ONP is organized in FEMA Headquarters under a Director (reporting directly to the FEMA Director) and supported by a Management Services Unit and four Divisions to carry out key its functions to coordinate and implement Federal programs and activities

aimed at building and sustaining the national preparedness capability. The divisions and their functional responsibilities include the following:

- **Administration Division** – Provide financial and support services, and management of the grant assistance activities for local and State capability building efforts.
- **Program Coordination Division** – Ensure development of a coordinated national capability involving Federal, State, and local governments, to include citizen participation, in the overall efforts to effectively deal with the consequences of terrorist acts and other incidents within the United States.
- **Technological Services Division** – Improve the capabilities of communities to manage technological hazard emergencies- whether accidental or intentional-and leverage this capability to enhance the capability for dealing with terrorist attacks.
- **Assessment and Exercise** – Provide guidance, exercise, and assess and evaluate progress in meeting National goals for development of a domestic consequence management capability.

We continue to work with all 55 states and territories and Federally recognized Indian Tribes and Alaskan Native Villages to implement our current and other grant programs to assist State, Tribal and local government to enhance their capabilities to respond to all types of hazards and emergencies such as chemical incidents, incidents involving radiological substances, and natural disasters.

The Approach to Biological and Chemical Terrorism

We recognize that biological and chemical scenarios would present unique challenges to the first responder community. Of these two types of attacks, we are, in many ways, better prepared for a chemical attack because such an incident is comparable to a large-scale hazardous materials incident.

In such an event, EPA and the Coast Guard are well connected to local hazardous materials responders, State and Federal agencies, and the chemical industry. There are systems and plans in place for response to hazardous materials, systems that are routinely used for both small and large-scale events. EPA is also the primary agency for the Hazardous Materials function of the Federal Response Plan. We are confident that we would be able to engage the relevant players in a chemical attack based on the hazardous materials model.

Bio-terrorism, however, presents the greater immediate concern. With a covert release of a biological agent, the 'first responders' will be hospital staff, medical examiners, private physicians, or animal control workers, instead of the traditional first responders such as police, fire, and emergency medical services, with whom we have a long-term relationship. While I defer to the Departments of Justice and DHHS on how biological scenarios would unfold, it seems unlikely that we would have much forewarning of a calculated strike in this realm.

In exercise and planning scenarios, the worst-case scenarios begin with an undetected event and play out as widespread epidemics, rapidly escalating into a national emergency. Response would likely begin in the public health and medical community, with initial requests for Federal assistance probably coming through health and medical channels to the Centers for Disease Control and Prevention (CDC).

DHHS leads the efforts of the health and medical community to plan and prepare for a national response to a public health emergency and is the critical link between the health and medical community and the larger Federal response. FEMA works closely with the Public Health Service of DHHS as the primary agency for the Health and Medical Services function of the Federal Response Plan. We rely on the Public Health Service to bring the right experts to the table when the Federal Response Plan community meets to discuss biological scenarios. We work closely with the experts in DHHS and other health and medical agencies, to learn about the threats, how they spread, and the resources and techniques that will be needed to control them.

By the same token, the medical experts work with us to learn about the Federal Response Plan and how we can use it to work through the management issues, such as resource deployment and public information strategies. Alone, the Federal Response Plan is not an adequate solution for the challenge of planning and preparing for a deadly epidemic or act of bioterrorism. It is equally true that, alone, the health and medical community cannot manage an emergency with biological causes. We must work together.

In recent years, Federal, state and local governments and agencies have made progress in bringing the communities closer together. Exercise Top Officials (TOPOFF) 2000 conducted in May 2000 involved two concurrent terrorism scenarios in two metropolitan areas, a chemical attack on the East Coast followed by a biological attack in the Midwest. This was a successful and useful exercise and we continue to work to implement the lessons learned.

In January 2001, the FBI and FEMA jointly published the U.S. Government Interagency Domestic Terrorism Concept of Operation Plan (CONPLAN) with DHHS, EPA, and the Departments of Defense and Energy, and these agencies have pledged to continue the planning process to develop specific procedures for different scenarios, including bioterrorism. The Federal Response Plan and the CONPLAN provide the framework for managing the response to an act of bioterrorism, but we need to continue to practice our response to events of this kind.

The Approach to Nuclear Terrorism

There are 63 commercial nuclear power plant sites in the United States, located in 33 States. These states and their local governments have radiological emergency response plans for the 10 miles surrounding the plants and 36 states have plans for the 50 miles radius surrounding the plants.

The Federal response to a nuclear power plant incident is documented in the Federal Radiological Emergency Response Plan (FRERP), which has 17 Federal agency signatories. The Nuclear Regulatory Commission (NRC) is the lead Federal agency for coordinating the overall response and FEMA is responsible for coordinating non-radiological support.

The FEMA Radiological Emergency Preparedness (REP) Program also routinely tests and evaluates the individual site plans, the 10-mile plans for the 63 sites are tested at biennial exercises (approximately 32 exercises per year) and the 50-mile plans for the 36 States are exercised once every six years (approximately six exercises per year).

The events of September 11 have now horrifically demonstrated that these plans needed to be expanded further. When September 11 showed us how a commercial jetliner can be used as a weapon of mass destruction, the NCR and FEMA began to work jointly on the preparation of protocols and procedures for dealing with the consequences of a similar attack on a nuclear power plant – a scenario previously not addressed. While some amendments to the emergency response plans may result from this review, it is important to note that the current plans are a valid approach to any nuclear power plant incident, regardless of the cause: terrorism, human error, technological failure, or a natural hazard.

The Federal Radiological Preparedness Coordinating Committee (FRPCC) has also conducted tabletop exercises of the FRERP in order to determine Federal agency resources for responding to a terrorist attack, or multiple attacks, with a radiological component. In addition, the FRPCC is evaluating the nuclear/radiological threat posed by Improvised Nuclear Devices and Radiological Dispersal Devices and the preparedness of FRPCC member departments and agencies to deal with these threats.

In addition, the Federal Response Subcommittee of the FRPCC has developed information on radiological terrorist devices--such as radiological dispersion devices, improvised nuclear devices, and radiological exposure devices--for the use of the Federal Bureau of Investigation as background and public information.

Finally, FEMA's Technological Services Division of the Office of National Preparedness has asked the FEMA Regions to provide (1) information on what the Region has done to review and modify State and local REP plans for a response to a sudden catastrophic event; (2) recommendations on improving the realism of REP exercises; and (3) recommendations on how to improve/enhance public education within the REP planning zones. This request is due by April 15, 2002.

We are also working with our Canadian neighbors through *the Agreement between the Government of the United States of America and the Government of Canada on Cooperation in Comprehensive Civil Emergency Planning and Management.* In the past, our collaboration under this agreement has focused on natural and technological hazards. The Agreement does, however, include language regarding "deliberate acts" and "undeclared hostilities including armed enemy attack".

Since September 11, both countries are applying the broadest interpretation of those aspects of the Agreement. The United States Government and Canada seek to strengthen cross border planning and management against the possibility of future chemical, biological, radiological, nuclear events and/or incendiary attacks targeted on either of our countries or on both of our countries simultaneously. To that end, FEMA participated in a US Department of State-Canada Solicitor General sponsored Senior Level Workshop that was held in Ottawa on 4-5 February 2002. FEMA is also working with Canada's Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) to help improve existing communications and operational levels for all disaster situations including terrorism.

Conclusion

It is FEMA's responsibility to ensure that the national emergency management system is adequate to respond to the consequences of catastrophic emergencies and disasters, regardless of the cause, and that all catastrophic events require a strong management system built on expert systems for each of the operational disciplines.

Terrorism presents tremendous challenges. We rely on our partners in Department of Health and Human Services to coordinate the efforts of the health and medical community to address biological terrorism, as we rely on EPA and the Coast Guard to coordinate the efforts of the hazardous materials community to address chemical terrorism and the NCR to address nuclear events. And we relay on our partners at the state and local level. Without question, they need support to further strengthen capabilities and their operating capacity.

FEMA must ensure that the national system has the tools to gather information, set priorities, and deploy resources effectively in a biological scenario. In recent years we have made tremendous strides in our efforts to increase cooperation between the various response communities, from fire and emergency management to health and medical to hazardous materials. And now, we need to do more.

The creation of the Office of National Preparedness and our emphasis on training, planning, equipment, and exercises will enable us to better focus our efforts and will help our nation be better prepared for the future.

Thank you, Mr. Chairman. I would be happy to answer any questions you have.

Mr. HORN. We thank you very much. That's a very thorough statement and very helpful to us.

Our next witness is Ray P. Churay, Assistant Special Agent in Charge, the Phoenix Field Office for the Federal Bureau of Investigation.

Mr. CHURAY. Good afternoon, Chairman Horn, Congressman Flake, members of the subcommittee, and distinguished participants from Arizona.

Thank you for the opportunity to represent the FBI at this hearing.

Terrorist events of recent years both in the United States and elsewhere have driven home the importance of the absolute necessity of the FBI to work closely with State and local law enforcement and first-responder agencies.

The Phoenix FBI Joint Terrorism Task Force, the FBI's National Infrastructure and Computer Intrusion Program, and the FBI's Weapons of Mass Destruction Program are the main vehicles facilitating that cooperation and support.

Each of these efforts address both international and domestic terrorist threats that involve all appropriate local, State, and Federal law enforcement, first-responder, and infrastructure related agencies.

I have provided a more detailed statement. However, in the limited time available, I would like to provide just a few examples of how this program works.

Members of the Joint Terrorism Task Force have productive liaison with the Arizona Department of Health Services and their bioterrorism lab. The ADHS and lab are essential in immediately addressing an overt biological threat and tracking hospital cases to identify spiking illnesses that may be an indication of a covert biological attack.

Other JTTF liaisons relevant to the purposes of this hearing include the Metro Medical Response System, which receives Federal funding; the Arizona Office of Homeland Defense, which you have heard about earlier; and the Arizona Department of Emergency and Military Affairs.

The Joint Terrorism Task Force has participated in numerous joint training exercises, which included these and many other agencies. These exercises involved simulated chemical, biological and nuclear threats. Some of the locations included Phoenix, Mesa, Lake Havasu City, Fort Huachuca and Sierra Vista, Sky Harbor Airport, and the Palo Verde Nuclear Power Plant.

Since the events of September 11th, the FBI has worked closely with the law enforcement community to create two satellite Joint Terrorism Task Forces, one at Tucson and one at Flagstaff, and has attempted to increase membership in Phoenix by six additional State and local agency members.

The FBI's National Infrastructure and Protection Center, or NIPC, created in 1998, serves as a focal point to warn against and respond to terrorist attacks that involve the use of the Nation's cyber network.

The NIPC Key Asset initiative program identifies and attempts to protect against cyber attacks on major electrical, communications, water, and energy systems, as well as transportation hubs.

The NIPC Infra-guard Program incorporates business, military, and government communities into a kind of cyber Neighborhood Watch network.

The FBI has also developed a number of warning systems that are linked to the Arizona law enforcement and business communities. The National Threat Warning System is a classified, secure network that reaches 60 Federal agencies and their subcomponents, as well as all 56 FBI field offices and 44 legal attaches overseas.

This information can then be disseminated to local and State agency personnel with appropriate clearances. Thirty-seven such warnings have been sent since September 11th.

Unclassified threat information is nationally disseminated through the National Law Enforcement Telecommunications System [NLETS]. The FBI has issued over 40 "be on the lookout," or BOLO, alerts on the NLET system since September 11th, and thousands of security managers at U.S. commercial firms receive threat information through the FBI's Awareness of National Security Issues and Responses [ANSIR] Program.

The FBI's Weapons of Mass Destruction Program fully integrates the FBI into Arizona's local and State emergency first-responder, and law enforcement community. The Phoenix FBI Weapons of Mass Destruction Coordinator is Arizona's conduit to a myriad of national nuclear, biological, and chemical resources.

Arizona's Weapons of Mass Destruction Coordinator works closely with the FBINQ and Counter Measures Unit and Hazardous Materials Response Unit to provide immediate expertise and links to subject experts in all related fields.

The WMD Counter Measures Unit and HMRU also serve as a central resource point for Federal response teams in the event of an actual attack. They also have immediate liaison with agencies responsible for the administration of medical stores, portable medical facilities, and supporting material resources, such as tents, mobile labs, and storage buildings.

The WMD Coordinator's position was created specifically by FBI Headquarters to insure that each FBI field office gave an immediate response to local and State resource needs in a WMD event.

Due to time constraints, this concludes my prepared remarks. I would like to thank you for the opportunity to make this presentation, and I look forward to any questions.

[The prepared statement of Mr. Churay follows:]

STATEMENT OF RAY P. CHURAY
ASSISTANT SPECIAL AGENT IN CHARGE, PHOENIX DIVISION
FEDERAL BUREAU OF INVESTIGATION
BEFORE THE HOUSE COMMITTEE ON GOVERNMENT REFORM
SUBCOMMITTEE ON GOVERNMENT EFFICIENCY,
FINANCIAL MANAGEMENT AND INTERGOVERNMENTAL RELATIONS
MARCH 22, 2002

Good morning Chairman Horn, Members of the Subcommittee and distinguished Members of the Arizona Delegation. I value the opportunity to appear before you and discuss terrorism preparedness, including threats posed by attacks involving biological, chemical or nuclear agents, as well as measures being taken by the FBI and our law enforcement partners to address these threats.

Introduction

The mission of the FBI's counterterrorism program is to detect, deter, prevent, and swiftly respond to terrorist actions that threaten U.S. interests at home or abroad, and to coordinate those efforts with local, state, federal, and foreign entities as appropriate. The counterterrorism responsibilities of the FBI include the investigation of domestic and international terrorism. As events during the past several years demonstrate, both domestic and international terrorist organizations represent threats within the borders of the U.S.

The Phoenix Division of the FBI

The Phoenix Division of the FBI encompasses the entire Federal Judicial District of Arizona. The Division has investigative responsibilities in 15 counties with an approximate population of six million. The headquarters office for the Division is located in Phoenix with satellite offices, or Resident Agencies (RAs), in Tucson, Lake Havasu, Flagstaff, Sierra Vista, Pinetop, Yuma, and Gallup, New Mexico. The Division personnel resource staffing level for Special Agents is 217 and the professional support complement is 126.

Joint Terrorism Task Forces (JTTFs)

Cooperation among law enforcement agencies at all levels represents an important component of a comprehensive response to terrorism. This cooperation assumes its most tangible operational form in the joint terrorism task forces (JTTFs) that are established in 44 cities across the nation. These task forces are particularly suited to responding to terrorism because they combine the national and international investigative resources of the FBI with the street-level

expertise of local law enforcement agencies. This Agent-to-Officer cooperation has proven highly successful in preventing several potential terrorist attacks.

JTTFs are coordinated with the newly created Anti-Terrorism Task Forces located in the offices of U.S. Attorneys throughout the country. This coordination is crucial, to avoid duplication of effort and enhance the exchange of information and overall counterterrrorism objectives.

The Phoenix Division has a JTTF which includes members of the United States Attorney's Office, the FBI, the INS, the IRS-CID, the U.S. Postal Service, the ATF, the Secret Service, the U.S. Customs Service, the Arizona Department of Public Safety, the Phoenix Police Department, and the Maricopa County Attorney's Office. The Department of Defense, Defense Intelligence Agency will have a representative on the Phoenix JTTF in the very near future. The Phoenix JTTF covers both international and domestic terrorism matters. The JTTF is also responsible for Weapons of Mass Destruction (WMD) matters, and Special Events. The Phoenix JTTF exemplifies the axiom that the ability of agencies to share intelligence and pool investigative resources is key to preventing terrorist acts.

Phoenix JTTF Activities

FBI Special Agents assigned to the Phoenix JTTF meet with their federal, state and local counterparts in designated alternating locations for training, discussion of investigations, and to share intelligence. For example, members of the JTTF meet with the Arizona Emergency Response Commission, an entity that has access to chemical reporting and tracking within private industries. This program (AZSERC) provides the FBI with a CD that contains information on chemical storage in general, and a secure internet program that tracks current chemical stockpiling in particular.

The Phoenix JTTF also benefits from a productive working relationship with the Arizona Department of Health Services (ADHS). The state bioterrorism lab, an entity of the ADHS, is the only lab in the state certified to conduct evidence identification in regards to bioterrorism. This lab tested more than 1,100 samples during the national anthrax investigation. This department also tracks hospital cases in order to identify any spikes in and/or unexplained illnesses.

Another example of information sharing between the Phoenix JTTF and other state and local agencies, is the liaison with the Metropolitan Medical Response System. The cities of Phoenix, Mesa, and Tucson are members of this program

which is federally funded by the U.S. Department of Justice (DOJ). This program integrates the communication and planning aspects of fire, police, and emergency medical response. This program has received praise from the DOJ. There are other programs with which the Phoenix JTTF has liaison, including the Arizona Homeland Defense, and the Arizona Department of Emergency and Military Affairs.

JTTF preparedness includes field and table top exercises which test the ability and response capabilities of agencies who would participate in responding to a disaster involving biological, chemical, or nuclear attack. The Phoenix JTTF has participated in exercises held in Phoenix, Mesa, the Palo Verde Nuclear Power Plant, Lake Havasu City, and Maricopa County.

The JTTF also handles "special events." The Phoenix Division has covered several high profile special events, including the 2002 World Series, the Fiesta Bowl, and Phoenix International Speedway NASCAR events. These events were attended by tens of thousands of fans and had national exposure. All FBI field offices were queried for information related to possible criminal activities directed against the events or participants. The Phoenix JTTF worked closely with state and local entities to ensure that these events were safe and secure for the public.

The Phoenix JTTF is responsible for numerous ongoing investigations. A recent example is an eco-terrorism investigation that involved an individual who identified himself as the Coalition to Save the Preserves. The perpetrator set fires to luxury homes under construction at or near the mountain preserves in the Phoenix Metropolitan area, in an effort to stop urban sprawl. Months of hard work resulted in the arrest of the responsible party. This individual pled guilty, was sentenced to18 years in prison and was ordered to pay approximately four million dollars in restitution. In addition to the permanent JTTF member agencies, the Phoenix Fire Department, the Scottsdale Police Department, and the Rural Metro Fire Department also participated to bring this matter to a successful conclusion.

Steps Taken After September 11, 2001

In addition to continuing all of the activities detailed earlier, in light of the events of September 11, 2001, the Phoenix JTTF is implementing several changes. The JTTF is in the process of adding six additional state and local agency members. The JTTF is also expanding to the Flagstaff and Tucson Resident Agencies to better facilitate the coverage of terrorism related issues in outlying areas of the state. These satellites of the Phoenix JTTF will include representatives of the FBI, as well as representatives of state and local agencies. Training will be

provided to new members to facilitate bringing new local agencies "up to speed" on JTTF matters.

The Phoenix JTTF has within its territory the Palo Verde nuclear power facility. Palo Verde is the world's largest producer of nuclear energy. The most recent joint "tabletop" exercise hosted by the Phoenix JTTF, was conducted at the Palo Verde Nuclear Power Plant. These exercises involved numerous federal, state, and local agencies and included more than 300 participants. Although this exercise took place before September 11, 2001, the Phoenix JTTF has been in constant contact with Palo Verde concerning aircraft flying close to Palo Verde and other security related issues since September 11, 2001. The security of Palo Verde is a top priority with the Phoenix JTTF.

Other key logistical assets, such as lakes, dams, and facilities owned and operated by the Salt River Project (SRP), are monitored via cooperation and liaison with various agencies. For example, after September 11, 2001, the SRP and the Phoenix JTTF had a meeting to discuss the infrastructure and security of SRP's water facilities, and steps that needed to be taken to ensure the integrity of Arizona's water supply. SRP briefed the JTTF on new security measures that were implemented in light of the events of September 11, 2001.

National Infrastructure Protection Center

Because of its relevance to the topic of this hearing, specifically the threat to nuclear and chemical facilities, I would like to briefly discuss the National Infrastructure Protection Center (NIPC), which was created in 1998. The NIPC represents a joint government and private sector partnership that includes representatives from the relevant agencies of federal, state and local government. The NIPC's mission is to serve as the U.S. government's focal point for threat assessment, warning, investigation and response to threats or attacks against our critical infrastructures, both domestic and international.

To facilitate its ability to investigate and respond to attacks, the FBI has created a National Infrastructure and Computer Intrusion Program (NIPCIP). Under this program, managed by the NIPC at FBI Headquarters, NIPCIP investigative teams have been established in each of the FBI's 56 field divisions, including the Phoenix division. The field NIPCIP investigators conduct computer intrusion investigations, respond to threats, and collect information on "key assets" within each sector.
Through a 24-hour watch and other initiatives, the NIPC has developed processes to ensure that it receives information in real-time or near-real-time from

relevant sources, including the U.S. intelligence community, FBI criminal investigations, other federal agencies, the private sector, emerging intrusion detection systems, and open sources. This information is quickly evaluated to determine if a broad-scale attack is imminent or underway.

The National Infrastructure and Computer Intrusion Program also has a role in preventing terrorist acts. The focus of NIPC's "Key Asset Initiative" includes asset identification and protection, improving cyber and physical security, and enhancing ongoing coordination with other federal, state and local government entities, to ensure their involvement in the protection of critical infrastructures. Assets include the major electrical, communications, and water facilities; transportation hubs; energy plants and other infrastructure which are instrumental in supporting societal activities and which, if attacked, would represent a major loss or disruption to Arizona and U.S. communities. Computer intrusions financially impact the business community and computer systems may be used to gain illegal entry into governmental or military agencies. Computer terrorists may conduct clandestine communications via computers located in educational institutions or elsewhere without the knowledge of the computer system's sponsor.

InfraGard Program

InfraGard is an information sharing and analysis alliance between government and the private sector that provides formal and informal channels for the exchange of information about infrastructure threats and vulnerabilities. The FBI started the alliance as a pilot project in 1996. Today, all 56 field divisions of the FBI have initiated InfraGard chapters, with hundreds of private companies participating across the nation. The Phoenix Division InfraGard Program incorporates business, governmental, and military communities into a system similar to a Neighborhood Watch. They conduct regular meetings to discuss awareness of computer issues and operate a self warning system.

Threat Warning Systems

Because warning is critical to the prevention of terrorist acts, the FBI also has expanded the National Threat Warning System (NTWS) first implemented in 1989. The system now reaches all aspects of the law enforcement and intelligence communities. Currently, sixty federal agencies and their subcomponents receive information via secure teletype through this system. The messages also are transmitted to all 56 FBI field offices and 44 legal attaches. If threat information requires nationwide unclassified dissemination to all federal,

state, and local law enforcement agencies, the FBI transmits messages via NLETS. In addition, the FBI disseminates threat information to security managers of thousands of U.S. commercial interests through the Awareness of National Security Issues and Response (ANSIR) program. If warranted, the expanded NTWS also enables the FBI to communicate threat information directly to the American people.

On January 16, 2002, the FBI disseminated an advisory via the National Law Enforcement Telecommunications Systems (NLETS) regarding possible attempts by terrorists to use U.S. municipal and state web sites to obtain information on local energy infrastructures, water reservoirs, dams, highly enriched uranium storage sites, and nuclear and gas facilities. Although the FBI possesses no specific threat information, these types of activities on the part of terrorists pose serious challenges to our national security. Since the terrorist attack of September 11, the FBI has disseminated 37 warnings via the NTWS. The FBI also has issued more than 40 "be on the lookout" (BOLO) alerts via the NLETS system. BOLO alerts provide the names of individuals who are of investigative interest to the FBI.

