PREPARING FOR EMERGENCIES: IS NORTHERN NEW JERSEY READY?

HEARING

BEFORE THE

SUBCOMMITTEE ON EMERGENCY PREPAREDNESS, SCIENCE, AND TECHNOLOGY

OF THE

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PREPARING FOR EMERGENCIES: IS NORTHERN NEW JERSEY READY?

Monday, June 26, 2006

U.S. HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON EMERGENCY PREPAREDNESS,
SCIENCE, AND TECHNOLOGY,
COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The Subcommittee met, pursuant to call, at 11 a.m., in the Auditorium of Passaic County Public Safety Academy, 300 Oldham Road, Wayne, New Jersey, Hon. Dave Reichert chairman of the Subcommittee presiding.

Present: Representatives Reichert, Dent and Pascrell.

Mr. REICHERT. Well, good morning.

Before I gavel, I just want to say just a couple of quick—can you hear me in the back OK? Great. I used to be, I was the Sheriff in Seattle the last eight years, this is my first term in Congress, I was a Deputy Sheriff for 33 years, and so it's a pleasure to be here with you today.

I've learned that there's a certain formality about hearings in Washington, D.C., and that it can make people nervous, and especially the witnesses when they start to get quizzed, but I know they all know Bill, and he's such a soft, easy-going guy that nobody is going to be nervous. But, I just kind of wanted to say that we want to make this relaxing and comfortable. We want to make this a discussion with the group, and I know that's the way Bill would like it, too. It's just wonderful to be in your community and have a chance to be here. It's a great opportunity to learn about what you are doing as far as planning and training, and in communications in regards to responding to emergencies.

And, I know now you are dealing with some flooding in your neighborhood, because I got in late this morning, early this morning about 2:00 in the morning, so I slept in my suit.

All right. This hearing of the Homeland Security Subcommittee on Emergency Preparedness, Science and Technology will come to order. The Subcommittee will hear testimony today on preparing for, and responding to, and preventing terrorist attacks, and natural disasters and other emergencies.

I would like to thank everyone, the witnesses and the public, for attending this morning's important hearing, and then they give me a formal written statement to read, so you'll just all be excited about hearing about this.

I would like to thank Mr. Pascrell, that's the most important piece in this whole statement that I'm going to make today, be-

cause we are working as a team. I think that a lot of people wonder whether or not the Democrats and Republicans can team up together and actually succeed in their efforts in Congress, and I think Bill and I are a team that's been able to do that. We are moving some important legislation, and for the past five months have been working on some important legislation that we hope to see on the floor in the next few weeks.

But, I thank Bill for his friendship and his guidance and support in working for America, and that's what he does.

This is the second field hearing we've done together, with the first one being in my home district, which is in Washington State, which borders the City of Seattle. Although Bill and I hail from opposite coasts and belong to different political parties, we, nonetheless, share a common vision for a safer America.

There are few members of Congress as passionate as Bill on issues to homeland security, and as one of the few former Mayors serving in the House of Representatives Bill brings leadership and expertise on the needs and concerns of those in the front lines of our first responders.

Bill and I have been working on comprehensive legislation to fix the most serious deficiencies within our National Disaster Response System, as made evident by the government's poor response to Hurricane Katrina last year.

Since taking over as Chairman of the Subcommittee, we've held five hearings on interoperability and emergency communication. As a first responder myself for over 30 years in law enforcement and the former Sheriff of King County in Washington, I know the importance of having situational awareness in the field when responding to an event.

I was proud to work with Bill in drafting H.R. 5351, the National Emergency Management Enhancement Act of 2006. This legislation will, among other things, establish an Office of Emergency Communication and consolidate the SAFECOM program, the Integrated Wireless Network Project, and the Interoperable Communications Technical Assistance Program within this new office.

It was clear from witness testimony during our hearings for the need to hold one person accountable for interoperable communications in the Department of Homeland Security. H.R. 5351 will also make much needed structural improvements to FEMA, but keep it within the Department of Homeland Security.