Bioterrorism and Weapons of Mass Destruction

The FBI Counterterrorism Division's Weapons of Mass Destruction Countermeasures Unit (WMDCU) plans and conducts Weapons of Mass Destruction (WMD) exercises which address the specific needs and objectives of state and local emergency responders. State and local emergency management officials may request this assistance through their respective FBI WMD Coordinators who forward the request to WMDCU. Every FBI Field Division, including the Phoenix Division, has a WMD Coordinator. WMDCU fully integrates state and local planning officials into the exercise planning process to ensure their requirements are specifically met. WMDCU also co-chairs the Interagency Board (IAB) for Equipment Standardization and Interoperability. The IAB consists of more than 48 separate local, state and federal organizations. The IAB is responsible for the creation of the Standardized Equipment List and is recognized as the leading authority in the area of WMD response equipment.

The bioterrorism threat has risen to a new level. The federal government, in partnership with state and local law enforcement agencies, has always taken threats concerning the intentional release of biological agents seriously. However, until recently, neither the federal government nor state and local responders have been required to utilize their assets to coordinate a response to an actual release of anthrax. The intentional introduction of anthrax into our

infrastructure has resulted in significant alarm concerning our health and safety. I would like to comment on the manner in which the law enforcement community responds to a suspected act of terrorism involving biological agents, and reinforce the cooperative effort that is in place between the federal government and the myriad of first responders who provide guidance, assistance and expertise.

The response to a potential bioterrorism threat can be broken down into two different scenarios: overt and covert releases. The distinction between the two involves the manner in which the biological threat agent is introduced into the community and the nature of the response. Regardless of whether a biological release is overt or covert, the primary mission of law enforcement and the public health community is saving lives.

An overt scenario involves the announced release of an agent, often with some type of articulated threat. An example of this would be the receipt of a letter containing a powder and a note indicating that the recipient has been exposed to anthrax. This type of situation would prompt an immediate law enforcement response, to include local police, fire and emergency medical service (EMS) personnel. As noted earlier, each FBI field office is staffed with a WMD Coordinator whose responsibilities include liaison with first responders in the community. Due to this established relationship with first responders, the local FBI WMD Coordinator would be notified and dispatched to the scene.

Depending upon the magnitude of the threat, the response protocol could involve initiating the FBI's interagency threat assessment process. The FBI's WMD Operations Unit of the Counterterrorism Division at FBI Headquarters, coordinates this threat assessment with the FBI Laboratory's Hazardous Materials Response Unit (HMRU) to determine the credibility of the threat received, the immediate concerns involving health and safety of the responding personnel, and the requisite level of response warranted by the federal government. The FBI obtains detailed information from the on-scene personnel and input from the necessary federal agencies with responsibility in the particular incident. In a biological event, the Department of Health and Human Services (DHHS), including Centers for Disease Control and Prevention (CDC), and Food and Drug Administration (FDA), as well as the United States Department of Agriculture (USDA) are the key agencies called upon to assist FBI personnel in assessing the particular threat. Based upon the assessment, a determination is made as to the level of response necessary to adequately address the particular threat, which could range from a full federal response if the threat is deemed credible, to collection of the material in an effort to rule out the presence of any

biological material if the threat is deemed not credible. (In the event of a chemical, nuclear or radiological threat, a similar threat assessment would occur.)

The FBI Headquarters Counterterrorism Division interaction with each FBI field office and their WMD coordinators, along with other internal and external agencies, has improved the threat assessment process, allowing federal, state, and local agencies to scale back and provide a more measured response. In many cases, the situation is handled with minimal publicity, therefore limiting the impact of the terrorist objective. The process has been effective in saving the federal government, and the state and local communities, time and money, and has allayed the fears of victims in rapid fashion on numerous occasions.

A covert release of a biological agent invokes a different type of response, driven by the public health community. By its nature, a covert introduction is not accompanied by any articulated or known threat. The presence of the disease is discovered through the presentation of unusual signs and/or symptoms in individuals reporting to local hospitals or physician clinics. In this situation, there is initially no crime scene for law enforcement personnel to investigate. The criminal act may not be revealed until days have elapsed, following the agent identification and preliminary results obtained from the epidemiological inquiry conducted by the public health sector. Contrary to an overt act where law enforcement makes the necessary notification to public health, in a covert release, notification to law enforcement is made by the public health sector. The early notification of law enforcement in this process encourages the sharing of information between criminal and epidemiological investigators. Once an indication of a criminal act utilizing a biological agent is suspected, the FBI assumes primary authority in conducting the criminal investigation, while public health maintains responsibility for the health and welfare of the citizens. An effective coordination has been accomplished to address the requisite roles and responsibilities of each agency at the local level, involving the FBI WMD Coordinator and the state or local public health department, and at the national level between FBI Headquarters and the CDC.

A recent example of a WMD matter in Phoenix was the handling of more than 1100 reports of possible anthrax contamination. As discussed above, to address WMD matters, the Phoenix JTTF is in constant communication with members of the law enforcement, fire, emergency management, and medical communities. That partnership was clearly evident in the cooperation that occurred addressing those perceived threats. Since October 2001, the FBI nationally has responded to more than 16,000 reports of use or threatened use of anthrax or other hazardous materials.

To deal with the Arizona portion of the anthrax crisis, a meeting was held with appropriate Phoenix response agencies and FBI personnel, to include the Phoenix Division WMD Coordinator. A course of action was agreed upon. The law enforcement, fire, emergency, and medical agencies quickly agreed on the manner of handling the responses and protocols for handling potential evidence. The state lab agreed to receive suspect packages from any fire, police, or emergency agency.
The FBI Laboratory Division is also a key component in dealing with incidents involving the release of biological, chemical or nuclear agents. The FBI Laboratory has developed a response capability to support counterterrorism investigations worldwide. The FBI=s mobile crime laboratory provides the capability to collect and analyze a range of physical evidence on-scene, and has been deployed at major crime scenes, including the World Trade Center bombing, Khobar towers, and the East African embassy bombings. The mobile crime laboratory contains analytical instrumentation for rapid screening and triage of explosives and other trace evidence recovered at crime scenes.

The FBI Laboratory also provides the capacity to rapidly respond to criminal acts involving the use of chemical or biological agents with the mobile, self-contained fly away laboratory (FAL). The FAL consists of twelve suites of analytical instrumentation supported by an array of equipment which allows for safe collection of hazardous materials, sample preparation, storage, and analysis in a field setting. The major objectives of the mobile crime laboratory and the FAL are to enhance the safety of deployed personnel, generate leads through rapid analysis and screening, and to preserve evidence for further examination at the FBI laboratory. In addition, the laboratory has developed agreements with several other federal agencies for rapid and effective analysis of chemical, biological, and radiological materials. One partnership, the Laboratory Response Network (LRN), is supported by the CDC and the Association of Public Health Laboratories for the Analysis of Biological Agents.

Conclusion

Terrorism represents a continuing threat to the U.S. and a formidable challenge to the FBI. In response to this threat, the Phoenix Division of the FBI has developed, and is expanding, its broad-based counterterrorism program, which is integrated into the local and state law enforcement and first responder network. The Phoenix Division intends to disrupt terrorist activities by continuing to support and use it's JTTF, and by continually expanding interagency cooperation. While this approach has yielded many successes, the dynamic nature of the terrorist

threat demands that our capabilities continually be refined and adapted to continue to provide the most effective response.

Within the Phoenix Division, all of the FBI's aforementioned investigative responsibilities are conducted jointly with other law enforcement agencies represented on the Phoenix JTTF, and at times, with additional agencies such as the intelligence community, fire, emergency response, and medical agencies. It is impossible for the FBI to conduct investigations and obtain intelligence without the assistance of all the Arizona federal, state, and local agencies. Communication and coordination are exceptional in all areas and the Phoenix Division consistently strives to maintain and improve that cooperation.

Chairman Horn, this concludes my prepared remarks. I would like to express appreciation for this subcommittee's concentration on the issue of terrorism preparedness and I look forward to responding to any questions.

Mr. HORN. Well, thank you very much. That is helpful.

We now have Michael P. Austin, the director of the Arizona Division of Emergency Management.

Mr. Austin.

Mr. AUSTIN. Thank you, Mr. Chairman, Congressman.

It is a pleasure to be here today to offer some comments to the committee.

Mr. HORN. Is that mic enough to hear you? Sorry to interrupt.

The REPORTER. The mics on the table will not amplify.

Mr. HORN. OK.

Mr. AUSTIN. Mr. Chairman, I will try to speak louder.

My name is Mike Austin, and I am the Director of Emergency Management for Arizona.

Thank you for the opportunity to appear today to offer comments on your efforts to hear interoperability and efficiency issues for the country.

Arizona, as you heard the Governor say, has begun preparing for terrorism since 1997. Our strategy has been modeled after a consensus process that was articulated well by Dr. Faulkner at Harvard. He wrote a book, "America's Achilles Heel," several years ago and then presented the key issues of that book at a conference that was held and hosted by the Department of Justice in Williamsburg, Maryland, in 1997.

The State of Arizona attended that conference and took away from that some key points of emphasis that we needed to develop our Terrorism Task Force after in Arizona.

Governor Hull emphasized that the key points for our Task Force would be to build a statewide response capacity; construct a first-responder response preparedness curriculum; and develop a robust health alert network.

Prior to September 11th, the Task Force was primarily focused on administering the Department of Justice grant and working with our Federal partners on integrating the State, Federal, and local response capacity along those lines.

After September 11th, you heard the Governor mention that she elevated that effort to the cabinet level and appointed several of her key policy advisors to fostering the Task Force through its reinvention.

The Governor's key points of emphasis since then have been the driving force for developing a statewide capacity. Her first key point of emphasis is to build a first-responder capacity that is incredibly robust. Arizona's response has been built on a pre-September 11th threat assessment. Obviously after September 11th, our threat assessment methodology changed dramatically.

We immediately recognized that first-responders need to build a response capacity that clearly enhances public safety and does not supplant current capacity.

The methodology that we are considering is focusing on a model that you heard referenced by the city of Phoenix Mayor, Mayor Skip Rimsza, based on the urban search and rescue model, building a response capacity within the State of Arizona that is equipment typed, resource typed, that can be functionally deployed to an incident that occurs anywhere in the State.

The critical element of that is that mutual aid needs to be thoroughly developed and thoroughly integrated throughout all of the different levels of government within Arizona, including the Federal level. There are Federal assets that need to be incorporated into mutual aid as well.

Clearly, not all local governments are going to be able to develop a capacity for weapons of mass destruction incidents. It is probably not strategically valid to have every jurisdiction in Arizona have the maximum response capacity for any kind of incident.

The response capacity that they have should be measured against the threat that they have and also measured against the kind of assets that are readily deployable within their region.

To that end though, interstate and intrastate capacity must be developed. Not so much of a problem in Arizona, but I recently went to a similar hearing in Texas where it was pointed out that the Phoenix urban search and rescue team is much closer to El Paso than the Dallas urban search and rescue team or even the city of Austin response capacity. So if El Paso was to have an incident, then Phoenix is the closest big responder that would be able to go.

The key component to mutual aid, of course, is interoperability, and that is a tough problem to address. The mayor spoke of the 800 megahertz issue, and in all of the Federal dollars that Congress is appropriating to Federal agencies to provide money to local jurisdictions to enhance their communications capacity, that is not going to be enough. We are still going to be short money in order to develop 800 megahertz capacity throughout the State of Arizona, especially in the West.

The problem with 800 megahertz, it needs a robust repeater methodology in order to be able to have the interoperability that you would desire to have. The West, as you know, is much different than the East Coast where political subdivisions are small, and 800 megahertz carries easily across a county border. There are counties in Arizona that are much larger than Eastern States.

In all of this, the Governor's role plays an important element. States play a key role. As you have heard, there are over 40 Federal agencies that offer weapons of mass destruction or terrorism assistance programs. It is essential that States be able to have funding in order to administer and to be able to provide the overhead integration capability so that all of these goals can be met.

Providing money to first-responders is a great idea, and Arizona embraces that because we readily recognize that the first-responder capacity is essential to developing a statewide capacity.

However, if all of that capacity is not integrated and a strategic investment is not made, then as Mr. Posner has pointed out, you will lose the effectiveness of all of the investment to some degree. So States play a vital role, and Congress needs to provide funding to States in order to accomplish that goal.

The other issue that I want to bring forward today is the issue of outcome-based performance indicators for the accountability for that funding. That is a dynamic topic that needs to be thoroughly explored.

Before strategic investment can take place, before funding can take place beyond a first-responder capacity, we need to be able to

know what the outcome is. We kind of intuitively know what that is being better prepared. But realistically, what does that mean?

And if we have 30 different funding streams or several different funding streams that have specific program indicators or outcome indicators, output indicators, if you will, for what that funding is being spent on, if DOJ has an accountability process and FEMA has an accountability process, then the administrative burden on the States would be excessive.

We need to know, the Nation needs to have an outcome indicator or outcome based methodology that all of the Federal agencies will accept as a performance accountable measure for the funding that is coming through. The States can provide that methodology and can provide that reporting, but to have separate accountability outcomes for all of the different funding streams may be difficult to administer.

So we do need to have outcome-based indicators, and they may be simple to arrive at. They may be outcome indicators that already exist: faster response times for first-responders, better water quality, things like that currently exist that we can report on.

Mr. Chairman, thank you for the opportunity today. In the interest of time, I will end my comments.

[The prepared statement of Mr. Austin follows:]

House Committee on Government Reform
Subcommittee on Government Efficiency

Congressman Horn, Chairman

Mr. Chairman, members of the Committee,

My name is Michael Austin, and I am the Emergency Management Director for the state of Arizona. I have been the director here since 1994; however, I have been at the Division since 1979. I am the also Readiness chair for the National Emergency Managers Association.

Thank you for the opportunity today to appear before you to offer comments on the implementation of the effort to prepare our state for acts of terrorism.

Arizona has been preparing since 1997. Our strategy has been modeled after an outline that was authored by Richard Falkenrath in his book "America's Achilles Heel". Dr. Falkenrath recently was detailed to the Office of Homeland Security from the National Security Council. Governor Hull authorized the formation of a Terrorism Task Force to:

Build a statewide response capacity
Construct a first responder response curriculum
Build a health alert network

Prior to September 11th. the task force was primarily focused on developing a strategy to respond to a terrorist attack and completing the equipment analysis for the Department of Justice equipment grant. After September 11th. the task force work plan has been accelerated and in addition the Governor elevated the effort to the Cabinet level.

The Governor's emphasis has been on:

1. Build first responder capacity: Arizona's response has been built on the pre September 11th, threat assessment. First responders need to build a response capacity that enhances public safety.
2. State Play a key role: Congress has responded by authorizing a number of programs to enhance state and first responder capacity. The Governor's Task Force has been instrumental in insuring the close coordination of the various grant and preparedness programs. It is vital that States play a key role in coordinating the various federal programs.
3. Mutual aid is necessary: Not all local governments should develop a maximum capacity to recover from a terrorism event using a weapon of mass destruction. Interstate and intrastate capacity must be enhanced and in some cases developed to allow mutual aid to be effective.
4. Interoperability is a key component of mutual aid: Typing of response teams and cooperative training and exercising is critical to working together in a disaster of any type.
5. More funding is needed: Congress has made extraordinary effort to provide funding across several areas of emphasis, however, states need funding to be able to accomplish the strategy that has been envisioned for Arizona. As you know Arizona's economy has suffered and the revenue necessary to build capacity is just not available. We look to Congress to fund critical programs, including funding to support the development of state specific programs and to administer the coordination necessary to ensure that the Congressional funding is strategically managed.

Mr. Chairman, thank you for the opportunity today.

Mr. HORN. Well, that is a very fine list that the Governor is implementing, and it is a good list that I am sure other States will try to follow.

Our next presenter is David Englethaler, director, Arizona Department of Health Services and Response Office, emergency response coordinator for the Arizona Department of Health Services.

Mr. ENGLETHALER. Thank you, Mr. Chairman, Congressman Flake, members of the committee.

Good afternoon. I am David Englethaler with the Arizona Department of Health Services. I am here to represent Dr. Catherine Eden, who is the director of the Department, who is sorry that she is not able to appear before this subcommittee.

I act as the chief of the Department's Bioterrorism Office and as the emergency response coordinator for the Department.

I am grateful to this subcommittee for the opportunity to speak here today. My hope is to give you the Department of Health Services' perspective on what we have been doing so far to prepare for a potential bioterrorism attack, as well as what we are currently working on.

Prior to receiving the Centers for Disease Control bioterrorism funds, public health agencies at the State and county levels were not primary participants in bioterrorism discussions and really were not consulted within bioterrorism hoax responses, which has really been the primary response to bioterrorism prior to September 11th.

The primary responders were often the law enforcement and HAZMAT agencies, which are not considered traditional public health partners.

The Arizona Department of Health Services received a bioterrorism cooperative agreement from the Centers for Disease Control in the fall of 1999. These funds allowed the department to establish its epidemic detection and response program. This program was centered around four main activities, those being emergency response planning, bioterrorism and outbreak surveillance and investigation, biological agent detection, and communications.

The CDC funding provided the Department the opportunity to simultaneously begin to develop bioterrorism response capabilities, as well as to bolster the existing infectious disease surveillance and response infrastructure.

Over the ensuing 2 years, the department established itself as a main component in emergency response, particularly in the area of bioterrorism. Close partnerships were developed with emergency management and law enforcement and other first-responders, and these relationships were tested and proven during the anthrax letter and hoax responses activities during last fall.

Three Arizona cities were funded as part of the federally coordinated Metropolitan Medical Response System Program out of the Office of Emergency Preparedness. The Department has built close ties with these programs and remains involved with the development of their systems.

The Department has also developed both intra and interdepartmental response plans for public health emergencies and produces statewide response plans for bioterrorism, pandemic influenza, and

the national pharmaceutical stockpile, and has participated in various tabletop exercises.

New disease and outbreak surveillance systems have either been developed on air in the process of development. The State Health Laboratory has increased its capacity to test for bioterrorism agents and has begun to provide Level A laboratory training.

The Department has also increased the emergency health communications capacity in the State by providing county health departments and healthcare facilities with communications equipment, including satellite dishes and fax machines.

The department has also begun development of an Internet based health alerting system that allows for secure high-speed communications between all emergency responders, and this system is being done in coordination with emergency management and law enforcement.

All of these activities were made possible by the Centers for Disease Control bioterrorism cooperative agreement funds, and all were tested during September 11th and anthrax response activities. A review of response activities last fall has shown that the department was able to adequately respond to the public health needs of the State, although the Department's resources were taxed.

The county health departments and the hospitals participated to some degree in emergency response actions, but they had not been previously able to develop strong bioterrorism response systems. It became obvious that an actual large scale bioterrorism attack would quickly overwhelm Arizona's, like most States', response capabilities.

With the advent of the CDC bioterrorism cooperative agreement, supplemental funds and the HRSA hospital bioterrorism preparedness funds just recently this year, the State will be able to address the bioterrorism preparedness needs of the county health departments and begin to address the many needs of the hospitals in this State.

Currently the Department of Health Services is vigorously developing work plans and applications for these grants. The Department is also making immediate funds available to all county health departments for each to hire a bioterrorism coordinator, as well as a communications coordinator to insure the development of local health emergency response plans and the integration of department directed health communications systems.

The department has already met with the county health departments, and the bioterrorism and hospital advisory committees to provide input and direction on work plan development for both of these grants.

The department believes that these funds will allow the State to go a long way to shoring up Arizona's public health infrastructure, while insuring the citizens of Arizona will be more adequately protected during catastrophic bioterrorism attack.

An ongoing planning concern is the long-term maintenance of this increased public health infrastructure, particularly funding for new personnel. It is hoped that these current funding streams are, although immediate in nature, long-term in reality.

I thank the subcommittee for your time and your kind invitation.

[The prepared statement of Mr. Englethaler follows:]

Testimony of Catherine R. Eden, Director of the Arizona Department of Health Services

House Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations

Phoenix Arizona Field Hearing - March 22, 2002

I am grateful to the subcommittee for the opportunity to be with you today. My hope is to give you the Arizona Department of Health Services' perspective on what we have done so far to prepare for a potential bioterrorist attack and what we are currently working on.

Prior to receiving CDC bioterrorism funds, public health agencies at the state and county levels were not primary participants in bioterrorism discussions and were not consulted in bioterrorism hoax responses. The primary responders were often law enforcement and haz-mat agencies, not considered traditional public health partners.

The Arizona Department of Health Services received the Bioterrorism Cooperative Agreement from the CDC in the Fall of 1999. These funds allowed the Department to establish its Epidemic Detection and Response Program. This Program was centered around four main activities: emergency response planning, bioterrorism and outbreak surveillance and investigation, biological agent detection, and communications. The CDC funding provided the Department the opportunity to simultaneously begin to develop bioterrorism response capabilities as well as to bolster the existing infectious disease surveillance and response infrastructure.

Over the ensuing two years, the Department established itself as a main component in emergency response, particularly in the area of bioterrorism. Close partnerships were developed with emergency management, law enforcement, and other "first responders", which became tested and proven during the anthrax letter response activities last fall. Three Arizona cities were funded as part of the federally coordinated Metropolitan Medical Response System program in the Office of Emergency Preparedness. The Department of Health Services has built close ties with these programs and remain involved in the development of their systems.

The Department also developed both intra- and inter-departmental response plans for public health emergencies and produced statewide response plans for bioterrorism, pandemic influenza, and the National Pharmaceutical Stockpile, and has participated in various tabletop exercises. New disease and outbreak surveillance systems have either been developed or are in the process of development. The State Health Laboratory has increased its capacity to test for bioterrorism agents and has begun to provide "Level A" laboratory training. The Department has also increased the emergency health

communications capacity in the state, by providing county health departments and health care facilities with communications equipment, including satellite dishes and fax machines. The Department has also begun development of an internet-based health alerting system that allows for secure high-speed communications between all emergency responders.

All of these activities were made possible by the CDC Bioterrorism Cooperative Agreement funds and all were tested during the September 11 and anthrax response activities. A review of response activities last fall has shown that the Department was able to adequately respond to the public health needs of the state although the Department's resources were taxed. The county health departments and hospitals participated to some degree in the emergency response actions, but they had not been able to previously develop strong bioterrorism response systems. It became obvious that an actual large-scale bioterrorism attack would quickly overwhelm Arizona's, like most state's, response capabilities.

With the advent of the CDC Bioterrorism Cooperative Agreement Supplemental funds and the HRSA Hospital Bioterrorism Preparedness funds, the state will be able to address the bioterrorism preparedness needs of the county health departments and begin to address the many needs of the hospitals in this state. Currently, the Department of Health Services is vigorously developing the work plans and applications for these grants. The Department is also making immediate funds available to all the county health departments, for each to hire a bioterrorism coordinator as well as a communication coordinator to ensure development of local health emergency response plans and the integration of Department-directed health communications systems. The Department has already met with the county health departments and the Bioterrorism and Hospital Advisory Committees to provide input and direction on the work plan development for both grants.

The Department believes that these funds will allow the state to go a long way to shoring up Arizona's public health infrastructure while ensuring the citizens of Arizona will be more adequately protected during a catastrophic bioterrorism attack. An ongoing planning concern is the long term maintenance of this increased public health infrastructure, particularly funding for the new personnel. It is hoped that these current funding streams are, although immediate in nature, long term in reality.

I thank the subcommittee for your time and for your kind invitation.

Mr. HORN. Well, thank you. That is helpful.

I am going to take the privilege of one question and one question only, and then we can do it generally, but it comes to me, and I want it with this part of the record.

You have got fine laboratories in the Public Health Department. Do you have a capacity of the nonprofits and the profits, the universities to do some of this laboratory work of let's say you had some kind of a plague and biological thing? Have you thought about getting those all connected in some way?

Mr. ENGLETHALER. Mr. Chairman, Congressman Flake, essentially those labs that you all listed are considered Level A labs, and those are labs that typically test for various types of disease agents that humans may get. They are all receiving training through our department to be able to do a certain level of testing for the various bioterrorism agents, at least some rule out testing, information on how to handle this material, how to send it to the State lab.

The State lab is part of the overall laboratory response network in the country and is coordinating all existing testing during a bioterrorism event or hoax type situation. So we are working with those partners and providing education and training, too.

Mr. HORN. Thank you.

And now our last speaker for Panel 1 is Lieutenant Colonel Norman Beasley, the Assistant Director for Criminal Investigations of the Arizona Department of Public Safety.

Colonel Beasley.

Lt. Col. BEASLEY. Mr. Chairman, Congressman Flake, it is, as the rest of the panel has said, a pleasure to be here and to have the opportunity to testify on this truly probably the most vital topic that we are facing today in our society.

What I would like to do real briefly, and I assure you real briefly, is talk a little bit about what the Department of Public Safety and other law enforcement offices are doing in Arizona, and then talk specifically about some homeland defense recommendations as it relates to the law enforcement function.

The Department of Public Safety is designated under our emergency response plan as the lead State agency for terrorism. What this means is that we are responsible for coordinating all State assets that would be deployed to assist other State and local agencies during an act of terrorism.

To accomplish this mission, as of September 11th, we have instituted our Domestic Preparedness Command. As part of that, we have opened a Domestic Preparedness Operations Center that until recently was staffed 24 hours a day, 7 days a week by not only DPS investigative personnel, but personnel from other local law enforcement agencies.

What this center handles is all requests for DPS assistance, information, and support, and any other State agencies' support, to include the Department of Health Services; is routed to this center, and then it gives us a point of central coordination.

We also, during the anthrax scare, we took over the responsibility from the FBI to track all of our suspicious anthrax letters. If a local jurisdiction does not have the responses to respond to deal with a suspicious package, we will either have other local agencies respond or our own specialized response units will respond in con-

junction with the FBI to deal with that particular package and then transport it to the Division of Health Services.

We also coordinate the deployment of the National Guard Civil Support Team, which has been a very good asset for us, and is the National Guard's version of a weapon of mass destruction response team.

The center also developed a secure Web site that provides real time intelligence, research and open source information to all law enforcement agencies, not only within Arizona, but throughout the country.

It does provide written ready access to even Federal generated information. We have partnered with the FBI, and all of their teletype and information bulletins are placed on this Web site in a real time basis so that agencies in Arizona can go to this Web site and get the most current information that's available.

In addition, our Intelligence Bureau generates daily threat advisories for all law enforcement agencies in Arizona. To date, we have generated well over 250 intelligence bulletins. We have forwarded 187 NLETS terrorist related teletypes to all law enforcement, and basically this becomes a check and balance.

What we found initially is not every law enforcement agency was receiving the NLETS. So we have taken that responsibility to make sure that every agency gets this information.

If they do not have NLETS capability, we use e-mail or the fax.

Since September 11th, as a department we have been in a higher state of alert, and all of our specialized response units that would respond to a weapon of mass destruction or act of terrorism are on immediate mobilization status.

Detectives and support personnel assigned to the division have been redeployed to conduct counterterrorist investigations in the area of intelligence and security operations. We work very closely on the FBI's Joint Terrorism Task Force and the U.S. Attorney's Anti-terrorism Task Force. We have also assisted the city of Phoenix with security at Sky Harbor Airport.

In the area of personal protection equipment, we have been very fortunate. We are in the process of finishing up the purchase of a personal protective ensemble for every sworn officer, almost 1,100, that will give every officer in the field protection so that they could perform law enforcement functions within a chemical and biological environment.

At the request of the U.S. Attorney's Office, we have partnered with the FBI in their expanded U.S. Attorney Task Force and FBI Joint Terrorism Task Force to provide liaisons in those areas of the State where there is not an FBI agent.

Throughout our history, Arizona has enjoyed a very strong working relationship prior to September 11th, and this has been a building block not only with law enforcement, but with other public safety respond agencies. A lot of credit goes to the men and women out there in the field in Arizona who work daily on very hazardous things and work very well. We feel Arizona really is a model when you look at interagency cooperation.

I want to publicly compliment the role of the U.S. Attorney and the FBI in providing that support to us.

Now I wish to talk specifically on some homeland defense issues, some of which Mr. Posner touched on.

In the area of intelligence sharing, there needs to be a mechanism in place to allow for the timely sharing of intelligence information between State, local, and Federal agencies. Currently there does not seem to be a clear vision on how this is going to be accomplished.

The International Association of Chiefs of Police has a Web site on the FBI Law Enforcement Online. The U.S. Department of Justice RISS projects are attempting to use RISSNET as an interoperability between agencies.

The problem with both of these systems is not everybody is on them.

The FBI uses the NLETS system to disseminate information. Again, as we talked, not all law enforcement agencies have this.

In addition to the vision on how are you going to get this information from the Federal level to the State level, there needs to be also a vision on specific tasking to State and local agencies. What does the Federal Government expect from us in the way of information, and a mechanism where those State and local investigative operations can input that data directly and receive information back.

This vision should also look at developing and supporting systems, including software and hardware, that enhance the overall intelligence effort and makes this a true national intelligence program.

It appears that the State law enforcement agencies can play a vital role, and I think Congress needs to look at funding for the State level law enforcement agency in the area of this intelligence dissemination system.

The development of interoperable communications systems is a huge issue for first-responders, and that has to be a critical thing for Congress to look at. We had experience during the World Services. The military does have that capability to link various radio frequencies, and if this system could be made available to State and local agencies, as long as it was not cost prohibitive, that might be something to look at.

In the area of training, much of the WMD training that we see today is not law enforcement specific. We would like to see that the training programs develop some form of law enforcement specific training that is geared to what the law enforcement officer is going to do in a WMD or a terrorist environment. That is primarily for the field officers.

In closing, I really wish to thank Congress for their support in the Nunn-Luger initiatives and other initiatives because, quite frankly, without your support, Arizona could not be at the level of preparedness that we currently are.

Thank you.

[The prepared statement of Lt. Col. Beasley follows:]

Statement of Lt.Colonel Norman Beasley
Before the U.S. House of Representatives
Committee on Government Reform
Subcommittee on Government Efficiency, Fiscal Management and Intergovernmental Relations
March 22, 2002

Good morning Mr. Chairman and members of the Subcommittee. I am Lt. Colonel Norman Beasley, Assistant Director, Criminal Investigation Division, Arizona Department of Public Safety. I thank you for the opportunity to appear before this subcommittee and speak on this vital topic.

I am a thirty-two year veteran of the Department responsible for criminal investigations and domestic preparedness. I have been involved in the investigation and response to terrorist incidents for over twenty-five years.

First I would like to give a brief outline of what the State of Arizona is doing and has already done to prepare for a terrorist incident from the law enforcement perspective. Then I would like to discuss some Home Land Defense recommendations.

The tragic events of September 11th have brought into focus the role law enforcement and other public safety first-response agencies play in responding to and protecting our citizens from terrorism.

Public Safety and emergency management agencies in Arizona have been working over the past four years on a comprehensive statewide terrorism response. This effort has strengthened our coordination and overall response capabilities.

The Arizona Division of Emergency Management established the Arizona Domestic Preparedness Terrorism Task Force in 1997. This was a result of the passage of the Nunn, Lugar, and Dominici legislation dealing with Weapons of Mass Destruction (WMD). The cities of Phoenix, Tucson, Mesa and Glendale were identified in the legislation to participate in the WMD program. The program was expected to be a five-year process, in that each city listed would receive specialized training and equipment grants from the Department of Defense (DOD) to prepare them to respond to a terrorist event. Members of the initial Task Force include the Arizona Division of Emergency Management, Arizona Department of Public Safety, City of Phoenix Emergency Management and City of Phoenix Fire and Police Departments and the Federal Bureau of Investigation.

The Task Force has now been expanded to include public safety representatives from all of the core cities, private sector, Federal and State agencies and the health care field. All of the task force members represent disciplines that would be essential in responding to a major act of terrorism.

The terrorism task force meets on a monthly basis and assists in coordinating, implementing and overseeing a comprehensive statewide approach to the program.

These efforts include development of state and local response and recovery plans, establishment of training standards, curriculum development to support the training standards, and exercising the plans. All of these components play an important role in the program activities. Vulnerability analysis and needs assessment have been conducted to assist in future planning. The Executive Advisory Committee is the policy making body of the Task Force and makes decisions about federal grant expenditures based on threat assessments, current capabilities and the overall strategic plan.

The Task Force has established subcommittees to further develop the response and recovery operations. These subcommittees deal with the Metropolitan Medical Response System, Education and Training, Equipment, Health, and the National Pharmaceutical Stockpile.

These committees have developed a statewide response strategy, established recommended equipment requirements, developed and implemented statewide training programs and are currently developing plans for the transportation, storage, security and dissemination of the National Pharmaceutical Stockpiles' push packages.

Many of the Task Force members are subject matter experts in their field and are involved in national level programs. This Task Force partnership has become a model for the Nation in coordinating response and recovery operations for terrorist incidents.

The Arizona Department of Public Safety is the lead state agency for terrorism. In this capacity we are responsible for coordinating all state assets in support other state and local agencies in responding to acts of terrorism. In order to carry out that mission, the Arizona Department of Public Safety has instituted its Domestic Preparedness Command structure immediately on September 11th.

This command is located within the Criminal Investigation Division and has centralized all DPS response, investigative and information resources regarding domestic preparedness and terrorism.

A Domestic Preparedness Operations Center (DPOC) was established. This center is staffed seven days a week by support and investigative personnel from DPS. Representatives from the Arizona Attorney General's Office and Chandler Police Department also provided assistance.

All requests for DPS assistance, information, support and state agency coordination are directed to the DPOC. This includes calls from the public with lead information. The DPOC coordinates the assignment of DPS specialized and investigative response operations.

This center serves as the central point of contact for other State and Local public safety agencies. It is the DPOC's responsibility to ensure timely dissemination of information to the appropriate public safety agencies including investigative and support units. To date, the Center has received in excess of 2050 calls.

The DPOC is the central point of contact for suspicious letters and packages that are not handled by local jurisdictions. Upon the request of the FBI, DPS specialized response teams will deploy with the FBI to handle the evidence recovery and render safe procedures.

The DPOC is coordinating responses with the Arizona National Guards' Civil Support Unit. This Unit is trained to deal with WMD incidents.

The Domestic Preparedness Command also developed and implemented a secure website that provides intelligence and other critical information. This website is used by public safety agencies in Arizona and throughout the country. It provides ready access to timely intelligence, resource and background information with links to other governmental and private agencies. At the request of the Federal Bureau of Investigation this website serves as the conduit for the dissemination of FBI critical information to state and local agencies within Arizona and throughout the country.

The DPS Intelligence Bureau disseminates daily threat advisories to all law enforcement agencies in the state. The Bureau has disseminated 258 bulletins, forwarded and sent 187 NLETS messages, investigated over 1219 leads and is currently working on 11 open cases in relations to the events of September 11 and possible connections in the State.
The CID Intelligence Bureau is providing research and analytical assistance to Federal, State and Local agencies and conducting awareness-training programs for DPS and other agencies. The Bureau and Department maintain an excellent working relationship with the FBI.

Threat advisories received from the National Law Enforcement Telecommunications Network (NLETS) are immediately disseminated via teletype and available on the Southwest Border States System and the Domestic Preparedness Command secure website.

Since September 11th, the Department has been on its highest state of alert. All special response units who are trained and equipped to respond to a terrorist incident involving weapons of mass destruction are on immediate mobilization status and are capable of responding statewide.

Detectives and support personnel assigned to the Criminal Investigation Division (CID) have been redeployed to augment existing counter-terrorist related operations involving intelligence, investigations and security.

DPS CID personnel are assigned to the FBI Joint Terrorist Task Force, FBI Joint Operations Center and were assigned to assist the Phoenix Police Department with security at Sky Harbor Airport.

A training video was produced dealing with DPS response to terrorism and this video was sent to all Department commands and other law enforcement agencies.

Security at all DPS facilities has been enhanced and CID personnel have been a resource to other state agencies regarding security for their facilities.

The Department is purchasing additional personnel protective equipment for all sworn officers in order to allow them to carry out law enforcement missions during a WMD incident. Purchases have also been made for support equipment in the areas of communications and specialized response.

Additionally, the purchase of specialized response equipment through the Federal weapons of mass destruction grant program has been accelerated. This equipment will provide additional assets to specialized response units in the area of personal protection, detection and communications.

At the request of the U.S. Attorney's Office and Federal Bureau of Investigation in Arizona, asked the Department of Public Safety to partner with them in coordinating the U.S.Attorney Anti-Terrorism and FBI Joint Terrorist Task Forces statewide. DPS detectives and FBI agents will act as JTTF liaisons throughout the state.

Arizona has enjoyed a strong law enforcement partnership and this is critical for ensuring a strong homeland defense strategy. There must be a seamless, well-coordinated operational plan where State, Local and Federal law enforcement as well as other public safety and emergency management agencies are equal partners in ensuring a safe and secure environment for our citizens.

I wish to publicly compliment the United States Attorneys Office and the local office of the Federal Bureau of Investigation for their cooperation and support of Arizona law enforcement.

The work that agencies throughout Arizona have already done has established a sound foundation for the integration of the National Homeland Defense Strategy.

I now wish to speak on the issue of homeland defense.

In the area in intelligence sharing, there needs to be a mechanism in place to allow for the timely sharing of intelligence information between Federal, State and Local agencies responsible for Homeland Security.

Currently, there does not appear to be a clear vision on how this will be accomplished. The IACP State and Provincial Section has worked with the FBI Law Enforcement On-Line program to establish an S&P special interest group on intelligence sharing. This system is only for State and Provincial police agencies.

The USDOJ funded Regional Information Sharing Systems (RISS) Project administer RISS.NET that is available to only RISS member agencies. The HIDTA's and some of the Federal Joint Terrorist Task Forces have adopted this system. Discussions are being held to expand the role of RISS.NET and establish this as the homeland defense information sharing system.

The FBI uses the NLETS system to disseminate information to all law enforcement agencies in the country.

The intelligence vision should include specific tasking requirements for State and Local law enforcement agencies involved in Domestic Preparedness intelligence and investigative operations, with the ability to input and receive data.

This vision should also look to developing and supporting systems, including software and hardware that enhance the overall intelligence effort. e.g. Arizona's border license plate and photo readers. This is a joint project with the U.S. Customs Service that will record in real time the vehicles entering the Republic of Mexico and take a photo of the driver. While this was developed as an auto theft project, it has wide applications for counter terrorism and homeland security.

It appears that state law enforcement agencies can play a critical role in the dissemination and collection of intelligence data. They are in the best position to serve as a central point of contact for law enforcement and other emergency response agencies within in their states. Arizona's Domestic Preparedness Operations Center is an example of how this should and is working.

Funding should be provided for each state law enforcement agency to implement a statewide intelligence system or to enhance their existing systems.

The development of an interoperability communications system is a critical need for emergency first responders. These agencies must have the ability to communicate with each other during a terrorist incident. This is not currently the case in most jurisdictions. There needs to be a system that allows for the integration of responding agencies communications systems to allow for a free flow of information.

The military currently has the ability to link several radio frequencies together on scene. This system may be adaptable to state and local agencies if funding were available. This system was used during this years World Series security operations.

In the area of equipment funding, as with intelligence there must be a clear vision of law enforcement response equipment requirements. As the first responder to an act of terrorism, law enforcement field officers must have the necessary personnel protective equipment to allow them to carry out their duties in a contaminated environment. Funding should be considered that would allow each law enforcement officer to be equipped the basic PPE. Specialized law enforcement response units should be funded for advanced PPE necessary for special operations response.

Training for law enforcement first responders is a vital component of the overall homeland defense strategy. Currently, there are a wide variety of training programs and training providers dealing with Weapons of Mass Destruction and terrorism. Most of the programs do not address law enforcement issues specifically. Consideration should be given to developing a method to standardize the existing Federally funded training programs. Funding for equipment should also be tied to the existence of Domestic Preparedness training programs within agencies or the attendance at authorized training by agency personnel.

The future grant funding process for homeland defense should use the existing process, whereby funds are allocated to the states and they in turn allocate the funds within the state to emergency response agencies. This allows for the state to develop an overall state response strategy and provides the necessary funding for emergency response agencies at the state, county and local levels that will compliment the overall state plan.

Previous Federal grant processes that sent funding directly to local governments was not an effective method of developing an overall state and national response strategy. The Governor in each state should ensure the overall coordination of homeland security issues within their respective states.

In closing I wish to thank the congress for their support in providing state and local agencies the funding necessary to carry out our homeland defense mission. Without your support we could not have achieved the level of preparedness that now exists in Arizona.

Mr. HORN. Well, I thank you for your fine presentation.

I want to just answer one thing that I think is what you were talking about. We were very conscious of sharing law enforcement information with the FBI and other intelligence agencies to pinpoint a person in the city or the county or the State that would be cleared by the FBI so that you did not have a dope by mistake that was putting away marijuana or something and taking it out the cage himself.

So I would just like to put this in the record because it is definitely with what you are talking about, which is the H.R. 3483, the Intergovernmental Law Enforcement Information Sharing Act of 2001.

This is a letter signed by myself and Christopher Shays, the chairman of the Subcommittee on National Security, Veterans Affairs and International Relations, and I gave this to the chairman of Judiciary and the James Sensenbrenner, Jr. He is very responsive to this, and we hope we can move that legislation in the next couple of months. And we know that is long overdue.

So you hit a right thing, and I hope that the delegation all over the country agree with that, and I think they do.

So that is very helpful now on Panel 1, and then we will move into Panel 2, and with the General Accounting Office usually we have the individual from the GAO we will at the end ask if we have missed something. That is where we are trying to get to between people.

The Panel 2 is Robert Spencer, Jack Harris, Steve Storment, Tom Gallier, and Roy Stewart.

OK. We do swear in our witnesses. So if you will stand and raise your right hand, we would appreciate it.

[Witnesses sworn.]

Mr. HORN. The Clerk will note that all five witnesses have affirmed.

We will begin with Robert Spencer, the Director of Maricopa County Department of Emergency Management.

STATEMENTS OF ROBERT SPENCER, DIRECTOR OF MARICOPA COUNTY DEPARTMENT OF EMERGENCY MANAGEMENT; JACK HARRIS, ASSISTANT CHIEF, PHOENIX POLICE DEPARTMENT; STEVE STORMENT, ASSISTANT CHIEF, PHOENIX FIRE DEPARTMENT; TOM GALLIER, GENERAL MANAGER, WATER UTILITIES DEPARTMENT, CITY OF TEMPE; AND ROY STEWART, PRESIDENT, STEWART ELECTRIC & COMMUNICATIONS

Mr. SPENCER. Chairman Horn, Congressman Flake, members of the committee, thank you for this opportunity to present some local views on how the Federal Government's efforts are working for the response to terrorism and for searching for recommendations to make those efforts more efficient. My comments today will hopefully represent the local regional perspective.

Some of the demographics of Maricopa County are included in the written statement that I have submitted today. I will not go into those too much right now.

Mr. HORN. I might say all of your statements automatically go into the record when I call your name.

Mr. SPENCER. OK.

Mr. HORN. We hope we can get these hearing records out in the next few months because otherwise we are losing problems and not taking your knowledge and spreading that around the country.

So go ahead.

Mr. SPENCER. Included in that statement are many of the terrorism response capabilities that we have. Today I am speaking from the Maricopa County perspective, but it is also a partnership of 24 cities and towns and another 30 city-like, unincorporated population centers. So it is not just Maricopa County because we do work closely together with the cities and towns.

In my short period of time here today for verbal testimony, I would like to convey shortfalls that we have in the system and some recommendations maybe on how to fix some of those shortfalls.

The current money allocated by the U.S. Department of Justice has begun to put a dent in the overall needs for equipment. This money flow needs to continue.

Restrictions on this money, however, need to be relaxed. We cannot purchase such items as bomb robots and rolling stock with this money. So even though we are buying a lot of response equipment, we are getting close to the dilemma as to how we will store it and quickly get it to the scene. Trucks and trailers must be purchased for such.

Perhaps too much emphasis is sometimes placed on these funds for chemical and biological response, where maybe the most likely attack will be conventional explosives perhaps enhanced with nuclear materials.

Therefore, equipment to interrupt or disarm bombs and equipment to rescue people in collapsed structures needs to be considered.

When considering this and certain other sources of Federal funding for the local emergency response, the bureaucracy needs to lighten-up on some of the grant restrictions. Requiring local match can be difficult when dealing with funds at these levels. We cannot spend the money if we are required to match it, and we cannot come up with the qualified matches.

Another shortcoming is that when moneys at these levels come into a smaller agency, such as mine, it can be very difficult to spend it within strict timeframes and without additional personnel to manage the funds. We want to get this money on the street as quickly as possible, but we also want to manage it professionally.

Future money should allow for the hiring of a limited number of employees to keep track of the funds and to get those funds spent expeditiously.

Now, the hospital system has come into this game late and is not yet able to provide the level of capability that we need. Even during normal times, our EMS and hospital system in the valley becomes saturated. If the large mass casualty incident was to occur during the 8 months out of the year when our population is at its highest, when our snowbird population has come down for their annual migration, we might be fortunate to find three critical care beds per hospital.

May I suggest something maybe that may help nationwide to remedy the need for more critical care bed space? This may be

maybe my highest recommendation today, for improving the hospital surge capacity preparedness, and that would be for the Federal Government to develop 12 nationally committed field hospitals which could be expeditiously shipped anywhere in the Nation within a 12 hour maximum timeframe.

If you research some of the old civil defense things, we used to have those, and during the early 1980's they were dismantled, sent to South America, and so forth, and we no longer have that capacity.

There has already been developed a similar capability in the national pharmaceutical PUSH package, and to a lesser degree the national DMORT system. The hospitals would be self-contained, would provide shelter, climate control, bed space, and medical equipment to handle up to 1,000 critical care patients.

A trained group of professionals would accompany the hospitals during a deployment, to set them up and to provide additional medic support to the local effort.

The mobile hospitals would go a long way in solving the surge capacity required in every locality in our Nation.