As many of you know, there is an ongoing debate whether to remove FEMA from the Department of Homeland Security. This legislation will restore the nexus between preparedness and response, give FEMA direct reporting authority to the President during a catastrophic event, and put safeguards in place to prevent the Secretary of Homeland Security from taking vital resources away from FEMA.

I am proud to say this legislation has strong backing, and the first responder community groups supporting this legislation include the National Sheriffs Association, the International Association of Firefighters, the National Volunteer Fire Council, and countless others. We worked with all these groups in drafting this legislation, and it represents a 21st Century approach to emergency management.

The purpose of this hearing is to help us gain a more thorough understanding of what Congress can do to better assist New Jersey, and the region, and their efforts to enhance it's all hazards preparedness. Specifically, we will examine the state of the region's coordination, cooperation, and the planning for catastrophic events, whether manmade or natural, and how well the Department of Homeland Security is working with your state and our states across this country and local governments.

The Department of Homeland Security recently announced their grant awards for Fiscal Year 2006, and while Jersey City, Newark area, saw an increase in urban area security initiative funding there has, nonetheless, been much controversy surrounding these grants, including the use of the new peer review system.

As the Subcommittee and Congress, with direct oversight of first responder grants, I'm hopeful the controversy surrounding these recent grant announcements will bring the Senate to the table to finally pass the faster, smarter funding for the First Respondents Act. Congress needs to continue to show strong support and strong oversight for the Department of Homeland Security, and this needed legislation will make first responder grants truly risk-based.

We are fortunate to have the opportunity to hear from so many hard working, dedicated and expert public servants on the state of our emergency preparedness. Your appearance today is vitally important to the work of the Subcommittee, and no doubt the Department, and to the country, and I'd like to thank our witnesses and audience for being with us today.

Before we proceed any further this morning, as Chairman I need to take care of some housekeeping issues. Because this is an official congressional hearing, as opposed to a town hall meeting, we must abide by certain rules of the Committee on Homeland Security, as well as the House of Representatives. Therefore, I kindly ask that there be no applause of any kind or any kind of demonstration with regard to any testimony, and it is important that we respect the decorum and the rules of the Committee of the House, and thank you in advance for your understanding, and the Chair now recognizes the Ranking Member of the Subcommittee, Mr. Pascrell.

Mr. PASCRELL. Thank you very much. Here comes our brother from Pennsylvania. He just came through the water and the rain. Welcome aboard, Congressman Dent.

Mr. REICHERT. It's good to have you here.

Mr. DENT. Thank you, Mr. Chairman.

Mr. REICHERT. He was escorted in by the Sheriff.

Mr. PASCRELL. That's right, escorted by Sheriff Speziale, very good.

I want to begin today by, I want to thank some people. This is a pretty big thing when a congressional hearing is not in Washington, it's in part of the country, because there's a lot of things—bureaucracies, you have to put together, you just don't say let's have a hearing and it happens. It doesn't work that way.

I want to thank the President of the Passaic County Community College, Steve Rose, for permitting us to be here, the Deputy Chief, Tom Lyons, for setting up the hearing, the Passaic County Sheriff, Jerry Speziale, and his department for handling all transportation for today, our Passaic County Prosecutor, James Vigliano, all of our

police and fire chiefs who are attending, many of them are here, all of the police, fire and EMS that are here.

Just a few moments ago, we went over to the fire house and saw the recruits that are here at the Fire Academy. Freeholder Terry Duffy was kind enough to shake loose from his important schedule, busy schedule, New Jersey State Fire Marshal Larry Petrillo, and all the representatives that came up from Fort Monmouth, we really appreciate this.

To all of our witnesses, who our Chairman will introduce in a few moments before we get going, on both of our panels, we have a lot to cover today, and I want to thank the Chairman for coming to New Jersey, you know, this afternoon we leave and go back to Washington for another week, hopefully, of work.