The next shortfall that currently is being addressed, but needs to be expanded and implemented nationwide is the uniform medical surveillance system, and David Englethaler addressed that pretty well.

But if a biological attack was to occur, we all know that recognizing the event early on is crucial preventing its spread. Funding to install the system in every hospital and in every emergency medical system is of paramount importance.

The ability to quickly warn and advise the public is lacking. The old civil defense sirens are gone. The emergency alert system has replaced the earlier and older emergency broadcast system, somewhat debatable as to whether or not that was an improvement.

Locally we have something called the media alert, which will blast fax the media with emergency information. The media alert was developed to supplement the EAS.

We currently have funding also to develop a county-wide telephone calling system to provide emergency information to the populous.

With all of these projects considered, I am still not comfortable that we have what we need in the way of warning and notification. The Federal Government has been working on legislation that requires a special electronic chip to be installed in all new radios and televisions. The chip would automatically turn on a device in which it was installed and tune it to receive emergency messages from the EAS.

This would fill a huge gap, and it would be found where someone who is not in contact with a telephone or did not have their radio or TV turned on. The Federal Government should continue to look at this legislation and expedite it if it really does seem right.

The final shortfall that can be predicted is the ability for the local emergency response agencies to sustain their terrorism emergency response capabilities. Most response equipment has a 5-year shelf-life. Of course, if it actually has to be used, it is immediately outdated.

Phoenix, which is our original Nunn-Luger-Dominici Act city that was trained under those funds, has noted that their originally purchased equipment is going to start getting outdated. It has been that long.

Although they have spent much of their own local money to sustain and build their capabilities, they cannot do so indefinitely. The Federal Government needs to come up with a plan and funding streams to provide the sustainability required in the future.

Thank you, once again, for requesting our local input. I hope my recommendations can help you plan future legislation that will make local response to terroristic acts more effective and more efficient.

[The prepared statement of Mr. Spencer follows:]

Statement to the U.S. Congressional House Subcommittee on Government Efficiency, Financial Management and Intergovermental Relations Field Hearing to Examine how the Federal Government is Assisting State and Local Governments for a Potential Terrorist Attack
22 March 2002

By Robert E. Spencer, C.E.M., Director of the Maricopa County, Arizona Department of Emergency Management

Honored Representatives –

Thank you for this opportunity to present some local views on how the Federal Government's efforts are working for the response to terrorism, and for searching for recommendations to make those efforts more efficient. My comments today will hopefully represent the local regional perspective.

As you know, Maricopa County is large in land size at over 9,200 square miles. We serve a population of around 3,100,000 residents. We have 24 incorporated cities and towns and over 30 city-like unincorporated population centers. Our emergency response cadre includes 31 fire departments, 13 emergency medical service companies, and 22 police departments. There are 37 acute care hospitals with 4 trauma centers within the county.

Three of our cities; Phoenix, Glendale, and Mesa, have been fortunate to have been selected to participate in the training to response to weapons of mass destruction under the Nunn, Lugar, Dominici legislation. Those cities have been most generous in sharing that training with other cities and towns. The State of Arizona's Domestic Preparedness Terrorism Task Force has been able to leverage training from those Nunn, Lugar, Dominici activities to take training to other areas in Maricopa County and the State. A Metropolitan Medical Response System (MMRS) has been developed in the County with the Nunn, Lugar, Dominici cities sharing the burden of implementation, as well as receiving assistance from numerous other fire departments of other cities. Equipping the MMRS has begun and a fairly good response capability can be expected at this time for an event of up to 1,000 casualties. We are currently requesting U.S. Department of Justice funds allocated to the State of Arizona to purchase equipment for the MMRS, various police departments for officer personal protective equipment, to the Gila River Indian Tribe, and to the fire departments that support the MMRS. These materials will fill perhaps 1/4 to 1/3 of the total need to reasonably equip this capability. The hospitals are about to receive help via grants from the Centers from Disease Control and the Health Resources and Services Administration.

There are several areas that need attention to bring terrorism emergency response to full capacity. I have been graciously asked by this Subcommittee to make recommendations as to how the Federal Government could help to bring this to fruition. I will mention some of the shortcomings and recommend where help can be applied.

As I listed above, the current money allocated by the U.S. Department of Justice has begun to make a dent in the overall needs for equipment. This money flow needs to continue. The restrictions on this money need to be relaxed, however. We cannot purchase certain items such as bomb robots or rolling stock with this money. So even though we are buying a lot of response equipment, we are getting close to a dilemma as to how we will store it and get it quickly to a scene. Trucks and trailers must be purchased for such. Also, perhaps too much emphasis has been placed on these funds for chemical and biological response. What may be the most likely attack will be with conventional explosives, perhaps enhanced with nuclear materials. Therefore, equipment to interrupt or disarm bombs and equipment to rescue people in collapsed structures needs to be considered.

When considering this and certain other sources of Federal funding for local emergency response, the bureaucracy needs to lighten up on other strings and restrictions. Requiring local match can be difficult when dealing with funding on these levels. We cannot spend the money if we are required to match it, and do not have the qualified matches. Another shortcoming is that when monies at these levels come into a smaller agency such as mine, it can be very difficult to get it spent within strict timeframes and without additional personnel to manage the funds. We want to get this money on the streets as quickly as possible, but we also want it managed professionally. Future money should allow for the hiring of a limited number of employees to keep track of the funds and to get those funds spent expeditiously.

There are some incredibly weak areas still present in the emergency response system. I think that these weaknesses may be similar nationwide.

The hospital system came into this game late and is not yet able to provide the level of capability that we need. As an example: even during normal times, our EMS/hospital system in the Valley becomes saturated. Two years ago, there was a day where the patient load was so great that bed space was nearly non-existent. Ambulances were backed up at the emergency room doors waiting for some place to take their patients. For a period of time there were only 3 ambulances available in all of Maricopa County since the others were all waiting in line at the hospitals. Our hospitals are not willing to build more capacity because of the transient nature of our population. We have a large number of winter visitors who also happen to be geriatric. The influenza season appears at this time. During the summer, their bed space opens up and may sit unused. If a large mass casualty incident was to occur during the 8 months out of the year when our population is at its highest, we would be fortunate to find 3 critical care beds per hospital. May I suggest something that may help nation wide to remedy the need for more critical care bedspace.

Many years ago, back in the Cold War Era, America completed a civilian emergency response project for preparedness for nuclear war. A part of that preparedness program included 12 self-sustained field hospitals located around the country. Those were dismantled or given to foreign countries in the early 1980s. Perhaps my highest recommendation for hospital surge capacity preparedness would be for the Federal

Government to develop 12 nationally committed field hospitals that could be expediently shipped to anywhere in the nation within a 12 hour maximum timeframe. There has already been developed similar capabilities in the national pharmaceutical push packages, and to a lesser degree, the national DMORT. These hospitals would be self contained and would provide shelter, climate control, bed space, and medical equipment to handle up to a thousand critical care patients. A trained group of professionals would accompany the hospitals during deployment to set them up and to provide additional medical support to the local effort. The mobile hospitals would go a long way in solving the surge capacity required in every locality in our nation.

The next shortfall that currently is being addressed, but needs to be expanded and implemented nationwide is a uniform medical surveillance system. If a biological attack was to occur, we all know that recognizing the event early is crucial to preventing its spread. Funding to install the system in every hospital and in the emergency medical system is of paramount importance.

The ability to quickly warn and advise the public is lacking. A system that has disappeared in most large metropolitan areas is the old civil defense siren system. The Emergency Alert System has replaced the older Emergency Broadcast System. It is debatable as to whether or not that was an improvement. Locally we have something called Media Alert to "blast fax" the media with emergency information. The Media Alert was developed to supplement the EAS. We currently have funding to develop a county-wide telephone calling system to provide emergency information to the populous. I am not comfortable with what we will have for warning and notification, even when the current projects are fully installed. The Federal Government has been working on legislation that requires a special electronic chip to be installed in all new radios and televisions. The chip would automatically turn on the device in which it was installed and tune it to receive emergency messages from the EAS. This would fill the warning gap that would be found where someone was not in contact with a telephone or did not have their radio or TV turned on. The Federal Government should expedite this legislation.

The final shortfall that can be predicted is the ability for the local emergency response agencies to sustain their terrorism emergency response capabilities. Back in the Cold War, fallout shelters were well stocked and delineated through each city. Sustainment was never planned, and the shelters slowly went into decay. We must learn from that lesson when considering the capacity that we are building now. Most response equipment has a 5-year or shorter shelf life. Of course, if it has to be actually used, it immediately outdates. Phoenix, which was our original Nunn, Lugar, Dominici city has noted that their originally purchased equipment is starting to outdate now. Although they have spent much more of their own, local money to sustain and build their capabilities, they cannot do so indefinitely. The Federal Government should develop a plan and funding streams to provide the sustainability required for the future.

Thank you once again for requesting our local input. I hope my recommendations can help you plan for future legislation that will make local response to terroristic acts effective and efficient.

Mr. HORN. Well, that's excellent, and your point on the hospitals and the need for tents and all of the rest of it, like MASH, maybe we can get some of it off the MASH set in Hollywood and solve some of these problems.

But I will ask our staff to go now and get a real look of where are the various tents and all that could be moved rapidly across the country. So thank you for pointing that out.

Jack Harris is the Assistant Chief of the Phoenix Police Department.

Thank you for being here.

Mr. HARRIS. Thank you for the opportunity to speak before this committee.

It is nice going in the second group because I get to just review some of the main points that I wanted to present because most of them have been presented by other members from the other group. But let me say that one of the important points that we wanted to bring forth from the local jurisdiction is the topic of resource allocation and threat assessment.

In the earliest stages of the development of the WMD program back in 1996, the initial grant funds that were going to be offered to the jurisdictions were disseminated based primarily on the 27 largest jurisdictions throughout the United States. That short list of 27 jurisdictions included the city of Phoenix.

As time went on, the funding was presented at the State or the country level for disbursement, and the funds to not always get disbursed to the areas where the risk is the highest or where the population is the greatest. We would recommend that a review be made and go back to the original allocation alignment of looking at the jurisdictions that had the highest risk assessment according to the Department of Justice study and also where the largest masses of population were concentrated.

The second area that I would like to talk about which has been discussed already is the policy for sustainment of funds. We get funds which we really appreciate to start program and to purchase equipment for programs that are essential to our response to a WMD situation, but we desperately need to be able to continue that funding to sustain that equipment and those programs beyond just the initial allotment to get the equipment.

One example would be the purchase of, say, 2,700 gas masks to equip everyone with the Phoenix Police Department. That is extremely beneficial to us, and we appreciate that kind of funding.

But along with that allotment comes training needs and OSHA standards that have to be met to continue to operate with that equipment. OSHA standards will require physical examinations, respiratory examinations for people who are disbursed with this equipment and also training in how to properly utilize the equipment.

That funding can be very detrimental to a local agency, especially in these hard times economically. So we would, as some of the other members have, emphasize and reiterate that we need sustainment funds to keep those programs and equipment going into the future.

The other topic that I wanted to discuss was the communications situation with the 700 megahertz bands. The city of Phoenix

strongly urges continued review by the FCC and the congressional committee for appropriate distribution and organization of frequencies allocated for public safety uses. As I am sure you are well aware, in any type of major response to something like Oklahoma City, one of the first things that can cause problems for first-responders is the lack of communications.

So we are asking that we continue to look at how those frequencies are allotted to both public entities and private entities, as well as to public safety organizations so that when we get to a scene, as the Twin Towers disaster, that we are able to continue to communicate without overlap or the frequencies and a problem with private industry frequencies not be available to us to be able to maintain the communications that are so necessary in a mass disaster like that.

And with that, I would thank you for allowing me to present today and appreciate any consideration that you give to our requests.

[The prepared statement of Mr. Harris follows:]

City of Phoenix

STATEMENT PAPER FOR MARCH 22, 2002 FIELD HEARING

- **Acknowledgement of Interagency Cooperation and Working Relationships**
  - We realize that no single agency is capable of effectively planning for and responding to weapons of mass destruction events.
  - Collaboration between federal, state and local government, private industry and non-profit agencies has enhanced our effectiveness, and organized our response capabilities.
  - This collaboration is a result of federal legislation that has provided funding resources and opportunities for partnership. The events of September 11, 2001 have proven to us that we must continue our efforts to coordinate regional responses. This can only be accomplished through continued planning assistance and funding support from the federal government.
  - We appreciate this opportunity to discuss what is working well and opportunities for enhanced support.
- **Resource Allocation**
  - Allocate resources to the largest cities in regional areas based on population, existing preparedness status/programs, and threat assessment. Provide separate funding to states to support rural populations.
  - Allocating resources to these jurisdictions allows for regional response to emergencies and threats.

- Continue to directly fund designated Metropolitan Medical Response System (MMRS) cities.

- **Sustained Funding**

  - Protect the federal government and local communities' investment in systems and equipment by providing assured, continued funding, based on reauthorization and funding by Congress.

  - Provide funding to cover future years' costs of maintaining and replenishing equipment and training of staff.

- **FEMA Model for Urban Search and Rescue**

  - The FEMA model has proven effective for responding to natural disasters/emergencies.

  - Expand the FEMA model to include responses to terrorist, biological, chemical, or nuclear agents, and to include authorization for local jurisdictions to use specialty equipment on an ongoing basis to ensure necessary training, preparedness and timely response.

  - Streamline repayment from FEMA of authorized local expenses.

- **Interoperability of Radio Communications: the 700 MHz Public Safety Spectrum**

  - Public safety agencies must be able to communicate with each other.

  - We urge the FCC and Congress to dedicate and protect public safety frequencies from interference and encroachment.

Mr. HORN. We now have your counterpart in the Phoenix Fire Department, Assistant Chief Steve Storment.

And welcome being here.

Mr. STORMENT. Thank you, Congressman Flake and Mr. Chairman, for the opportunity to actually followup from what Mr. Spencer and Jack said as far as sustainability.

We go back to 1997 being one of the first two dozen MMRSes that were put together to start looking at this issue, and as Mr. Spencer said, as we have gone along with this, we have made the equipment go as far as we can. We are now almost 6 years into that program, and using the FEMA USAR model that the mayor spoke about so well and the video, we have been a decade, and that has been my responsibility over the last actually 12 years, is that direct funding source to the local jurisdictions that provide the direct service to the customer.

In the gap between our 22 points out of 22 points that we scored during the assessment in this last round of money, we got all of the points there were for the hazards and the risks associated. One of our gap problems is the FEMA USAR assets, some 60,000 pounds and some up to 100 people that you have got to move on best speed is a 6-hour window and up to 2 to 3 days to get wherever you are going.

Those same folks, if it happens here, are tied up in the emergency response. One of the pieces for sustaining our effort here is daily operational sustainment that takes 6 to 8 minutes, not 6 to 8 hours. For us that would be a piece of equipment and staffing called heavy rescues that New York City had and other cities currently have that allows you to kind of bridge that gap between getting the rest of the stuff here and the rest of the Federal effort here that helps not only law enforcement, but also helps the fire department and certainly the customers in Phoenix.

The other part of this sustainment effort is the track record. In fact, Mr. Posner said it very well, is the success stories. In the last 10 years, last 12 years of the FEMA USAR program, we have survived an IG audit, and that was quite interesting and we got through that.

So those auditing pieces for the local jurisdiction are in place, and they work. We would like to see that directed to the city locale that have a proven track record to continue. With the efforts between the police department and the fire department and MMRS, we have been ranked at least by CNN in one article being the fifth best prepared in the Nation.

What held us back was what Mr. Spencer talked about, was the hospital piece, which is enormously difficult and at least in what you read in some of the congressional notes and in the newspaper, the Health and Human Services piece with a block of money coming through to them would certainly be helpful.

We would like to submit that our effort over the last number of years has been well measured. We know what the work is. Hence we know what the job needs to be done, and we know what the outcome is.

We have deployed to five different locations. We have seen it from the ground up.

On the frequency piece that Jack talked about, we would like to add another piece that is not quite so special to become routine, and that is use of satellite communication that is not impervious, but certainly more hardened than ground-lines and cell phone towers.

And having been one of the first ones to Oklahoma, I can tell you it was a little unnerving to call to the National Response Center via pay phone in the Bell South building because there were no other lines available. So some interest in that to make it less special and more user friendly.

I want to thank you for the opportunity to pass this along, and as part of the record, we made copies of a group that I got to work with back in Boston at the Kennedy School of Government, which I have had the privilege of sitting on their Executive Board for weapons of mass destruction issues, and there is a paper, which I am sure you guys have it, called "Winning Plays, Essential Guidance from the Terrorism Line of Scrimmage," which is kind of a long way of saying, you know, we know what the issues are and we have offered some solutions to those issues, and those are kind of the solutions we share with you today.

Thank you.

Mr. HORN. Well, we would certainly want to have that document in the hearing record. If you could just read in the matter and give it to the court reporter, and we will have it in.

Mr. STORMENT. The name of the paper that some 12 of us had put together as part of this charge over the last 3 years is coming out of September 11th, and it was actually done for a really good friend of ours who passed away in that, Jack Finney of the New York City Fire Department, and it is called "Winning Plays, Essential Guidance from the Terrorism Line of Scrimmage," which basically represents the folks in the trenches, which are all of us.

Mr. HORN. Sure.

Mr. STORMENT. And the contributing authors were Peter Bearing, Paul Matascowsco, Hank Christian, myself, A.D. Vickery, and then the staff at the school there.

And we have 100 copies back there, and I certainly have a copy here for the record.

[The information referred to follows:]

Winning Plays: Essential Guidance From the Terrorism Line of Scrimmage

By
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Steven B. Storment, EMT/P,
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Steven G. Vogt

We dedicate this to our friend and colleague Jack Fanning, who died as he lived, in the service of others, on September 11, 2001

Introduction

This paper provides recommendations for the "play book" used by policy makers and emergency preparedness practitioners in assembling the elements necessary to effectively plan for and respond to terrorist actions by developing critical relationships, building systems, and setting training and funding priorities. It is not intended to be a model plan but to offer practical guidance, based on our expertise, for planning effectively, spending wisely, and making our nation safer. This document is divided into sections by subject matter, with a brief overview for that particular section followed by a series of recommendations.

The athletic field provides many useful analogies for emergency planning and response. Winning teams practice various "plays," develop and rehearse "game plans" before game day, and do extensive research about their opponents. Legendary Coach John Wooden's somber reminder that, "failure to prepare is preparing to fail" applies to the daunting challenge of preparing for terrorist attacks. Terrorist opponents have an almost limitless arsenal of plays, techniques, and players to use in the contest, some even willing to sacrifice themselves in the process. Because terrorists strike without particular warning, and because our nation is so geographically large, with a myriad of appealing targets, we remain vulnerable to attack. When we are attacked, our "game day," the response must be immediate, competent, coordinated, sustainable, and effective if we are to prevent or minimize the loss of life and property that can result.

Unlike more conventional emergencies where there is often opportunity to consider options, terrorism response decisions must be executed very quickly to prevent additional harm. We must develop, practice, and refine our "plays" before they are needed. We must know our own strengths and weaknesses, and appreciate those of our opponents. We must develop core capabilities, skills, and knowledge. We must learn from past contests, but must remain mindful that the opponent in the next contest will probably execute different plays, using different

techniques.

About the Authors

We may be people you have never seen, have never met, and of whom you have never heard. We are a few of the people who toil silently on the "sidelines" of emergency preparedness. We are not academics viewing the contest from the grandstands (although we have contributed to academic works on the subject); we are the coaches and players on the fields of emergency response. We have assessed the risks, written the plans, and managed the responses to catastrophes large and small. We have planned for and responded to contingencies that the participants and fans never knew were taking place at major special and sporting events. We have worked with airport directors and pilots, farmers and food processors, veterinarians and cattlemen, hospital directors and doctors, judges and lawyers, businessmen and their mail room employees, the managers of sports venues and the players who compete there. We have trained the heads of nations, states, cities, and corporations, as well as the new found heroes on the front lines, about risks and potential responses to those risks. We have responded to airline crashes, explosions, terrorist attacks, fires, floods, hazardous materials incidents, tornados, and criminal acts. When the emergencies were over, we investigated them, prosecuted the perpetrators, and derived lessons to help others. We have traveled the nation and the world for many years to spread the message of preparedness.

About This Project

When September 11 came, the United States realized it was vulnerable to covert attacks. We already knew that. We warned national, state, and local officials about the risks, but were often ignored. We began our study of terrorism many years ago. To many observers, our work was anomalous, unlikely, and irrelevant. As we studied the subject, we realized that there were simple, inexpensive steps that organizations could take to be better prepared for *all* emergencies. We have dealt with victims of tragedies and comforted those they left behind. Many of the victims of the attacks September 11 were our colleagues and friends. Our recommendations about public policy are based on our experience, expertise, and analysis. We offer these recommendations in the hope that they will prevent those catastrophes that can be prevented and minimize the impact of those that cannot.

About the Executive Session on Domestic Preparedness

The Executive Session on Domestic Preparedness (ESDP) is a standing task force of leading practitioners and academic specialists concerned with terrorism and emergency management. Sponsored by the John F. Kennedy School of Government, Harvard University, and the U.S. Department of Justice, the ESDP brings together experts with operational experience in diverse professional fields related to domestic preparedness--emergency management, emergency medical services, law enforcement, fire protection, public health, medicine, national security, defense, public administration, and elected office. Faculty and affiliates of the Harvard community who are specialists in national security, state and local governance, emergency management, constitutional and criminal law, and biochemistry join them comprising a most robust group to address the many complex issues posed by terrorism.

Planning Is Critical

A review of prior terrorist acts, major special events, and major antiterrorism exercises reveals the importance of planning. Emergency plans exist in a number of different forms, some very formal, some very informal. Emergency plans have the following critical components:

1. An identification of the threats.
An assessment of the vulnerability to those threats.
A determination of what resources are available to address the threats (before and after an incident).
Response plans for actual incidents.
Recovery and restoration of normalcy after an incident.
Investigation of the incident.
1. Establishment of an evaluation process to determine the effectiveness of emergency plans through a structured post-incident analysis.

Experience has shown that emergency plans need not be particularly formal to be effective. The effectiveness of such plans is related to familiarity with them possessed by those who must carry them out, relationships among plan participants, and the amount of practice officials have had with the plans. Planning is therefore more a process than a product. An effective planning process identifies potential targets and risks--vulnerabilities to various forms of attack--and allows these targets to be hardened and risks to be mitigated. It also allows for modifications and amendments to protocol and operational doctrine based upon performance evaluation findings. This cycle must be encouraged and preserved to provide the most contemporary and safe operating procedures.

We recommend that

- Each jurisdiction review, rehearse, and revise its emergency plans.
Representatives of the response agencies, human service providers, hospitals, and key private-sector community organizations meet to share ideas and coordinate resource acquisition and emergency communication.

Preparedness "Evangelism"

The most successful jurisdictions have a "preparedness evangelist" who typically takes responsibility for emergency planning and then spreads enthusiasm for contingency planning throughout the jurisdiction. Such evangelists occasionally are appointed, but more commonly they develop informally. The most successful of these evangelists have direct access and support to senior policy and decision makers and have budget authority over planning and response matters.

We recommend that

- Each jurisdiction appoint and support a "preparedness evangelist" with full public and financial resources.