I want to welcome my good friend Charlie Dent from Pennsylvania. These are two good guys. We are not in the same party, but we have—we made a commitment in the very beginning that we were going to get over party differences and do what we had to do for the American people, and we are not going to be dissuade from that.

I want to thank all of our witnesses for their participation. Local first responders, state security experts, and the officials from the Department of Homeland Security, they are going to discuss their efforts to protect our citizens.

The title of the hearing is, "Preparing for, Responding to, and Preventing Terrorists Attacks, Natural Disasters and Other Emergencies: Is Northern New Jersey Ready?" We know that there are an abundance of risks and vulnerabilities associated with our region, and this official congressional committee hearing will delve into the various security endeavors our local, state and Federal Governments have taken, undertaken, engaged the levels of success so far. Look how many people have come out on this, citizens, as well as first responders, because we are inevitably all first responders, and I want to thank you for your interest in what we do.

New Jersey is, after all, the most densely populated state in the Nation. Due to its unmatched collection of critical transportation, utility, petro chemical, pharmaceutical infrastructure, New Jersey functions as a critical global choke point of people or people and product. Our state ferries tens of millions of passengers to global destinations, and it ushers delivery of a vast quantity of goods to markets in the northeastern, southern, western United States, Canada, as well as Europe and the Far East.

So, disruption to New Jersey's key transportation infrastructure, as precipitated by an act of terrorism, or a natural disaster, would severely affect both the national and international economic stability. We are not simply talking about the State of New Jersey.

The seaports of Newark and Elizabeth process nearly 10 percent of our Nation's total freight, just that one area, 850 million tons per year come through those ports.

A terrorist incident, or a natural disaster, would have the effect of placing vessel traffic at a standstill, resulting in a loss of billions of dollars of potential revenues daily from our economy. In addition, the surrounding superstructure of Amtrak's Northeast Corridor, the Newark Liberty International Airport, as well as the densely populated communities just south, whether it be

Woodbridge, Edison, Linden or Rahway, would compound the humanitarian and economic disaster. Should any activity close the New Jersey Turnpike, for any duration, the result would be extreme gridlock in the Northeast Corridor. The trucks moving goods and supplies through to the Northeast would be shut down.

We rank third in the Nation, New Jersey does, in terms of chemical production. There is almost 100 sites in New Jersey where large quantities of highly-toxic, highly-volatile chemicals are stored and used. Any of those sites have the ability to cause significant numbers of fatalities and serious illnesses, and we are going to have people on the second panel from the business community see what they are doing, because if this isn't a partnership, if you think that the Federal Government can do all of these things, you are wrong, we don't believe that. We know our responsibilities, and we've got to make sure that those responsibilities are carried out.

So, any of these sites could mean significant amount of fatalities, serious illnesses, as a result of a terrorist attack or a natural disaster, and we must do everything we can to prevent, to prepare, and respond. We must remember this fact, if and when terrorists or natural disasters strike our homeland, it will be those on the local level that are most affected, and we saw when we went, not too long ago, to London, Madrid and Rome, all of those three places that have been bombed in the last several years, and talking in London, where they understand, really, I don't believe we understand it, we in Federal Government understand it, what boots on the ground really mean.

In London, for instance, most of the information they gather in intelligence is not done from the top, it's done from the soldier, so to speak, the police officer from Scotland Yard and New Scotland Yard. This is something we have to get tuned into for folks who are already in the community that can provide intelligence up the ladder.

Homeland security must begin at home, in our communities, in our cities, our towns. It is imperative that our men and women on the front lines are fully coordinated with the state and Federal Government, that robust communication, that robust cooperation, and integration throughout the varied spheres of our security apparatus do exist.

I want to help ensure that the Department of Homeland Security, and I think my two colleagues would admit, it's come under a lot of battering in the last couple of months, and we have people saying that we are on the forefront of creating the Department, not have second thoughts. You put 22 Federal agencies together, 180,000 people, people are having second thoughts about that, whether we created a dinosaur.

I want to help ensure that the Department is effectively working with state and local agencies in addressing the challenges of developing and implementing emergency preparedness response, and I think we all three of us want to hear that from our local communities if you are not getting the cooperation.

I'm also looking forward to hearing from an array of emergency management and first responder officials. I'm interested to learn what they believe are the greatest impediments to their success.

So, I welcome everybody here today. I welcome the two Congressmen, who have come from somewhat relative distances from the other side of the world to come to our area. We are proud in the 8th Congressional District, this district extends from Pompton Lakes all the way down to Livingston, it's a long district of 21 counties.

So, thank you all for coming, and thank you, our panelists, first panel and second panel, and, Chairman, thank you again for all that you've done to make sure that safety is first and we protect our public.

Thank you, Mr. Pascrell, and the Chair will recognize Congressman Dent for any statements he might want to make.

Mr. DENT. Yes, and I'll be very brief, I just want to thank the Chairman for bringing this Subcommittee to Northern New Jersey, and also thank Ranking Member Pascrell for his strong leadership on homeland security issues, and it's just great to be here.

My main interest here is, not just as a member of the committee, but I'm also selfish, in that my constituency is in the Lehigh Valley of Pennsylvania, Allentown, Bethlehem and Easton, we are just on the other side of the Delaware River, and how northern New Jersey responds to disaster, whether it be manmade or natural disaster, impacts my constituency significantly, since large numbers of my constituents make their livelihoods over here in northern New Jersey and the New York Metropolitan Area. Large numbers of people from eastern Pennsylvania travel on Interstate 78 and Route 80 into the New York Metropolitan Area every day.

So, what happens here truly will have an enormous impact on my constituency, so that's why I want to learn about what you are doing here in northern New Jersey, and I want to learn about how you are going to prepare and respond.

Also, I always worry, too, in that should there ever be, heaven forbid, some type of a major evacuation out of the New York Metropolitan Area, that will have an enormous impact on my constituency, because most people will be heading west on those interstates, and we talk about that quite a bit in my community. It's something that we think about.

So, without any further commentary from me, I just want to hear from our presenters today, and I truly thank you for this opportunity to allow us to participate here in Northern New Jersey.

Mr. REICHERT. Thank you, Mr. DENT. I will call our first panel. With us on the first panel are Hon. Jerry Speziale, Sheriff of Passaic County, New Jersey, Hon. Armando Fontoura, Sheriff of Essex County, New Jersey, Mr. Joseph Rotonda, Chief of Police, Belleville Township, New Jersey, Mr. Michael Postorino, Fire Chief, City of Paterson, New Jersey, and Mr. Richard Caas, Director, Office of Homeland Security and Preparedness, State of New Jersey, and the Chair now recognizes Sheriff Speziale.

STATEMENT OF HON. JERRY SPEZIALE, SHERIFF, PASSAIC COUNTY, STATE OF NEW JERSEY

Mr. SPEZIALE. Good morning.

Mr. REICHERT. Excuse me, just before you get started, you don't have to read your entire statement if you don't want to.

Mr. SPEZIALE. Yes, OK.

Mr. REICHERT. You have five minutes, so, you know, just whatever you feel like, whatever moves your spirit.

Mr. SPEZIALE. Very good.

Good morning. As the Sheriff of Passaic County, I want to welcome this important committee to Passaic County. I want to first thank your Congressman, Bill Pascrell and the other Congressmen, you, Congressman Reichert, and Congress Dent, for being here for this very important meeting.

Last month, myself and my compatriot here, Essex County Sheriff, Armando Fontoura, attended a Senate Homeland Security Conference and met with members of the New Jersey Delegation, to talk about some of the issues we had here in Passaic County. And, rest assured, here in Passaic County the public safety community, the fire, the EMS, the police, the prosecutor, and the chiefs of police, we all have an extremely close working relationship, which is founded on mutual respect, trust and friendship. Passaic County public safety here works as a team. The territorial touchiness no longer exists.