This "evangelist" be vested with necessary authority via executive order or legislation to be effective.

Incident Management/Command

The greatest success in addressing terrorist (and other) emergency incidents has been achieved through the employment of some incident management system. Incident management systems facilitate the orderly application of resources to various problems and challenges. These systems also facilitate necessary documentation that is important for investigation and recovery after the incident is stabilized.

There are a wide variety of incident management systems in use throughout the United States. Some operate by statute, others by custom, still others by industry. A variety of systems exist , tailored for different industries and organizations. Their component parts are similar, although there are some differences in nomenclature. As with planning, regular use of the system is critical to its success during an emergency.[1]

We recommend that

- Each jurisdiction adopt a systemic incident management system.

The incident management system be fully implemented across disciplines, including hospitals and health care, and that it be employed routinely to address daily incidents and events so that it will be familiar to system participants for effective utility at a major incident.

Relationships

Among the key factors that yield success in managing emergencies are the relationships developed *before* the emergency among those who will respond. Informal relationships have repeatedly bridged operational, technical, legal, and other impediments to successful response to various incidents.

We recommend that

- Each jurisdiction develop and maintain relationships with and among those persons, agencies, and organizations that may be called upon to respond to a major emergency. This recommendation extends past intrajurisdictional boundaries and embraces local,

[1] For more information see Hank Christen, Paul Maniscalco, Alan Vickery, and Frances Winslow, "An Overview of Incident Management Systems." BCSIA Discussion Paper, ESDP Discussion Paper no. ESDP-2001-04, John F. Kennedy School of Government, Harvard University, September 2001.

state, federal, and non governmental organizations that may be called upon to respond in times of high-impact/high-yield events.

These relationships be formalized where appropriate.

Education

Critical to effective response capacity are the knowledge and skill sets required to implement emergency operations expeditiously and safely. This is particularly true when confronting weapons of mass injury. Education of emergency responders (across various discipline lines), political leaders, lawmakers, the media, and the public is a multidimensional task requiring coordination to ensure favorable outcomes. The greater the knowledge base, the greater the sophistication of the systemic response, and the greater the likelihood of favorable outcomes will be.

We recommend that

- Each jurisdiction incorporate emergency planning and response training into new-hire and incumbent training programs for all disciplines, including responders, hospitals, health care, political leadership, business, the media, and the general public.

Jurisdictions give serious consideration to pooling training resources and expertise to share these assets, promulgating a more coordinated educational effort that will yield greater operational response efficiency because of responders' familiarity with the threat and the requisite response.

- Training be conducted using train-the-trainer, Internet, Intranet, and other systems that permit distance and home learning.

Emergency Management Skill Sets

Managing catastrophic events requires a unique skill set that may be uncommon among elected and appointed officials. Terrorist attacks will require organizations that typically do not engage in an emergency response to participate actively in emergency management activities. Senior managers and officials may also be targeted by the attacks, as was the case on September 11, making prior emergency management training more critical because decision-making abilities are compromised.

We recommend that

- Emergency management training be developed and delivered to federal, state, and local agency executives and key staff members.

Such training be mandatory and be tied to federal funding.

Federal Coordination

The agencies of the federal government involved in preparing for terrorism incidents have historically been poorly coordinated, poorly organized, and generally unable to look beyond their individual missions. Programmatic and fiscal competition among the agencies have also contributed to confusion among many elected and appointed officials about how much is being done by the federal government to improve domestic preparedness for terrorist attacks. Regulations promulgated by individual agencies have often been in direct conflict with the missions of other federal agencies, occasionally compromising national security. Efforts by various federal agencies to coordinate the diverse array of activities associated with domestic preparedness have fallen far short of what is needed.[2] Compounding this situation is general lack of agreement as to whether terrorism is a national security problem or a law enforcement matter. The Office of Homeland Security is an excellent step toward coordinating the efforts of the various federal agencies, but today it has little more authority than the threat of voicing displeasure to the president about the actions or nonactions of federal agencies. Many academics and government experts have argued that the office should have direct budget authority and line control, and that the organization's head should be a cabinet post.[3] It is imperative that the Office of Homeland Security succeed in its mission to improve our domestic preparedness.

We recommend that

- The Office of Homeland Security become a cabinet-level agency with full budget and administrative control to act as the "architect"[4] of domestic preparedness.

Each federal agency perform a security impact analysis on their regulations, including public disclosure requirements.

The United States establish and fund a non conventional think tank to explore unconventional threats and develop creative, active, responses to those threats.[5]

Intelligence, Data, and Information

Central to limiting the country's vulnerability to covert attack is the gathering, analysis, and dissemination of intelligence information. Recent events have demonstrated the consequences associated with the deterioration of the nation's intelligence-gathering capabilities. Intelligence for military purposes has increasingly been gathered through the use of sophisticated technologies with less involvement of human analysts. This has created an abundance of data, but has not necessarily yielded more or better information. An associated difficulty is the training of persons who can speak various languages and interact in various cultures, particularly non-European languages and cultures. The creation of this capacity is likely to take a number of years.

We recommend that:

- Efforts be initiated immediately to increase human intelligence capacity of the nation's

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[2] See Richard A. Falkenrath, Robert D. Newman, and Bradley A. Thayer *America's Achilles Heel*, BCSIA Studies in International Security (Cambridge: MIT Press, 1998), for a full discussion of these issues.

[3] See Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction: *Third Annual Report to the President and the Congress*, (The Gilmore Report), December 15, 2001.

[4] Ashton B. Carter, "The Architecture of Government In the Face of Terrorism," *International Security*, Vol. 26, No. 3 (Winter 2001/02) p. 14.

[5] Ibid.

intelligence-gathering system.

We recommend that intensive recruiting and training be commenced to increase the number of analysts and operatives fluent in Arabic, Slavic, and Asian languages, as well as other languages spoken in cultures now thought to be potential adversaries to the United States, and able to function effectively in the cultures in which those languages are spoken.

Law enforcement intelligence gathering similarly needs to be reinvigorated. The FBI and other federal law enforcement agencies have large amounts of intelligence information available to them. These agencies, particularly the FBI, are notorious for their reluctance to share information with local law enforcement officials, while nonetheless demanding that local officials share everything with them. . Local police chiefs have complained about the timeliness and quality of the information obtained from federal sources. Many departments rely on CNN, MSNBC, and the Internet for intelligence information, because these sources often provide more complete, detailed, and timely information to local authorities than the FBI provides. This one-way information flow creates several challenges, the first being a strain on relationships with local officials, who generally will be the first to have to address a problem. The second challenge this creates is one of logistics. There are only 14,000 FBI agents, whereas there are more than 400,000 local law enforcement officers. Many federal law enforcement agencies bring significant technical expertise yet often lack tactical capacity, forcing them to rely heavily on local law enforcement.

Timeliness and specificity of warnings about potential or predicted terrorist activity is also problematic. Warnings must be sufficiently early to allow a response and must contain sufficient information to allow law enforcement and other local officials to assess the information and respond. Repeated warnings urging law enforcement to be "on the highest alert" against vague or unspecified threats do little good. Such warnings also create anxiety among the public that often manifests itself as increased calls for service from already taxed agencies. Although it is a difficult task to balance the need for specificity in warnings against the risks of compromising confidential information, it is important to recognize that information is a commodity available to many. Many items treated as confidential by some in law enforcement are already being reported by various media networks that have substantial information gathering capabilities. Information that can be used to prevent an attack should not be protected to preserve a possible prosecution after an incident.

Equally problematic is the law enforcement response to closely held information once it becomes public. Officials must manage the situation to prevent practical and political harm. An inadequate or inexperienced public information response by law enforcement to the release of such information is particularly troublesome.

We recommend that

- Federal intelligence agencies and federal law enforcement agencies increase the use of analytical capabilities and technologies that enable them to analyze the data available to them more quickly.

Federal law enforcement intelligence gathering and dissemination be revamped to include timely and accurate information sharing with local law enforcement agencies and "trusted agents" outside of the local law enforcement universe, including health departments,

hospitals, and others that may participate in response to a terrorist incident.

A nationwide intelligence list-server be created using secure web sites and trusted e-mail accounts.

A tiered warning and alerting system be developed, similar to that employed by the National Weather Service or the military,[6] to provide warnings concerning suspected terrorist threats or attacks to affected agencies and the public. These warnings must be specific and timely.

Emergency Communications

The ability to communicate with various response organizations and their capacity to communicate among themselves are pivotal to the success of any emergency response operation, particularly a sizable one. System capacity and interoperability are critical components of response planning and response. Many jurisdictions have not migrated their communications systems to newer, higher capacity architectures and platforms. Many more have no interoperability within their own agencies and departments or with mutual-aid jurisdictions.

Upgrades, or more commonly wholesale replacement, of public-sector communications systems, telephone hardware and switches, and dispatch software are likely to be multi million-dollar expenditures. Many large municipalities have shouldered this burden through tax levies, bond issues, and other municipal financing. Many more medium-sized and small communities have insufficient financial bases for such expenditures. There are additional obstacles to such upgrading and replacement in the form of political parochialism, system control, and turfism. Although this situation seems ideal for regional solutions, these obstacles are often difficult to overcome.

Capacity and redundancy of private communications networks is similarly important. Wireline providers have for many years built several layers of redundancy into their networks. The telephone switches for lower Manhattan, located in the subbasement of the World Trade Center, continued to operate until the backup batteries ran out 36 hours after the towers collapsed. Cellular telephone systems and networks have become increasingly popular and have become an important communications tool for both public officials and the general public. Although most systems have significant capacity, their designs dictate certain limits on how many users can be supported by a single site. Difficult questions concerning the balance of use, particularly during emergencies, surround cellular capacity. Plans to limit cellular infrastructure access and use to public officials during emergencies ignore the central role cellular technology played in warning the public about the September 11 attacks, when passengers on the hijacked airliners were able to call family members and 911 centers to report the terrorist plot. Equally important is the role cellular systems play in notifying public officials about various emergencies, since most officials use cellular technology heavily. These systems must have backup capabilities, including satellite and portable cellular site capacities to replace or

[6] The National Weather Service's warning model uses watches to describe conditions favorable for severe weather conditions and warnings to denote specific hazards and response instructions. The military's tiered warning model uses threat conditions A through D, with Threatcon A being "normal" and Threatcon D being "imminent attack." These models could easily be adapted to provide information concerning increased terrorist activity, or non-specific threats reserving warnings for specific threats or attacks.

augment stricken sites, switches, or other key infrastructures.

We recommend that

- The Federal Communications Commission (FCC) establish regulations governing the upgrade of public safety voice and data communication networks to ensure regional compatibility and interoperability.

Congress fund a nationwide system of regional voice and data communication systems for state and local government use.

The FCC disseminate information concerning recent orders which set aside portions of the electromagnetic spectrum for public-safety use[7].

The FCC Homeland Security Policy Council develop a system to prioritize cellular traffic.

FEMA establish a rapidly deployable cache of communications equipment similar to that used by the United States Forest Service.

Critical Infrastructure

By virtue of their size, geographic distribution, and nature, critical energy, water, wastewater, telecommunications, and technological infrastructures are vulnerable to a wide variety of potential attacks. The threats to energy and telecommunications utilities are relatively well understood, and particularly in the nuclear power industry, some security measures have already been deployed. Significantly less attention has been paid however, to the security of telecommunications, water, and wastewater utilities. Many of these utilities are operated on a municipal level, and responsibility for their security falls to an already burdened local police force. Water utility operators find themselves confused by conflicting information as to contamination threats, sampling protocols, and treatment methodologies. Media reports of reservoir contamination have exacerbated public concerns in this area.

Cyberterrorism has been identified at least since the millennium rollover (Y2K) as a potential threat. Recent reports of system control intrusions, denial-of-service attacks, electronic fraud, and even securities violations, perhaps perpetrated by terrorist supporters, have stimulated a renewed interest in protection against cyberterror. The FBI-sponsored Infraguard initiative has made substantial progress in establishing public and private relationships, encouraging reporting of computer intrusions, and reducing vulnerability of Infraguard member systems, but participation in the Infraguard program among both public agencies and private-sector companies and organizations is minimal.

We recommend that

- The National Infrastructure Protection Commission (NIPC) be expanded and that it be given the authority to coordinate and responsibility for coordinating the production of planning and response guidance documents for each of the utility disciplines.

The Environmental Protection Agency (EPA) immediately coordinate water treatment methodology and guidance with the Department of Defense and promulgate potable water

[7] See http://www.fcc.gov/Bureaus/Wireless/News_Releases/2002/nrwl0202.html

treatment standards for known or suspected chemical and biological contaminants.

The EPA fund research to develop additional treatment, sampling, and laboratory identification techniques for potable water contaminants.

The FBI Infraguard program be marketed to business and government to increase participation.

The FBI enhance the electronic surveillance and warning system for alerting participants in the Infraguard program of electronic attacks.

Regulations requiring publication of hazardous materials "worst-case-scenarios" be modified to prevent the discovery of this information by potential adversaries.

Agriculture and Livestock

The outbreak of hoof-and-mouth disease in Europe and England during 2001 devastated economies, produced drastic changes to entry requirements worldwide, and provided insight into the potential impact of an attack launched against this nation's food supply. Only U.S. Department of Agriculture (USDA) and a few states have adequate resources to address the prospect of agricultural terrorism.[8] The production of foodstuffs and livestock typically takes place in rural environments with limited response capacities. Internet based information systems must be employed to alert farmers and food producers to possible threats. Surveillance systems for livestock and crop diseases can provide advance warning that will allow outbreaks to be contained. Similar to other forms of biological terrorism, agricultural terrorism may be difficult to distinguish from natural occurrences of disease, making rapid identification and response to outbreaks as important as is it within human populations, particularly since outbreaks in these environments often provide warning to potential human exposure.

We recommend that:

- The USDA establish a veterinary "push-pack" where key pharmaceuticals necessary to treat to a variety of livestock and plant diseases are pre-positioned in strategic locations, similar to that established by the CDC for human diseases.

The USDA set up a biosecurity training program to counter the threat of diseases and pests at the farm level.[9]

The USDA devote more resources to disease detection, surveillance, and diagnostic technologies, including creating linked animal-human disease databases, developing more rapid diagnostic tests, increasing capacities at the Plum Island laboratory (where key agricultural testing is performed), and establishing a contingency network of veterinarians that could respond to veterinary emergencies.[10]

The USDA be ready to deal with the public reaction to a serious food scare from disease in the event of an agro terrorist attack, and be given the budgetary means to proceed with fast

[8] Gavin Cameron and Jason Pate. "Covert Biological Weapons Attacks Against Agricultural Targets: Assessing the Impact Against U.S. Agriculture," BCSIA Discussion Paper 2001-9, ESDP Discussion Paper no. ESDP-2001-05, John F. Kennedy School of Government, Harvard University, August 2001.

[9] Anne Kohnen, "Responding to the Threat of Agroterrorism: Specific Recommendations for the United States Department of Agriculture." BCSIA Discussion Paper no. 2000-29, ESDP Discussion Paper no. ESDP-2000-04, John F. Kennedy School of Government, Harvard University, October 2000. P 39.

[10] Ibid.

and efficient recovery.[11]

The USDA establish a program of security assessment and detection for food-processing facilities.

The USDA, Food and Drug Administration (FDA), and CDC link their disease monitoring databases and jointly develop surveillance systems that use this combined data to improve early warning systems.

Transportation

The size, diversity, and volume of transportation activities in the United States present one of the largest series of potential terrorist targets, vulnerabilities, and challenges to response and preparedness. The agencies charged with managing this diverse set of activities face substantial challenges in terms of logistics and technology development and deployment, as well as those associated with implementation. We have subdivided the subject matter in this area according to various types of transportation to facilitate presentation.

Vehicular Traffic

Vehicular and particularly truck traffic is critical to the nation's economy as it is the primary means of delivering goods. There are an estimated 500,000 trucks on the nation's highways every day, and each of these vehicles is both an important part of the economy and also a potential terrorist weapon. Monitoring the transport of hazardous materials, chemicals, and precursor materials (those chemicals or materials which can be easily made into a weapon) by truck is a daunting task made more difficult by the immediacy of the impact chemicals can have if they are released. The nation has engaged in significant training and equipping of hazardous materials response teams in many fire departments and has built a regulatory framework designed to mitigate environmental damage from the release of hazardous materials. The regulations are not, however, optimized for monitoring of the content or the location of many types of hazardous materials during shipment. There is also no standard mechanism for monitoring the safety of the driver of a vehicle transporting hazardous materials, or to ensure that the assigned driver remains with the vehicle. There are also no systems currently in use to monitor the movement of rental vehicles and trucks that may be used to transport hazardous materials or that may be used as truck-bombs.

Bridges, tunnels, and other key transit infrastructures are also vulnerable to attack, either from vehicle bombs or from other types of covert attacks. Physical barriers protecting structural components have been erected in some locations, restrictions have been imposed on certain types of traffic, and guards or police officers have been deployed at other locations to prevent physical destruction of key transportation infrastructures. Many of these measures must be considered temporary, as their long-term deployment is not financially possible.

We recommend that:

- The regulatory framework focus on building a system that can reliably identify legitimate

[11] Ibid.

transportation activity to allow closer inspection and regulation of actvity deemed otherwise by exception.[12]

- The Transportation Secretary immediately require the satellite tracking of hazardous materials shipments by carriers.

This requirement include route plans, driver links with personal identification numbers (PINs), and cargo identification and that these systems be configured to report by exception those loads that deviate significantly from their route plan. Deviations should be immediately reported to the appropriate law enforcement agency.

These systems should first be deployed on shipments of hazardous materials, second on shipments of non-hazardous materials, and third on commercial rental fleets.

Key bridges, tunnels, and transit infrastructures be identified and monitored in terms of hazardous materials traffic on them or through them. Hazardous materials should not be allowed in, on, or near these structures. The monitoring of these structures should be performed by local law and transportation enforcement officials.

Trains

Much of the heavy freight in the United States and large quantities of its hazardous materials, are transported by rail. In addition to being critical components of the nation's transportation system, trains can become targets of opportunity for terrorists. Rails often pass close to metropolitan centers and assembly occupancies and also traverse rural areas. This can present problems in terms of massive releases of chemicals being transported as cargo, which can burn or explode, or may themselves be toxic. Urban releases have the potential to affect significant numbers of people whereas releases in rural areas are problematic because of the limited resources for response available in most rural areas..

Trains and subways also represent significant passenger transportation resources in many parts of the country. Passenger traffic on trains has dramatically increased since the September attacks with comparatively little increase in security.

We recommend that

- Tracking of hazardous materials be implemented, similar to that described for trucking shipments above.

Additional training be provided to rural first responders to increase their recognition of potential terrorist incidents involving rail freight.

Passenger rail security be completely reevaluated taking into account current and future threats.

Maritime Vessels and Seaports

The United States operates a large number of seaports both domestically and in its territories. These ports are vital links to shipping, international commerce, and domestic product export. For a number of locations, the ports are the primary connection to the rest of the country or the world. Significant amounts of hazardous materials and cargoes pass through these ports,

[12] Stephen E. Flynn, "The Unguarded Homeland—A Study In Malign Neglect," in James F. Hodge and Gideon Rose (eds.), *How Did This Happen? Public Affairs Reports*, (Cambridge, Mass.: Council on Foreign Relations, 2001) pp. 183-197 at p. 195.

and these materials, as well as the infrastructures that house and transport them are potentially appealing terrorist targets. These ports and the vessels that use them are protected by an aging fleet of vessels, which are often borrowed from volunteers. Only a small number of ports have their own law enforcement agencies; few have adequate staffing to patrol, police, and interdict potential attackers.

We recommend that

- The Coast Guard and the Department of Transportation immediately assess the equipment and staffing needed to protect the nation's harbors and the shipping vessels using them.

Activities in the major seaports, particularly those handling hazardous cargoes and military vessels, be monitored in a manner similar to that described above for the trucking industry.

Screening and prescreening of high-risk cargo containers bound for the United States be expanded.

Aviation

The use of aircraft as weapons is not new, yet the use for which they were deployed September 11, was in many respects different from those in previously encountered hijacking scenarios. Securing the nation's airspace since the attacks has involved a complicated dynamic seeking to balance passenger flow, symbolic security, and actual security against a diverse collection of threats.

The United States has struggled with aviation security for a number of years. Driven by a series of hijackings in the 1970s, airport security was modified at that time to include x-raying of carry-on bags and inspection of passengers with magnetometers, credentialing of ramp personnel, and increased inspection of airline freight, cargo, and baggage. These security measures have improved the security of the nation's airports but are far from a perfect solution to an evolving threat.

The Federal Aviation Administration (FAA) has delegated the responsibility for airport security to the airlines, a move criticized by many because of the inherent conflict between cost savings and security. The FAA has historically operated as a reactive agency, addressing threats as or after they occur rather than planning for them before they occur. It has created a cumbersome bureaucracy that is frustrating to airlines, to airport operators, to aircraft manufacturers, and to travelers. Aviation threats have been evolving for the past decade or more, yet the regulatory framework has not evolved to meet the challenges these new threats pose. After the bombing of Pan Am Flight 103, the world's aviation community made significant changes in security. Bag matching, passenger profiling, screening of both checked and hand luggage, watch lists, and credentialing changes, including background and criminal history checks for ramp personnel and caterers, became the norm.

The nonoccurrence of hijacking events in the United States during the past two decades has lulled the airline industry into a false sense of security. Unfortunately the government propensity to react rather than plan has now created a situation foisting dramatic hardships on entire sections of the economy. In its efforts to increase airport security in the wake of the September 11 attacks, the FAA, and to an extent well-intentioned lawmakers, have focused on

highly symbolic measures that have staggering economic and liberty costs and limited security impact. Many of these measures are completely ineffective against suicide bombers. Many others have created new security threats, including the risks associated with bombing now overloaded ticketing halls, passenger drop-off areas, and food courts, "piggy backing" to gain access to restricted areas, and kidnapping or killing of credentialed employees to gain ramp or aircraft access. The creation of the Transportation Security Administration (TSA) provides an opportunity to address many of these issues.

We recommend that

- The TSA take a fresh approach to aviation security, including making changes in contractors, personnel, programs, and methodology as appropriate.

Airline ticketing systems and databases be linked to law enforcement information systems to prevent wanted and suspect individuals from obtaining tickets for airline flights

Federal watch lists be similarly linked to airline ticketing systems and that these systems be updated to flag any record containing obvious warning signs, including cash transactions, absence of luggage, unusual passports or visas, recorded reports of odd behavior, and past histories of security issues.

The FAA eliminate ineffective passenger questioning concerning packing and custody of bags now being conducted by airline personnel, replacing it with a series of interview questions concerning the passenger's occupation, destination, and details about these which are available from the airline database.

The FAA revisit its proposed deployment of computerized tomography x-ray (CTX) screening devices in airports, because of their throughput limitations and instead install combinations of CTX, baggage x-ray and explosive trace detection (ETD) machines to achieve 100 percent screening of checked baggage with acceptable throughput to meet airline scheduling needs. To minimize the potential for casualties from an explosive device hidden in checked luggage, measures involving these devices should be conducted away from ticket halls and out of passenger sight.

The FAA require bag matching on all legs of all flights.

The TSA, the FAA and DOT immediately evaluate the physical facilities of all major U.S. airports, starting with the major airline hubs, and assist with funding redesign and reconstruction to adequately support contemporary security needs, including passenger drop-off, bag checking, freight screening, catering, and airport administrative activities.

The TSA and the FAA eliminate restrictions at terminal parking facilities added after September 11 that have created significant traffic problems and created new ticket hall vulnerability and have significantly affected airport revenues, while offering little if any protection from explosives.

- The TSA, the FBI, and other agencies immediately improve background checks and credentialing for airline, airport, and ramp workers, including automated fingerprint information system (AFIS) fingerprinting, biometric identification, and criminal history checks.

The TSA, the FAA, and the airlines develop and implement a "trusted flyer" program for frequent flyers that incorporates background checks, fingerprinting, and biometric identification to allow more limited screening of these persons at airport check-in and check points.

The TSA develop consistent guidance and sensible operational procedures for checkpoint

operation and eliminate reactive restrictions on sharp objects such as pocket knives, sewing and medical needles, and nail files.

Flight crews receive additional training on in-flight emergencies involving passengers.

The FAA amend preflight passenger briefings to include a statement that the protection of the cockpit is the responsibility of both the flight crew and the passengers.[13]

Airlines eliminate or modify meal service for the flight crew to limit opening of the cockpit door while in flight.

Airlines bullet-proof the cockpit enclosure.

Computerized passenger profiling systems (CAPPS) be revised to include ethnic and national-origin factors with respect to passengers from countries known to support terrorism.[14]

The TSA and the FAA continue to evaluate new technologies, deploying them where appropriate, to further protect the cockpit, baggage holds, flight crews, and passengers.

Further development of whole-body, noninvasive scanning.

The National Guard be removed from airport security posts.[15]

Public Health

A robust public health system provides significant benefits to the country. Systems used to protect the nation from covert biological attack also provide early-warning and epidemiological information concerning flu viruses, colds, bacterial outbreaks, and other naturally occurring illnesses. These systems can make the nation healthier, spot disease trends before they become significant problems, and allow the rapid deployment of drugs and other medical resources to address problems.

Unfortunately the public health infrastructure in the United States has deteriorated dramatically during the past several decades. Contemporary health care successes and the tendency for public funding to follow crises and individual disease priorities have resulted in understaffed and poorly equipped public health departments that in some cases lack even basic office technology. The national network of epidemiological investigation capacity, the foundation of infectious disease surveillance, response, and prevention, is threadbare in some areas of the country and in nearly all areas lacks sufficient depth to sustain operations effectively against the challenge of a extraordinary outbreak. Resources are not sufficient to develop regular and wide-ranging interactions among public health and safety professionals at the local level. The resulting lack of familiarity with one another and the lack of relationships among these personnel created difficulties in recent anthrax investigations.

Stockpiles of pharmaceuticals and vaccines have dwindled until recently. Although there are currently several caches of crucial disease-fighting drugs in the country, additional caches need to be established to add response capacity in the event of multiple attacks or outbreaks. A system has been established to identify sources for drugs and vaccines for use during an emergency, but the system currently requires individual jurisdictions to make the necessary purchases, which present legal and logistical problems for those jurisdictions. Rotating

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[13] Gavin De Becker, *Fear Less* (Boston: 2002), Little Brown, p. 185.

[14] Gregg Easterbrook, "The All-Too-Friendly Skies," in James F. Hodge and Gideon Rose (eds.), *How Did This Happen? Public Affairs Reports*, (Cambridge, Mass.: Council on Foreign Relations, 2001) pp. 163-181.

[15] National Guard troops are inappropriate for airport security duty. Many guard units are not equipped, nor can they easily be equipped, with the appropriate weapons for this assignment. They also have not been properly trained for this mission. Airport security corridors are not designed for the additional personnel, and state budgets are not well positioned to absorb this cost.

stockpiles of essential drugs also proves problematic for local jurisdictions. Furthermore, the prophylactic administration of certain drugs has raised a number of clinical questions, including those involving the efficacy of and justification for such administration.

Laboratory identification of the organisms suspected to be involved in a biological attack is critical mounting an effective response to such an attack. Currently even the largest jurisdictions have only moderate capacity to test for biological agents, often less than 100 specimens per day. Recent testing of environmental specimens for anthrax quickly exceeded laboratory capacities. There is no uniform guidance on packaging environmental specimens for lab submittal, and there are numerous anecdotal reports of confusion among users of lab services as to which labs, public and private, are capable of performing preliminary and confirmatory tests for the presence of biological agents.

We recommend that

- The public health infrastructure be enhanced to include improved access to information technologies and the Internet and additional staffing.

The Department of Health and Human Services (HHS), in conjunction with the CDC and the state departments of health, establish and maintain a national epidemiological tracking system that employs both nontraditional and syndromatic surveillance methodology.[16] The system should be populated with data from emergency department visits, 911 centers, and health clinics and should track the sale of antibiotics and cough and cold medications.

Epidemiological training programs be strengthened and made more widely available, with curricula appropriate for public health and law enforcement professionals.

HHS purchase, deploy, and maintain baseline stocks of pharmaceuticals, vaccines, and antidotes in the thirty largest cities in the United States, and in strategic locations in all fifty states.

HHS and CDC fund and perform studies to determine best practices for mass prophylaxis.

CDC and USAMRIID more widely promulgate sampling, packaging, submittal, and testing guidelines for identification of suspected biological agents.

CDC and USAMRIID develop and promulgate triage guidelines for environmental samples testing.

All health departments develop staff epidemiologist capacity through direct hiring of personnel or via contract with suitable physicians.

That additional grant programs be established to increase laboratory capacity nationwide so that each of the thirty largest cities in the U.S. and each of the fifty states have their own Level B (or greater) laboratories to perform definitive identification analyses.

Medical Capacity

The health care system in the United States has undergone massive changes in the past decade. Many of these changes have been driven by cost controls and have incorporated just-in-time delivery systems, managed care, and other measures that have severely limited the surge

[16] Nontraditional surveillance includes tracking emergency department visits, health clinic visits, 911 calls, just-in-time deliveries of cough and cold remedies from retailers, school attendance, police, fire, and emergency medical sick leave, etc. Syndromatic surveillance tracks symptom sets rather than diagnoses.

capacity of the nation's health care delivery system. The health care delivery system has also decentralized, which has created new challenges for epidemiologic data gathering and dissemination of information to health practitioners. There is also a significant misunderstanding within the prehospital emergency medical community about the impact of bioterrorism on the healthcare system.[17] The notional conclusions are that prehospital providers (ambulance services and fire departments) will bring patients to hospitals for treatment as they do during "normal" circumstances. The recent covert anthrax attacks suggest however, that people will present themselves to hospitals outside of the traditional 911 environment. If an incident occurs on any significant scale, hospital resources are likely to be overwhelmed quickly.

We recommend that

- Cost recovery mechanisms be developed to allow the creation of additional surge capacities within hospital systems.

The Department of Defense acute care center (ACC) and neighborhood emergency health center (NEHC) models be further studied and refined for deployment.

Medical centers, hospitals, health care centers, community health clinics, and other distributed medical care facilities be required by the Centers for Medicare and Medicaid Services and JCAHO, to engage in emergency planning for various catastrophic events, including various forms of terrorism. This planning should be funded by the federal government.

Existing educational programs for medical and allied health professionals incorporate and institutionalize training for terrorism response into curricula to preserve the "corporate knowledge" required for readiness.

Immigration and Border Control

The threat posed by unmonitored foreign nationals in the United States became dramatically real September 11. Immigration and border officials have been unable to stem the flow of illegal immigrants and have insufficient staff to monitor those in the country legally. The vast borders of the United States present numerous opportunities for adversaries to enter the country illegally. It is critically important that border checkpoints have detection capacities to interdict the illegal import of dangerous substances, including explosives and chemical, biological, and improvised nuclear weapons. . Student visas are freely issued, are poorly monitored and have been used by terrorists to gain inappropriate access to the United States.

A large number of agencies and organizations are involved in protecting the borders of and controlling the access of people and commodities to the United States. The U.S. Border Patrol, Immigration and Naturalization Service (INS), Customs Service, and Coast Guard all play a role in defending the nation in these areas.

[17] For more information see Joseph A. Barbera, Anthony G. Macintyre, and Craig A. DeAtley,. "Ambulances to Nowhere: America's Critical Shortfall in Medical Preparedness for Catastrophic Terrorism." BCSIA Discussion Paper no. 2001-15, ESDP Discussion paper no. ESDP-2001-07, John F. Kennedy School of Government, Harvard University, October 2001 and Juliette Kayyem, "U.S. Preparations for Biological Terrorism: Legal Limitations and the Need for Planning." BCSIA Discussion Paper no. 2001-4, ESDP Discussion Paper no. ESDP-2001-02, John F. Kennedy School of Government, Harvard University, March 2001.

We recommend that

- The activities of the various agencies associated with border control, coastal protection, and immigration control be coordinated by the Office of Homeland Security.

A treaty be developed with those nations that share borders with the United States to allow enforcement activities across international borders.

Applications for student visas and green cards be tied to Interpol and other law enforcement databases.

Students attending U.S. colleges and universities on student visas be expelled from the United States within 180 days if they are not actively enrolled in courses.

Immigration databases be automated to include biometric identification and maintain information as to the whereabouts and activities of foreign nationals in the United States.

U.S. Border Patrol capacities be increased to stem the flow of illegal immigrants into the United States.

Border entry points be equipped with additional detection and inspection technologies to aid in the interdiction of illegal or dangerous materials.

Federal and state statutes be amended to allow state and local law enforcement to detain foreign nationals for INS violations.

Terror in "Real Time": Challenges for and from the Media

Coverage of terrorism creates substantial problems for the news media. Contemporary technologies allow the broadcast of images virtually in real time, effectively allowing viewers to "live the events". Tremendous challenges exist in determining how to cover these types of events. Producers face challenges concerning how much, how long, and even how to cover terrorist activities. In many cases, "the story" became "the story". Media outlets had to identify new experts to assist them with information analysis and editorial decision-making. The attacks of September 11, and to a lesser extent the subsequent anthrax incidents, was the first real major news events many involved in the media had covered. The definition, perspective, and challenge of media coverage changed as a result of these events and the coverage of them. Producers and editors discovered that their staffs were themselves traumatized by the events.

We recommend that

- A training program be developed for news producers and editors, covering editorial decision making, sources of information, particular risks to national security, and tactical law enforcement operations.

A training program for field reporters be developed, including the above material and additional information on personal protection.

The Office of Homeland Security and FEMA coordinate the creation of media information kits including fact sheets about the known chemical, biological, and nuclear agents and various explosive devices common to terrorist use.

The Office of Homeland Security and FEMA coordinate the creation of training materials for senior federal, state, and municipal officials in dealing with the particular challenges of media coverage of major emergencies.

Colleges and Universities

There are many colleges and universities in the United States. Many of these institutions conduct research using materials that can be, or have already been, made into chemical, biological, or even nuclear weapons. Some of these institutions also have significant populations of foreign students who may have direct or indirect ties to known adversaries of the U.S. Some types of research facilities on college and university campuses and a number of types of sporting or other events commonly held under college and university auspices may also constitute appealing targets for an adversary. Many of these institutions are situated outside municipalities and thus have limited public safety response resources.

We recommend that

- A field training program be developed and deployed for colleges and university administrators and law enforcement officials including, information on weapons of mass destruction, civil disorder, incident management, and target identification and hardening.

University labs and research facilities working with known or suspected chemical or biological agents be registered with the FBI.

Colleges and Universities be required to monitor the enrollment status of all foreign students attending their facilities who are in the U.S. on student visas and immediately report those students who are not enrolled in active coursework for more than 180 days.

Sustainment Funding

Preparedness to meet the threat of terrorism is expensive. Training, equipment, technology, pharmaceuticals, security measures, and personnel all clamor for funding. In crafting response plans for various events, policymakers have long recognized that response forces are a critical, albeit expensive, necessity. Terrorism preparedness requires additional resources and capacities beyond those normally present in conventional public and private response systems. The question of whether terrorism is a national security matter or merely another emergency for which states and local officials must be prepared is coupled with competing interests and viewpoints.

There are essentially two types of funding available for emergency response preparedness: government and private. Government funding comes from national, state, and local sources. Private funding comes from insurance, private owners, and charitable donations. Sole reliance on any single funding source is foolish, and trying to shift the risk through insurance is likely to be prohibitively expensive because of the inherent difficulty of rating and assessing the actuarial probabilities associated with terrorist attacks.

We recommend that

- The federal government fund the gap between normal preparedness and the extraordinary measures and equipment associated with terrorism preparedness, using a system of categorical and block grants to be administered through the existing grant

administration mechanisms.

Federal training support for the seventy-five largest jurisdictions in the United States be configured such that there is direct fiscal disbursement to these jurisdictions with no intermediary agency involved.

Preliminary Lessons from the World Trade Center and Pentagon Attacks

The attacks on the Pentagon and World Trade Center were unprecedented yet both of the attacked buildings had been attacked previously.[18] Assumptions about human behavior, structural stability, and confusion about what had occurred added to the additional loss of life sustained in both attacks. Private communications networks were overwhelmed immediately after the attacks. Confusing instructions given to occupants also contributed to delay in evacuating the buildings. More formal analyses are forthcoming; we believe however that there are critical lessons to be derived immediately from these incidents:

- Interagency communication capability and capacity are critical at major incidents.

Staging of resources at the incident scene is critical to the success of incident management. Incident commanders *must* stage resources far enough away from the incident that they will not be lost if secondary events including collapse and explosions occur.

Situational size-up by both initial responders and command officers is critically important. Senior commanders must anticipate and prepare for various contingencies.

Response organizations should train and equip sufficient specialized response resources so that there is a redundancy of critical resources in an emergency response situation. These resources must be deployed in such a way as to minimize or prevent their complete destruction in the event various follow-on risks, including secondary attack, and structural collapse, after a primary terrorist attack.

Emergency response personnel have an inclination to enter unsafe environments. Senior commanders must evaluate the risks of entry, including the location of forward command areas, and prevent personnel from engaging in extremely high-risk behavior.

Employment of incident command is critical to the success of large operations. Incident command should be coordinated, and command posts should be established in safe areas with necessary support resources.

Mutual-aid agreements are critical in all jurisdictions and for all states.

State and federal response resources must be immediately deployed and utilized upon their arrival at incident scenes.[19]

Incident commanders must develop mechanisms to manage volunteers and donated goods, and the media should encourage cash donations rather than goods.

Preliminary Lessons from the Anthrax Attacks

During October 2001, various media and political figures received a series of envelopes with

[18] For more information see Jonathan B. Tucker, *Toxic Terror—Assessing the Use of Chemical and Biological Weapons*, (Cambridge: MIT Press, 2000), pp. 185-207.

[19] A review of the World Trade Center and Pentagon incidents, studies of the response to the bombing of the Murrah Federal Building in Oklahoma City, and the response to the most recent California earthquakes, all indicate that elements of local pride interfered with the rapid deployment of assisting response resources.

crude handwriting containing finely milled anthracis bacillus powder. These letters became the first biological attack in the United States since the 1984 contamination of salad bars by the Bagwan Shree Rajineeshes in Oregon.

The anthrax letters were handled by postal workers and postal machinery and provided authorities with their first opportunity to determine the impact of mail-handling equipment and mail processes on tainted mail. They also presented the first opportunity to gauge the vulnerability of mail recipients and served to underscore the importance of immediate medical recognition and treatment of anthrax symptoms.

Of those victims anthracis bacillus infections who were seen by medical personnel, those who received immediate treatment with contemporary quinolone drugs recovered from the infections. Additionally, emergency and infectious-disease physicians determined that modern medical imaging, including MRI and CAT scans, can provide diagnostic information about anthrax exposure significantly earlier than conventional x-ray techniques.

It seems axiomatic in hindsight that a weaponized powder milled to a diameter of 3 microns would escape a conventional envelope with 100-micron holes in the seams. Mail-handling machinery is designed to handle large volumes of mail quickly. Such devices exert considerable force on the envelopes as they are sorted and processed. We now know that this force is sufficient to squeeze substances out of the envelopes and can cross-contaminate postal workers, other mail, and mail machinery.

The October 2001 anthrax attacks have demonstrated unequivocally that sophisticated delivery mechanisms are not necessary for suspected biological agents to cause significant disruption. Public safety and public health officials have been inundated with responses to examine powders on mail and in a variety of places. Public fear of powders created an environmental testing crisis. It remains unclear whether nonmilitary delivery means can effectively deliver a large scale attack. Although the total number of casualties from these attacks was fewer than 10, the disruptive effect and costs of cleanup are measured in billions of dollars.

These attacks have also underscored the lack of emergency management skills present in many leaders in a number of government agencies. The hazardous materials response, which was employed in the recent anthrax incidents, is ill-suited to medical incidents because it protects against different types of risks and raises inapposite concerns. Lack of familiarity with emergency response practices and decision paralysis produced great psychological trauma for affected postal, clerical, and mail-handling employees. Powder scares in unaffected facilities produced scores of needless responses. The collection of samples by workers clad in encapsulated protective suits, often from machines being operated by employees with no protection whatsoever, created significant labor issues with employees who were convinced by these actions they had been placed at substantial health risk. Disparate prophylaxis and exposure testing methodologies between political and postal staffs also created significant issues.

The October 2001 anthrax attacks have underscored many of the vulnerabilities highlighted elsewhere in this report, but have also yielded a number of specific lessons:

- Inhalational anthrax is not universally fatal if treated immediately.

There is generally insufficient laboratory capacity in the United States to perform definitive identification testing. The CDC and USAMRIID labs need additional capacity, as do state and municipal health department labs.

The CDC and USAMRIID need to immediately develop standardized lab protocols for preliminary and definitive identification testing of suspect substances. Once these protocols are developed, training programs to implement them need to be developed and deployed nationwide.

The CDC and USAMRIID also need to immediately develop sampling and packaging protocols for laboratory submittal of suspect substances. Once these protocols are developed, training programs to implement them need to be developed and deployed nationwide.

Environmental sampling protocols and building occupant reentry criteria need to be established by the EPA in conjunction with the CDC, USAMRIID, and the U.S. Public Health Service. These protocols must be based on medical risk assessment, not on hazardous materials methodology.

The U.S. Postal Service, major freight companies, the CDC, USAMRIID, EPA, and U.S. Public Health Service should immediately develop and promulgate a single set of suspect mail and package-handling procedures. These procedures should include decision algorithms for suspicious envelopes, packages, and facilities and should include specific response checklists.

The CDC, USAMRIID, and the U.S. Public Health Service should immediately develop and promulgate specific prophylaxis guidelines based on the efficacy of treatments used during anthrax attacks.

The EPA, the CDC, and USAMRIID should develop specific guidance for immediate and thorough decontamination of facilities based on the efficacy of methods used to decontaminate facilities contaminated during these attacks.

The U.S. Public Health Service should promulgate 911 call center triage algorithms that were developed by several major municipalities to address "suspicious powder" queries.

The CDC and the U.S. Public Health Service should reevaluate the location and contents of the national stockpile of pharmaceuticals.

The federal health community should streamline procedural guidance vetting processes to allow more timely issue of guidance.

Great care must be taken to avoid disparity in prophylaxis to patients.

FEMA should establish a general disaster declaration that is not tied to a specific geographic location.

The Challenge Ahead

Terrorism readiness, planning, and response must balance opportunity costs against risk management.[20] As the nation reevaluates its readiness, it must overcome the human tendency

[20] The discussion in this section draws significantly on Richard A. Falkenrath, "The Problems of Preparedness: Challenges Facing the U.S. Domestic Preparedness Program." BCSIA Discussion Paper no. 2000-28, ESDP Discussion Paper no. ESDP-2000-05, John F. Kennedy School of Government, Harvard University, December 2000.

to react to terrorist stimuli and must instead carefully consider its plans and responses. Difficult issues surround intrusions on liberty in the name of security. Terrorism is not new. It has been a staple of life in Northern Ireland for almost a century.[21] When terror first struck there, temporary laws were enacted that greatly restricted the liberty of Irish citizens. Almost a century later, many of these intrusions remain. The United States is a country built upon principles of restrained government, reasoned laws, due process, and fundamental fairness for all of its citizens. In addressing the terrorist threat, the nation must not sacrifice fundamental freedoms in reaction (or over-reaction) to threats and perceived risks. It must resist the temptation to react to the threat of yesterday and concentrate proactive efforts on preparing for the threat of today and tomorrow.

Successful responses to terrorist events, much like responses to more mundane emergencies and athletic competition, hinge on relationships, knowledge, and proactive responses based on thoughtful, comprehensive, and well-rehearsed plans. As Senator Richard G. Lugar, coauthor of the landmark Nunn, Lugar, Domenici anti-terror legislation, warned: "We will lose persons in the initial attack, but failure to prepare for these attacks, and failure of people in responsible positions to know what to do, will be indefensible." Our experience tells us that the recommendations we have offered in this paper will allow the teams on the fields of emergency response to play well at the terrorism line of scrimmage. Vince Lombardi's guidance is especially appropriate for this contest: "Winning isn't everything; it's the only thing."

We encourage the immediate adoption of the recommendations presented in this paper to make our nation a safer place.

[21] Laura K. Donohue, "In the Name of National Security: U.S. Counterterrorist Measures, 1960-2000." BCSIA Discussion Paper no. 2001-6, ESDP Discussion Paper no. ESDP-2001-04, John F. Kennedy School of Government, Harvard University, August 2001.

Mr. HORN. Well, thank you.

I am a graduate of the Kennedy school, too, so I am interested in what they are doing. I am glad to see there is practicality and not just theory. So thank you for changing my view of my alma mater. [Laughter.]

So we now have Tom Gallier, the General Manager, Water Utilities Department, city of Tempe.

Thank you.

Mr. GALLIER. Thank you, Mr. Chairman and Congressman Flake. I appreciate the opportunity to speak to your subcommittee today.

As I am sitting here listening to all of the previous speakers, I realize what we have been hearing from are our protectors and our rescuers in the event of a terrorist attack. I guess I am here to be the target, to represent the target community.

Mr. HORN. You are right. You are right. We have not had a lot of testimony on the water resource situation.

Mr. GALLIER. It is a significant issue, albeit quiet one, in the background, and we appreciate that.

I think an example of the whole thing in a nutshell is all of us have bottles of what we call "Tempe tap" here at our places, and I think all of us drink this water without a moment's hesitation or thought about its safety. And our goal essentially in the water industry is to make sure that continues to be the case.

With the help of the good folks up here and with our representatives in Congress and other legislators and councils, hopefully we can continue that.

I wanted to just briefly summarize the written comments that I have already submitted. It is important to remember that in the water industry, this issue did not begin for us on September 11th. By Presidential directive in 1996, as you are aware, there was an intergovernmental cooperative effort begun by Executive Order 13010.

That was expanded in 1998 with the creation of the National Infrastructure Protection Center. Eight key critical sectors were identified in the country, water supply being one of those key sectors, and we have been working every since to try to develop programs that will allow us to protect our water systems around the country, not just in any particular area.

One of the key elements of that is gradually coming to fruition now is a joint effort between the U.S. Environmental Protection Agency and one of our professional associations, the Association of Metropolitan Water Agencies. They have coordinated very closely with the FBI, with the Department of Energy's Sandia Labs especially, CDC, and many other Federal agencies to help fine tune our planning and preparation for potential terrorist acts.

As you have mentioned, Mr. Chairman, at the beginning of the session, it is not a groundless concern, especially with what just happened a few weeks ago. Those of us in the water industry are very aware of that and very concerned.

Some of the key points I would like to make is that as EPA and our own association are working together, one of their key outcomes they are working on is a system called the Water Information Sharing and Analysis Center, or Water ISAC. Similar to some

of the agency communication systems that you have heard spoken about earlier, but with a focus on water.

That is a very important piece of communication technology that we need to be in place as soon as possible. Those agencies are working very closely on it. There are a few issues that still need to be ironed out, not the least of which, as was mentioned earlier. We have the same issue, and that is obtaining security clearances at the proper level for the proper people in our associations so that they can get the information from the FBI and other national security agencies as soon as possible and then adequately get that information out to the rest of us.

There are some financing questions that need to be addressed as well. There has been funding provided to create this system. We are now struggling to figure out how to pay for it for ongoing O&M, as was mentioned here.

We may do that by subscription, essentially charging all of us in the industry a certain amount to support that, and if that is what it takes, then we will certainly do that.

Definitely more research and development is needed on the full range of water system security threats that we face now. EPA's ongoing efforts have been helpful. They have allocated or potentially allocated $15 million this year in their proposed budget or next year's budget. That is a good start. We would like to see that continue and even be increased.

There are efforts by a number of Federal research agencies and the American Water Works Association Research Foundation that are using some of the funds from the past and will be using those that are available this year.

I am participating on a Professional Advisory Oversight Committee for an international study that is looking at one aspect of that right now with representatives of Portland, Oregon water authority and also the city of New York.

So we are not just looking nationally at this issue, but outside of our boundaries as well.

Governor Whitman's announcement last Tuesday that EPA is releasing $90 million in emergency grant funds directly to water systems to help pay for vulnerability assessments is greatly appreciated. I was notified by phone last week by EPA Region IX in San Francisco, and I appreciate the direct contact.

As was mentioned here, I appreciate the fact that funding is coming directly to us. We do not have to go through three or four layers of bureaucracy.

We appreciate the efforts that EPA is also making with Sandia Labs. DOE's research arm at Sandia is doing tremendous work for the water industry. They are beginning to plan now some train the trainer sessions, which a number of professionals in the industry can then use to come back and disseminate that knowledge very rapidly.

Those sessions will begin next month. Already the city of Phoenix and the city of Tempe have volunteered in this area to provide space for that training process to occur when that is complete.

Our city's planning efforts are coordinated, of course, by our fire and police departments, as Phoenix's are. We work closely with county, State, and Federal emergency planning and response per-

sonnel. We have had a number of emergency drills, just like most cities. Our latest one was last October, I believe, and that scenario was based on a biological or chemical terrorist attack at a sporting event, which we have some experience with sporting events in Tempe.

Individually, our facilities are upgrading our electronic and physical security systems. We are reassigning staff to security planning and patrol duties. The leader in the valley, without question, has been the city of Phoenix Water Services Department. I believe they deserve special recognition for their efforts in this area.

We are also, like everyone else, revisiting all of the design, construction and operating standards, plans, and assumptions because we realize now that this is not a short-term issue. It is long-term. We have to rethink the way that we not only deliver our water services to our customers, but also how we bring the water into our facilities, how we treat the water, and then how we distribute it and store it.

The ultimate question that we face in the water industry is what is the appropriate level of security that is needed. How much of our limited financial resources should we be prepared to expend on security when we as an industry also face significant costs to meet other, ever more stringent State and Federal water quality requirements?

As an example, in Tempe's case, the new arsenic standards that were recently issued have very little effect on us. Our surface water supplies were blessed to have supplies that are very low naturally in arsenic.

Many of the cities around us, however, rely on substantially more groundwater than we do that does have high arsenic levels. There is at least one city in the valley that I know of that is facing at least $60 million in capital construction to be able to meet those standards.

I am not saying that to question the validity or the necessity of those standards. I think that is important for public health, but it is important to remember that the water industry is facing challenges on several fronts at the same time.

So, of course, like everyone else, we are asking for more money. That usually comes through the form of the State revolving loan fund program, and again, to echo what Mayor Rimsza said earlier, and so did my counterparts here in local government, frequently portions of those funds when they are available have set-asides for rural areas where the level of income is much lower and the need is great.

We need to look at security issues from a different perspective. The targets primarily for terrorist activity are going to be the larger urban areas. I would only ask that you remember it is not just one particular city in an urban area. Phoenix is like other major urban areas around the country, and within this area, we have eight cities with populations greater than 100,000.

So we would suggest that be looked at as a metropolitan area basis, and that a set-aside in the Federal SRF be made of about 15 percent, if possible, for metropolitan areas around the country

so that we have a quicker access to that money that we can use for security improvements and other things that we will need.

With that, I will end my statement and be happy to answer any questions.

Thank you.

[The prepared statement of Mr. Gallier follows:]

WRITTEN TESTIMONY OF:
W. Thomas Gallier, General Manager
City of Tempe Arizona Water Utilities Department

PRESENTED TO:
The Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations of the House Committee on Government Reform

"How Effectively Are Federal, State and Local Governments Working Together to Prepare for a Biological, Chemical or Nuclear Attack?"

Given During a Field Hearing at the City of Tempe, Arizona Council Chambers, March 22, 2002

I would like to begin by expressing my sincere thanks to the members of the Subcommittee, for giving me an opportunity to address this critical question. The water utility industry throughout our nation faces numerous complex security challenges as a direct result of the tragic events of last September 11th. We are committed to working diligently with federal and state agencies, as well as each other, to provide the greatest possible level of protection for the nation's water infrastructure.

Intergovernmental cooperation on water infrastructure security issues was already well under way, prior to last September 11th. Executive Order 13010, issued in 1996 established the President's Commission on Critical Infrastructure Protection. The commission identified eight critical national infrastructures, of which water supply was one. The Environmental Protection Agency (EPA) is the designated lead agency for the Water Supply Sector, and the Association of Metropolitan Water Agencies (AMWA) is the sector coordinator. A related 1998 Presidential Directive set as a national goal the ability to protect the nation's critical infrastructure from intentional attacks, both physical and cyber, by 2003. Water industry associations and representative agencies had already begun the task of coordinating efforts in early 2001. The system was first tested in early 2001, when the FBI directed AMWA to immediately notify all large water utilities about a potential international terrorist threat to attack several unspecified large metropolitan water facilities. While the threat was ultimately deemed not to be credible, it did give us a chance to test our system of rapid industry-wide communication, and it worked reasonably well. As late as June 2001, specialized training was provided to several water utility agency representatives at a workshop in Washington, D.C. EPA and Sandia Lab officials presented the workshop, with participation by the FBI. On September 11th, despite the shock and outrage, many water utilities were already prepared to initiate at least limited increased security measures, as a result of the advanced planning already underway by federal and industry Critical Sector staff. Since September 11th, the FBI, working through EPA, AMWA, and other industry groups, has done a reasonable job of

communicating the level and type of threats we may face. Much remains to be done, however. Some examples of efforts underway or specifically needed include:

- On-going efforts of the Critical Infrastructure Protection (CIP) Advisory Group must continue. This working group is coordinated by AMWA, and includes EPA, the FBI, the Department Of Energy, the Bureau of Reclamation, the Association of State Drinking Water Administrators, the American Water Works Association, the National Rural Water Association, the Association of Metropolitan Sewerage Agencies, and others.

- In late September 2001, EPA provided a grant to AMWA to create a Water Information Sharing and Analysis Center (ISAC). The Water ISAC will be a web-based tool providing threat alerts and potential vulnerabilities to water and wastewater systems. The system will also provide a mechanism for systems to report incidents for analysis. The Water ISAC should be in operation by late this year, but future funding needs will have to be met either by water utility subscription, or by continued federal grant funding. Final start-up costs could approach $2.0 million, with on-going costs between $0.5 and $1.0 million annually. Decisions need to be made quickly to determine, (1) whether the Water ISAC should be housed at the FBI, or AMWA; (2) resolve security clearance issues for appropriate water industry liaison personnel who will work directly with the FBI; and, (3) continue to work on the delicate balance between the FBI's need to protect sensitive sources of information, and the water utilities' need for timely and detailed information on threats to water systems.

- There is a real deficit in what we know about the full potential range of water system security threats. More research and development is needed, and EPA's proposed $15 million budget request is a good start. Much more will be needed in the future. EPA, CDC, and the Office of Homeland Security are developing a report assessing the state of knowledge on potential chemical, biological and radiological agents that could be used to contaminate water. Once this is complete, there will be a greater understanding of the gaps of knowledge in this area, and where research must be directed. One especially useful area of investigation is EPA's sponsorship of contaminant transport modeling in both raw water sources, as well as water treatment plants and distribution systems. Additional research into specialized detectors, which can assist water systems in determining whether chemical, biological, or radiological contamination has occurred, may also show some promise.

- Governor Whitman's announcement on Tuesday, regarding EPA's release of $90.0 million in FY 2002 emergency supplemental appropriation funds for Vulnerability Assessment and Emergency Response Plan grants is very welcome news. I was personally notified by EPA Region IX staff in San Francisco last Friday, and expressed my appreciation for the agency's action. The further announcement that EPA and Sandia Labs will begin "train-the-trainer" sessions to administer their new water system vulnerability assessment tool is also a good

sign of rapid progress. The assessment tool was developed by Sandia and the American Water Works Association Research Foundation (AWWARF), and will allow water utilities to conduct risk-based assessment of the physical vulnerabilities to their facilities, including source water and intakes, treatment plants, and the distribution system. Similar work on updating emergency operation plans and cyber vulnerabilities is also under way.

Having addressed actions already taken or currently being taken at the national level, I would now like to change the focus closer to home. The metropolitan Phoenix area is home to about three million people, and is the sixth largest urban area in the nation. While Phoenix is certainly the largest city, the metropolitan area contains eight cities with populations in excess of 100,000. Each city operates and maintains its own water system, although some shared water treatment does occur. Raw water supplies are delivered by a complex system of storage reservoirs and canals operated by both the Salt River Project, and the Central Arizona Water Conservation District (delivering Colorado River water through the Central Arizona Project).

Tempe is unique, in that it is essentially land-locked in the central part of the metropolitan area. Our water system serves over 160,000 residents, plus another 7,000 in the small town of Guadalupe, Arizona. Tempe also serves the water needs of Arizona State University's 45,000 main campus students and staff, and an estimated 110,000 daily population of employees who drive into the city to work at our many commercial and industrial enterprises. Tempe is also home to the Rio Salado Project, which includes a man-made 2.5-mile long recreational lake created in the previously dry streambed of the Salt River.

Tempe, like other water systems, faces a variety of potential risks. Those risks range from physical damage to its infrastructure, or its critical raw water delivery systems, and public health and safety issues associated with contamination of its raw water supply, treatment plants, or treated water distribution system. Since September 11th, our utility has increased security in several ways, including security staff at both our water treatment plant entrances, specialized contaminant monitoring of our raw water supplies, additional water quality monitoring of our treated water and the distribution system, and careful communication and coordination with our police and fire departments, as needed. The city's emergency planning leadership is provided primarily by our fire department, and we maintain a close and cooperative relationship with this agency. They are responsible for emergency coordination at the county, state, and federal level, during any local disaster situation. Regular training activities at the city's emergency operations center (EOC) fine-tune the response of all city agencies. The latest emergency drill, late last fall, involved a terrorist attack scenario at a local sports venue, and involved over 100 participants.

Recent specific actions we have taken include: (1) Reassignment of several staff positions to focus on system security planning and coordination, and direct security monitoring; (2) Design of upgraded electronic security measures to increase our ability to detect and respond to unauthorized incursions; (3) Removal of any potentially sensitive

materials from our website; (4) participation on local, regional, national, and international research efforts in order to improve detection of biological, chemical, or radiological contamination of our system or water supply.

These efforts have resulted in unbudgeted expenditures of several hundred thousand dollars, since last September 11th. Other water utilities in the metropolitan Phoenix area, as well as the entire State of Arizona, have had to absorb relatively similar expenditures. At the same time, some water utilities in Arizona, and indeed throughout the Southwest, are having to prepare for substantial expenditures to meet EPA's new standards for Arsenic treatment and removal. Tempe is fortunate to rely on primarily surface supplies, and its groundwater wells have low arsenic concentrations. Some other metropolitan cities have to fund substantial projects to treat high arsenic well water. One city in particular informed me last week that they are projecting expenditures of over $64 million in order to meet the current concentration limit and compliance schedule. The additional burden of increased security costs will result in rapidly increasing customer costs in many cities.

One area Tempe, and most other U.S. cities will have to address, is the issue of the potential security risk associated with storage of large quantities of concentrated liquid chlorine, and other potentially dangerous water treatment chemicals. Should Congress mandate, or our community decides on its own to replace our primary disinfection system with a less dangerous substitute (e.g., ultraviolet disinfection followed by sodium hypo chlorite solution for distribution system chlorine residual), my early estimates are that we would face a capital construction cost of at least $20 million, with additional annual operating costs of over $1.4 million. These investments do little if anything to improve the absolute quality of the drinking water supply; they only make the system a less inviting target for terrorist attack. How do we determine the relative value of such a significant financial investment in our community? How much security is enough? What constitutes an overly conservative response to our desire to minimize the community's risk from a terrorist attack on its water system? These are difficult and complex questions for the City of Tempe, and we will continue to look toward the President, Congress, and our state and federal agency partners for advice, guidance, and, when necessary, direction on how best to proceed in this post 9/11 world we now find ourselves in.

In closing, let me once again thank the Subcommittee for providing an opportunity for me to attempt to address your questions from the perspective of Tempe's, and other Arizona water utility systems. I would be happy to respond to any specific questions you may have on this, or other water related topics.

Mr. HORN. Well, thank you very much. That is helpful, and we will get back to it in the question period.

I have asked Representative Flake to introduce our last presenter.

Mr. FLAKE. Well, thank you, Congressman Horn and Mr. Chairman.

I wanted to introduce Mr. Stewart. I have been familiar with him and his company recently. Just to put it bluntly, I have been very impressed with what they have done.

Right after September 11th, Mr. Stewart got a call saying things were needed in New York, particularly to restore cellular phone service there, and within hours he put together a team of eight men and drove, I think it took 49 hours or so.

Mr. STEWART. About 48 hours, yes.

Mr. FLAKE. And with two trucks and all of the equipment, eight men, driving across the country, arrived, and it was fairly chaotic, as I understand, for quite a while there, but within 4 days working nonstop, they were able to restore cellular service there by putting up some microwave facilities, and I just want to commend him publicly for that and his company for what he did, and I look forward to his testimony.

Mr. STEWART. Thank you, Congressman. Thank you, Chairman.

I guess probably what I will do is probably create more questions than I have answers or needs from the private sector. We have listened all day to these fine organizations that are established, and they do a fantastic job. We have watched them in New York City on September 11th when we were back there.

Like the Congressman said, we got a call and asked us to go back to New York and deliver some equipment back there and see if we could not aid them in bringing a cellular system back up for one of our carriers that we worked for here in the valley.

No information other than just what we could get off the media, over telephones as we were traveling. We put a team together pretty rapidly. What do we need when we get back there, like our urban response teams, so organized and have everything ready to go to deal with the actual scene itself?

But when they break it, we have got to go fix it, and as we talked today, everybody is very concerned with this 800 megahertz, which we are working on that presently right now. Communications play such a vital role to America. A question to you is: What would have happened in Manhattan if Wall Street would have opened up the next morning business as usual? The reason why they could not, they could not communicate with the world.

Our business today communicates globally. It is a very, very vital role in emergency tasks, in our business, in our commerce today around the world.

It is a very complex system, and 99 percent of it is operated and owned by publicly held companies, and privately held companies like myself that design it and build it and maintain it for these companies with all of the large ones.

But like Congressman Flake said, we got a call, and we headed for New York. We had never been asked to do this before. We never responded to a disaster. So we got back to New Jersey. There we found out there was no land-line base available, and what their cell

system operated on was a hard-line system. Copper wire was the way they hauled their cell sites around.

Out here in the West we hurl microwave shots around here because we're so sprawled across the State that we do not have copper; we do not have hard-lines. So we use microwave. Everywhere you look there is a microwave dish hauling our systems around the country.

So when we got back there, all of the copper lines had been destroyed in the neighborhood of literally millions when the World Trade Center went down.

So we went into their command center for the customer that we were working for, and it was somewhat chaotic, but this had never happened in America before. So, yes, it kind of devastated everybody.

We went to work the first day, went into the city; finally got into the city. Access was an absolute nightmare. Here was a bunch of guys from Arizona. Who are these folks? What are they going to do with the microwave specialists?

Well, we did have enough thought that we said, OK, let's take everything but the kitchen sink when we leave. We took all of our spectrum analyzers, all of our equipment to sweep cell sites, to install, all of the materials that we could haul in our service trucks that we pulled the equipment back to New York with.

Sitting in the war room, we finally started calling it, we had a map of Manhattan, and we had an entire system that was completely dead. There was some movement being made in it, some additional switching facilities that had been hauled into the area and were being tapped onto the switch, but nothing could be brought back up because the local phone company was trying to bring copper back up.

Well, copper was not coming up, and there is a great deal of it that will not be up for several more months.

So then we sat down, and we sat actually on a chalkboard in general conversation. How are we going to put this system back together?

That is when we came up with, well, we do not know your system, but you have got cell sites here and here and here. Do you have access into these buildings? We can put you a microwave shop. We can haul it back through what we call a backbone system, a trunking system, fire these cell sites up to these various building tops and carry it out of the city that way and get you to a switching facility.

Sure, that will be fine.

So we went out to try to accomplish that task, and we ran into building owners that asked why we were there, what we were going to do, who was going to insure this installation while we are there, what is it going to look like on our building, is it really necessary, where are your credentials at, problem after problem after problem.

It got to the point where we were afraid to leave what we had called the soft-line with our trucks and our equipment because we were afraid we would not get back in. Sometimes they would let us in; sometimes they wouldn't. We'd have to go around to another. Obstacle after obstacle that we ran into, with government agencies

sitting there doing their job, but not allowing us to move freely through the city.

A job that should have taken probably 1½ to 2 days is what we would have done here in the Phoenix metropolitan area with our highrises. It wound up taking us about 4 days.

We commandeered a broken grocery cart, a hand-truck we found behind a building, and that is the way we moved around through the city, like a bunch of thieves actually.

So I guess in closing, like I said, my story is probably going to have more questions and more problems because this is the first time we have been involved in this.

What do we need to do to organize this? We have just a multitude of talent across the United States that is going to have to respond to these needs. When Phoenix goes down, they are going to have to call us because we built it. We will play a large role in the 800 megahertz for Phoenix fire and police and civil defense here in Phoenix.

What are we going to do to organize that so that we know where our resources are? We know where the fire department is. We know where HAZMAT is at. We know where the Phoenix Police Department is. We know where DPS and all of these agencies are. But who knows where our talent is to bring this stuff back up when it is actually needed?

Who knows where Roy is at? And his staff are absolutely the best of the best when it comes to microwave people. Who knows where they are and do we need them?

So I will close this on the last and try to wrap this thing up, but I do appreciate you guys giving us the opportunity to come and bring some of the problems that the private sector had in New York City and probably some that may occur again, but maybe with the help of this committee right here and these hearings, we might be able to start reaching out and saying, "Hey, maybe we do have a problem here. Let's organize this and see if we cannot get it together."

Thank you so much.

[The prepared statement of Mr. Stewart follows:]

STATEMENT OF

ROY STEWART

CHIEF EXECUTIVE OFFICER

STEWART ELECTRIC and COMMUNICATIONS

BEFORE THE

SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FINANCIAL MANAGEMENT AND INTERGOVERNMENTAL RELATIONS

COMMITTEE ON GOVERNMENT REFORM

U.S. HOUSE OF REPRESENTATIVES

MARCH 22, 2002

Barriers to Private Sector Support of National Disasters

Testimony from September 11, 2001 Attacks

This testimony will be based on challenges and barriers the private sector faced in the events that followed the September 11th, 2001 attacks in New York. This testimony may be relevant to other effects the attacks had on recovery, however they will focus on the efforts to restore communications. The relevancy is that communication systems are mainly supported by public and private companies for the day-to-day government, public and private operations dependent on communications to accomplish any task.

Frustrations were generated psychologically in the private sector when our country was attacked. Americans as a whole were prepared to do whatever they could if asked on September 11th. As a private company, we as any company would have, responded to the call for assistance. The planning that took place was based on knowledge of what could be destroyed and what it would take to recover those systems. Our success of helping was dependent on our teams being prepared! We were well prepared as experts in communication restoral. Challenges were expected by us. Some barriers were very surprising to us as Americans on a mission to support a disaster recovery.

We would like to present some of the issues on:

1. Barriers we could not prepare for.

2. How we overcame those barriers & how the government can help with those barriers.

3. Challenges we prepared to encounter.

5. Lessons learned from September 11th, 2001.

6. What about HAZMAT attacks or disasters on a local or state level?

Event: Communications Destroyed:
Several million telephone lines, capabilities of 14 wireless facilities, switching systems and Carrier Offices (CO's) destroyed or disabled due to collapse of the World Trade Center.

Objective:
Design, locate needed material and equipment and install a microwave system to support the high demand of emergency and business calls via wireless facilities.

Our Capabilities as a private company:
Expert knowledge of microwave radio systems installations. Innovation of working through technical problems that arise.

Assistance Requested:
Emergency assistance requested by wireless carrier to support the installation of an interim microwave system until local telephone companies could restore their lines to the area surrounding "ground zero".

1. Barriers we could not prepare for.

Access:

Challenge: General Access.
Access to surrounding area of the disaster was an issue because of several problems. We were not a local company and we were non-union. The logistics were solved by one of the wireless carriers responsible for the area in and around ground zero. They assigned an escort that had credentials to enter through the different check points. This was satisfactory to meet the challenge.

Challenge: Check point information.
The first noticeable problem had to do with those check points and the current information they possessed as to who would be allowed to pass. This changed from time to time, check point to check point, on any given day or any particular hour. The delays this caused were problematic but the escort and wireless carrier helped work through this.

Challenge: Building access.
There was an immediate demand to restore communications as a nation to support the emergency as well as local business (Wall Street, etc.). Second barrier was access to buildings by the building owners in the surrounding area. Some building owners had a "what's in it for me" attitude or gave excuses as to why they would delay the effort. This was to be negotiated in advance.

Challenge: Union Vs Non-Union.
This is a barrier that we were somewhat prepared for by the local people. Even though we are a non-union company, many of us have participated in unions in our past. We know that differences exist. The devastation of this disaster and the need for us to work together however, should have been enough to get around this barrier. The barrier did exist and for the most part we worked through it with the help of the local people. We also witnessed the people who could not overlook this issue. There was evidence that some of the preparation we as well as others did was displaced or delayed in ways that prejudiced the restoral efforts.

Challenge: Material plan.
The barrier of not having the material prepared was expected, but none-the-less created delays that took constant ingenuity to resolve.

2. How we overcame those barriers, how can the government help.

Challenges: General Access. Check Point information. Building access. Union Vs Non-union. Again the general access problem was resolved quite diplomatically by the local carriers supplying us with escorts. In most cases the check point problem, building access, and union issues were handled by the carriers in the area or by our employees not saying anything when asked who we were.

Where government can help:
A higher level of organized access that allows for flow of labor and materials. Proper checks are expected, but we need to make an effort to get the channels open to move the help to the areas affected. Some of the most valuable assets of America are in the private sector of business. Help establish a uniform rescue and recovery effort un-biased to unions or non-unions, not just to the private sector, but to FEMA and CERT teams as well.

Challenge: Material plan.
Assign companies like Stewart Electric & Communications to a specialized team that maintains certain equipment in house and can mobilize on a moments notice. Subsidize and supply them with emergency equipment, material and funds that can bring a system up in hours rather than days. The example there being Wall Street and the numerous companies who lost business due to lack of communications.

3. Challenges we prepared to encounter.
The first call we received was for transporting Cell sites on Wheels (COWS) and being prepared to install them around "ground zero". While in Arizona much of our preparation came from media coverage. We knew the devastation would be massive.

We planned the teams in a way that we technically could be prepared for anything from microwave, fiber, wireless or wireline recovery. We brought along equipment that could be used in most restoral efforts of what we could expect.

We also prepared enough food and water and brought it into the city in case we were going to have a long stay.

Looking back, we did an excellent job.

4. Lessons learned from September 11th, 2001.

Little things we did actually played a significant role in the success of the efforts. We worked virtually independent and set our goals high as volunteers. Non- competitive roles focused on what's best for all!

We learned right away that challenges were constantly changing or goals being reset, so flexibility was a must!

One of the crew members prepared by bringing along two sets of "walkie talkies" which proved to be the only form of dependable communication until we had the microwave system up. All of us had wireless cell phones, which were useless until you got out of the city.

We made adjustments for access. Most check points had representatives from their, local police, port authority, state and federal agencies. Within the first day we had learned which ones to avoid if we were to get our objectives accomplished.

When it came to materials needed, we "prefabbed" steel on site and shopped the Home Depots and Radio Shacks of New York and New Jersey! We made do, but ideally it would have been time saving to go into a disaster mission with the needed materials. Allocate material to us for use in times of emergencies.

We were focused as Americans helping Americans. Being from 2000 miles away, we were not sidetracked easily. We mention that only because outsiders do have a stake in what ever happens to any part of America.

Questions to address on a local level.

Since our participation in New York in September we have approached carriers, local agencies as well as the state in saying, "How can we help if there is a disaster". We seemed to get thanked as a "great job" for New York, but the question remains, ...do they know how much an organization like ours, not only can help, but wants to help.

We started asking questions like, "what if there were chemical or biological attacks and we were asked to support that"? We presented the question to a "HazMat" person and he suggested that the time to train an individual to enter an area like that would be minimal. He also suggested that it would be a buddy system to escort someone in the area that was inexperienced. This makes sense somewhat, but it does not hurt to get familiar with equipment and techniques. We suggest a formal recruiting of companies like ours to support such a trained community.

Some local areas that we have helped are cause for us to question how we approach their vulnerability. In the southwest major telecom switches, mountain tops that are microwave locations, major fiber hubs, etc. should all be involved in the recovery planning efforts. How can we support those challenges?

We would suggest a format of separating out a "Communication Disaster Forum" on state & local levels if not already done so. Some of our employees have worked on these disaster recovery plans for major communication companies and are great resources.

Our company has numerous mobile tower capabilities that can be used in emergencies. What we don't have is the licensed or unlicensed equipment that would be necessary to bring up emergency circuits.

How and where can we work with those agencies to help protect America by being able to help it get back to its feet in a disaster?

Stop telling us thanks! We were lucky to be at the right place at the right time in New York! Where do we sign up to make it the best it can be!

We as private companies stand ready to assist in any way we can to help in an emergency!

Mr. HORN. Well, we thank you.

That is a real fascinating story. Has that been picked up by the press?

Mr. STEWART. Yes, sir.

Mr. HORN. Do you have some questions you would like to ask first?

Mr. FLAKE. Yes.

Mr. HORN. Please do.

Mr. FLAKE. Just a few.

Mr. Stewart, given what you encountered there and kind of taking from the first panel, Mr. Posner talked about strategies to coordinate, some of the problems as we have heard are resource problems and others are communication and coordination.

On the communication and coordination, a national strategy as opposed to a Federal strategy is what has been posed. How do you people who work with it on the ground, how do you see that playing out?

The notion is that you do not rely on the Federal Government coming in and posing a solution and saying that this agency with this agency or you are going to be supporting it with this agency or that. What would be the appropriate vehicle, an association of State legislators or some association of police forces out there?

I guess I will close it, if you could answer that briefly, your thoughts about a national strategy as opposed to a Federal strategy and how that might help on the ground in a situation because we have had a real world situation that Mr. Stewart has encountered; how that would have perhaps helped in that regard.

Mr. POSNER. I have been impressed hearing just about the vitality of our system. I mean, the Federal Government, for example, has not recognized the security problems of the water systems, but you have the Association of Water Resource Managers that is really taking a proactive role in this system.

I think we are seeing a lot of that in the emergency management community, how with some support from FEMA the State and local managers are taking this problem on themselves and developing professional standards, certification procedures.

I am not familiar with the communications area, but somehow being able to—and I am reading the really wonderful report that this plays, this effort that you worked on together, and I am familiar with some of the other people there, and they are all first rate people, and you have really laid out an agenda that really does not just focus on the Federal Government.

I mean, certainly we can facilitate, but it is, I think, a responsible strategy to say that this is really national problems and not Federal, and part of that is getting private sector. Part of it is getting the professional association officials together to really do something about some of these problems.

Mr. FLAKE. Specifically, Mr. Stewart, if you were to encounter a situation like this again, say we had a similar attack in Chicago or L.A. and you were called to go in again. What do you think we have learned already that would make it easier for you to get around and do in a day what you had to spend 4 days doing?

Mr. STEWART. Well, after myself and my staff got back to Chandler there to our office, we started having general conversations,

and it just about has not stopped to this day. What if, what if, what if?

Because nobody knows anything about us, we started kind of putting together our own plan. What if we had some kind of an org. chart put together around the country that says, OK, Stewart Electric & Communications. They live in Chandler, Arizona, and we do happen to know for their staff. Now, I went out and bought five cows since New York. On my own I have spent several thousands and thousands of dollars to put together a team of emergency what we call cows, cells on wheels, which is what we pulled back to New York and which New York is operating heavily on right now.

Mr. FLAKE. I thought you were talking about cattle.

Mr. STEWART. Yes.

Mr. FLAKE. What in the world?

Mr. STEWART. A cow. I used that so easy. It is a cell site on wheels. It is a portable cell site, and we hauled those back to New York.

And so we went to the effort or the expense now that we have actually purchased five, and we have them sitting in our yard right now just in the event that these things or another situation like this was to happen again.

You talk about your water system. A lot of the water systems and pumps, sewer treatment plants and what have you, they are all hauled or a lot of them are hauled via some type of broad band radio system.

You can simply take and knock one of those radios off the ground, and until a serviceman gets out there and manually opens or closes that pump, you have got a major problem going on.

Our communications within our own home jurisdiction, Phoenix, Mesa, Tempe, this entire State right here relies so heavily. If you want terrorist activity to really become a pain in your side, let him start working on our communication system, and he will drive us crazy. You can already see what is going on with our Internet with the hackers and viruses going around there.

It is very simple to get to these systems. They are on mountaintops. They are on rooftops. They are sitting out on a pump station for the CAP with a little Aggie sitting out there that controls that entire station out there.

What we need is once this happens and our terrorist activity may become small like this to where it's just an ongoing nagging, going on type of situation to where we know where we can get the resources and we know where we can find the people that can respond to that.

A pre-qualifying list. Take my key employees, the people that would really count. The eight that I had back in New York are the best of the best, like I said, when it comes to telecommunications or microwave and analyzing problems with taking data and moving it through air. I have got eight individuals that just are second to none.

Those people to be qualified and somebody to know where they are if they are needed. Something simple as starting at the ground roots there and start building a private sector because we are the one that is going to have to fight this war when it goes on.

Mr. FLAKE. Just to followup on that, Mr. Spencer, we talked about problems of communication and coordination between the Federal Government and the State, the State and the local agencies. Is there sufficient coordination and cooperation right now between local agencies and the private sector, as Mr. Stewart who actually will come in and be partners with various governments in this?

Is there need for that?

Mr. SPENCER. There is much more that could be done. We work real closely with the utilities, but I did not know of his existence. You know, we are aware of cell on wheels, but we would have gone to the telephone company to find those, and hopefully you are on their list.

Mr. STEWART. And whether that list would ever get back to somebody like you guys, you know, it is hard to tell. That is why I keep kind of going back to an Arizona, if you will, or national and expanding from there. Some type of org. chart.

If we have a major disaster in telecommunications, let's go over here in this category over here and let's start seeing who does this and who can put response teams together on that.

Now we have got DPS and the military and everybody to protect us and secure that area off, but we have got to get that thing rebuilt. Well, just an awfully lot of our communications throughout this country and the world is built by the private sector. The systems that we have here in Arizona we know more about than the people that have their name on them because we build them. We maintain them and service them for those companies.

Mr. POSNER. If I could just maybe add one other point.

Mr. FLAKE. Go ahead.

Mr. POSNER. In response, Congressman Flake, to your concern, there is a national infrastructure protection council that is established under Presidential directives, and they do have subcommittees of working level groups that are supposed to be pulling together exactly what you are saying at the national level, recognizing like we did in Y2K that this is not a Federal—it is a national problem, and that the private sector really commands the key resources.

They are supposed to be pulling together strategy, No. 1, to map out who does own this problem. Who are the key actors and what are the strategies?

You know, that is something that, again, in the communications area across the board there are efforts that are underway to do that, I believe. We have not looked at that particular sector, but you are pointing up an important——

Mr. STEWART. But I believe that is starting being built at the State level and then growing to the national level, but in order for it to happen, we have got disaster recovery programs that were put out for our wireless communications field industry several years ago, which I was very proud to work on one with one of our carriers and played a major role in developing and designing and being ready to respond to them.

People tend to go to sleep. People tend to forget about this. So that if we do not go from a Federal level and maybe a Federal mandate and then start at the State level and have it grow and

then connect to a national and then a Federal level, as Americans we get kind of comfortable with the fact that, well, that happened in New York and now we have got baseball season getting ready to start. We get lax.

I do not want to see this after what we went through in Manhattan for 4 days of hell back there. If this should happen again, we should be a lot more prepared in the private sector than what we are right now.

Mr. HORN. Let me pursue another question that is, I guess, three decades ago. I was a university president, and we participated in the emergency situations because we had our own State police force on the campus. It was a campus the size of Arizona State University, and you have got a very fine university.

And we did these exercises, and the problem was nobody could communicate with anybody because we did not have the frequencies. At that time it was all on the East Coast, and you had to squeeze them out in order to have our people.

Now, our first hearing was in Nashville, Tennessee a few weeks ago, and part of the situation was in response to a question like this, that the military helicopters, and they have a major I think 82nd Airborne fairly near, and the civilian helicopters had a completely different frequency. They could not talk to each other. We went through the trauma sections of the hospital there, and Vanderbilt, just like Arizona State, is a very fine university.

But if you cannot get the communications out there, it is just a blind corridor, and I wonder what it is doing at either the national level, the State level or trying to get—what do you need? I saw here interoperability of radio communications and the 700 public safety spectrum.

Is that so difficult? Are we running out of some of those frequencies and all or levels of frequency? And how do we deal with that? What have we dealt with in the State of Arizona from Flagstaff to there?

Mr. HARRIS. I do not know about communications, but locally we are switching over to the 800 megahertz band so that we would be able to communicate with fire. Mesa, Tempe, Scottsville, Phoenix, all of those agencies would be on the same frequencies, and they would be able to communicate at least locally.

Second, 700, as I understand it, is the next group of bands of frequencies that are becoming available. When you get into that group of bands, it is not that there is not enough bands for public safety and for the private sector. It is how they are arranged.

And, again, I am not an expert in this area, but when they are not arranged appropriately, you can get cross-talk between the bands, and it stops the communications.

So it is more when we look at the FCC as I understand it. It is not in how many bands there are, but in how they are arranged that is going to be critical so that we do not have that cross-talk with private bands.

Mr. HORN. Could it be jammed also easily or just the cross-talk does it?

Mr. HARRIS. You are out of my area of expertise already.

Mr. SPENCER. Just experience, it is kind of a good news/bad news type thing. The 800 megahertz trunking looks like it has the poten-

tial to tie a lot of us together, and on the fly we can create talk groups almost, you know, within minutes.

The bad news is that it does not work well in buildings. I am not sure what they were using in New York City, but I understand within the Towers they lost communications on the radios, and I am not sure if it was because of the frequencies, but it is definitely a problem within our own command center.

Our EOC, we have to have an internal repeater just to be able to make the frequency go out.

Second of all, there are certain cell phone companies that have close frequencies that interfere with it. I know, I believe, it was Phoenix PD was on a SWAT mission and they had to pull back because they lost communications because they were close to one of these cell sites and it blanked out their 800 megahertz.

Mr. HORN. Yes. We were told that there was a real problem where cellular phones just went out. So is there in between the fire departments, the police departments, the States, and the FEMAs—do you know anybody who is working on this or are they just saying, well, it is a bad problem?

Mr. SPENCER. Well, on the interference side of things, they are looking at it. I think part of the problem is that particular cell company that is having the problems, they are also within that close band, and that is where you are getting some of that crossover.

In this area, it is kind of a catch as catch can. As soon as the cities and towns switch to 800 megahertz, there is a wireless committee that is somewhat organizing it, and again, there is a bit of a problem. Some of them have bought the analogue system and the newer systems coming on are digital. So the older analogue systems are now going to have to somehow convert or get translators that will turn that into digital so that they will continue to talk on that and be able to talk to each other.

It is as close, I think, as we have ever gotten to something that will help us all talk together.

Another system that is out there that I know our local National Guard's community support team has is a magical band that will tie some of these frequencies together, but I think it is limited to two or three frequencies at a time. It will make it so that you are able to talk to each other as though you are on the same frequency.

Expansion of that type of equipment might not hurt.

Mr. HORN. Staff tells me that the Federal Aviation Administration has instituted a policy that would free up the space for emergency officials, while limiting cell space for the public.

Oh, OK. It is the Federal Communications Commission. That is what I thought.

So that would make some sense. Do you think so?

Mr. HARRIS. I have been told the FCC is also conducting hearings on the problem.

Mr. HORN. Good.

Mr. STEWART. We will make one suggestion that 800 megahertz band be looked at very, very close.

Mr. FLAKE. I had one question for Mr. Gallier.

Initially right after September 11th, we were warned of chemical and biological attacks and were told the water systems were certainly vulnerable.

Later on there seem to be kind of a pull-back, that, no, there's really nothing that they can do. It would be very difficult and they would have to be very, very sophisticated at that to use the water systems to terrorize.

What have we settled on? How big of a threat is it?

You mentioned that you have to weigh or balance your meter resources to protect against it. How much of a threat do you think it is in Arizona? Have we got enough water to matter here?

Mr. GALLIER. Congressman, I think it is kind of a Gordion knot, if you will. I think the initial statements that said there was little risk were really based on an assumption that an attack would occur within the raw water supply itself or at the point where the raw water supply comes into the treatment facility.

You have facilities like mine that treat approximately 50 million gallons of water a day per facility. It would take a lot of poison or biological toxin to have an impact, more than most people could really do effectively.

There are other risks though. A number of groups are beginning to raise the issue of storage, large quantity storage of high pressurized gas cylinders filled with chlorine gas. It's actually in a liquid form because it is under so much pressure.

Thousands of pounds of chlorine are stored at water and waste water facilities throughout the country, throughout the world. All of our systems of protection are designed essentially around protection against human error or accidental release. They are really not adequately designed; the systems are not adequately designed to protect against a significant terrorist attack.

That is one issue that I think as an industry we are very concerned about.

That does not directly affect the quality of the drinking water. It directly affects the areas immediately around any facility where they are stored. So there is a significant issue there.

The other potential is the issue of, frankly, contamination happening intentionally within the distribution system. As Chairman Horn indicated at the beginning, that is a major concern that we have in the industry, and I am going to be honest. We do not have clear-cut answers to that right now. My suggestions that significant additional research and development are needed are really focused on that area as much as anything else.

So when someone talks about dumping water in a canal or poisons in a canal or into a lake or some other water source, that is really not where the threat is. The threat is in the distribution and, alternately, the physical threat of what happens if the hazardous chemicals that are used in some places in the treatment system are released.

Mr. SPENCER. We actually ran an exercise where we modeled a plume from a chlorine tanker at a water treatment plant, and it put out a plume over ten miles long, over a mile wide, and that was at what is known as an IDLH level, or immediately dangerous to life and health. If you are in it a very short-time, you have permanent damage.

So it is a huge potential that is out there for an attack.

Mr. GALLIER. And I would add in most of those cases, there are technological alternatives available, but they are not cheap.

To give you an example, I have done some back-of-the-envelope work with our engineering staff and others to look at what it would take to convert our two water treatment plants. It is just one city serving approximately 170,000 people.

We could be looking at costs as high as $30 million in capital to do that, and then when you look at the operating component of that, I pay for chlorine right now roughly $50,000 to $60,000 a year on average. It is not a high dollar item within our budget.

But to replace that with some of these other alternatives, you would easily be talking in excess of $1 million a year. You start multiplying that through other threats that we may face, that is an issue that we have to be concerned about.

Mr. HORN. I am told that there are some processes and chemicals that could get the poisons out of water and get purification is that pretty well known throughout those who have your responsibility on the protection of the water resources?

Mr. GALLIER. Well, Congressman, that depends on what the threat would be, what type of chemical or biological contaminant would be in place. Some are relatively easy to deal with. The organism itself might be very hazardous, but the treatment necessary to render it harmless is relatively straightforward.

Some have a minor health effect, but are very difficult to control. There are many, many, many variables that we have to deal with.

Mr. HORN. When you get done cleaning up Arizona, you should probably come to Washington, DC. The Corps of Engineers puts in absolutely wonderful purified water, and it goes through a distribution system of the city of Washington which we all have given up on, and we just now—well, Speaker Gingrich, when he got into power, he said, "You can get the bottled water for your constituents, but you cannot really drink it."

But we all drink it. So that is a problem, too, in terms of distribution systems.

Mr. GALLIER. Distribution system is a key part of this.

Mr. HORN. Yes.

Mr. GALLIER. That is why it is very important that the research and development that is ongoing right now continue.

I do not think there is a single problem we face that there is not a fix for. In some cases it is going to take some time and in other cases it is going to take time and money. But there are fixes out there for all of these issues, and there is no reason to believe that there is any substantial risk of that type of attack at this time.

But it is important to recognize that the risk is there, and we do need to recognize it, and we need to deal with it.

Mr. POSNER. Mr. Chairman, if I could just add.

Mr. HORN. Yes.

Mr. POSNER. The discussion here is illustrative of some broader concerns we have addressed, which is that homeland security and the costs of paying for what we are dealing with are substantial and really kind of bump up against other priorities. And we have talked about the need for agencies.

The Coast Guard faces this, for example. They have had a long established mission to trace down drug dealers and others dealing with public safety. They are having to really rethink because they have a totally new mission protecting the ports now.

They have had to pull their boats back in, and they have to face some painful tradeoffs because money is not unlimited, and particularly in State and local budgets, or the Federal level. How do you do that? How do you go about reassessing your priorities?

And that may be the process that ultimately water systems have to rethink because you have many standards that you are trying to comply with for safe drinking water, and now you have this new set of demands.

I know that we challenged OMB and the Federal agencies to think more explicitly about that.

Mr. HORN. How realistic a threat would airborne toxins be to the area?

And reports have confirmed or I do not know if they have really confirmed, but they have been considered that the terrorists of the September 11th situation explored that option.

Mr. GALLIER. I probably would not be the appropriate person to try to answer that because that is a different medium entirely.

Mr. HORN. Not just allergy off the trees, but if they are put in dust cropping and all of that.

Mr. GALLIER. Oh, you mean an airborne addition?

Mr. HORN. Yes, airborne. Sorry.

Mr. GALLIER. I see. You know, we have had some concern about that in the industry. There were reports early on of crop dusters going in low over reservoirs, and then combined with reports that some of the Al Qaida cell members were trying to get information on how to operate crop dusters and all of that.

Personally I think that if the use intended would be to contaminate a water supply, I think the risk is pretty low, again, for that same reason.

It is the old dilution is the solution to pollution argument. It works the same for poisons and toxins. You would have to have a very, very high amount, a large quantity amount relative to the amount of water that is being treated in the system in order to have an effect.

But if the goal is to introduce fear into a population, which is one of the major goals of terrorism, then you could have some effectiveness in doing that. Anything you do to cause fear in a population is going to have some benefit if that is your goal.

As I said at the beginning, people want to be able to depend on their water being safe when they open the tap, and right now it is. Our goal is to make sure that it continues to be.

Mr. HORN. Any other questions?

Well, let me just say we thank you very much for this Friday that I am sure your families are waiting for you at home.

I want to thank the people that helped us prepare this. Steve Jewett, the Governor's Homeland security coordinator. Marcus Aurelius, the emergency management coordinator for the city of Phoenix. Shannon Wilhelmsen, director of government relations for the city of Tempe. Amber Wakeman, the government relations management assistant for the city of Tempe. Skip Neeley, communications and media relations for this fine city. Greg Wolfe, communications and media relations for the city of Tempe. Josh Lader, the executive assistant to Office of Mayor Neil Giuliano's office. Mark Minieri, intern, Office of the Mayor. And the court reporter

today is Allison Long, and we thank you. It has been a long afternoon, and we are delighted to have you here.

Our own staff, Mr. J. Russell George is staff director and chief counsel, back of me. To my left, Henry Wray is the senior counsel. And Justin Paulhamus is majority clerk. Other congressional staff are Steve Voeller, chief of staff to Congressman Jeff Flake. Pat Curtin, office manager for Congressman John Shadegg.

We appreciate all of the help that we got. So thank you all, especially when you have come both close and far.

So if you have any thoughts, write us a letter. We will put it in the hearing. What we are trying to do is when we get to about maybe 15 or 20 cities, we want to put that in a report, and hopefully it will be useful.

It is not going to be useful unless we have your ideas because we do not know all of this stuff, and we do not pretend to. That is why we hold these hearings, and so we would welcome any thought you have got.

You might say, "Oh, well, they already know that."

Well, often we do not know it. So we would like your help.

With that, I thank Representative Flake for being here. I have seen him on the floor. He is a great representative for the State of Arizona. He is an eloquent speaker, more than most of his class certainly.

We will not tell the rest of them that. [Laughter.]

But it is true. I have watched him do these things, and so you have got a good voice in Washington, and we are glad to have him here.

Thank you for taking all of the time when he could be shaking constituents' hands.

So thank you. We are adjourned.

[Whereupon, at 3:45 p.m., the subcommittee meeting was adjourned.]

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