However, the biggest problem that we have here is funding, and communications, and some of the things that are faced throughout the Nation that really need to be brought to the forefront so that we can get the equipment that we need, instead of just having the shirts on our back. That's really what we are faced with here in New Jersey, and I believe that's pretty much throughout the country.

Thank you.

[The prepared statement of Sheriff Speziale follows:]

Retained in the Record

Mr. REICHERT. You yield the rest of your time, Jerry?

Mr. SPEZIALE. Yes.

Mr. REICHERT. That's pretty unusual for a Sheriff to be that short, I know.

Mr. SPEZIALE. I give it to my buddy here.

Mr. REICHERT. Thank you, Sheriff. The Chair now recognizes Sheriff Fontoura.

STATEMENT OF ARMANDO FONTOURA, SHERIFF, ESSEX COUNTY, STATE OF NEW JERSEY

Mr. FONTOURA. Mr. Chairman, Congressman Dent, Congressman Pascrell, thank you very much for being here. We appreciate the opportunity for Bill Pascrell, one of the most steadfast supporters of law enforcement and public safety personnel, we thank you for all the work that you do on our behalf.

I'm not only the Sheriff in Essex County, I'm also the Emergency Management Coordinator for that County.

Essex County is also one of the core members of the UASI area for this area, the Urban Area Security Initiative.

Counter-terrorist experts say they have two miles along our County, the two most dangerous miles in America. Rest assured that we don't disagree with that categorization. The metropolitan area is the busiest airport, one the world's largest seaports, as Congressman Pascrell pointed out, and the State's largest railroad station, all located in Newark. We also have an intricate and vulnerable ground transportation network.

Other potential terrorist targets in Essex County include chemical refineries, propane gas farms and natural gas storage facilities, the New Jersey Performing Arts Center, malls, medical centers, universities and New Jersey's largest and busiest Superior Court system, and one of the largest District Courts, Federal Courts, in the country.

Captured documents reveal that Newark's Prudential complex, Prudential Towers, have been of particular interest to Al–Qaida terrorists. Because of this threat, law enforcement surveillance continues at Prudential.

With these targets simultaneously in play, we have intensified our vigilance analyzing and investigating every lead, and shared all the intelligence as it relates to threats upon us. We continue to conduct Weapons of Mass Destruction and Counter–Terrorism seminars. We constantly rehearse through effectiveness of water, food and medicine. We have practiced searching for nuclear devices in our training first responders in vehicle-borne and suicide bomber detection. With the threat of the Avian Flu, we are conducting regional exercises so that we may effectively respond to pandemics.

Our preparedness exercises and training are in place because Northern New Jersey is no stranger to incidents of terrorism.

In 1994, our Bomb Squad was called to investigate a North Caldwell resident who was killed when he opened a mail bomb sent by the notorious Unabomber.

Jersey City, and we all know was the headquarters for the s-called "Blind Sheik," Omar Abdul Rahman, who staged a ground 1993 terrorist attack on the World Trade Center.

Many of the victims of the 2001 terrorist attack on the trade center were from Northern New Jersey, including more than 40 from our own County.

The investigation of the 2001 attack verified that as many as 11 of the terrorists assimilated to our culture right here in this neighborhood. Nineteen of the 21 terrorists traveled through Northern New Jersey, as we all know, while they plotted, and one of the planes left from our own airport.

As to future threats, our boots are on the ground, and our First Responders are training, exercising and watching.

We thank our Federal partners for their financial support, allowing us to acquire vital communications, protective gear, and other counter-terrorism hardware.

Of major concern to us is the target-hardening of our critical infrastructure. We have a wealth of targets and a population that would be severely at risk in the event of a major disaster.

More funding must be expended on high security fencing, motion detectors, surveillance cameras, security barriers. Funding must be provided for our private-sector partners, who manage over 85 percent of our country's critical infrastructure facilities and sites.

Since 2004, Federal Homeland Security funding for Northern New Jersey, while generous, has been reduced. Our 2005 and 2006 funds have almost exclusively been earmarked and expended on target-hardening. Congress must enact legislation mandating that vulnerable, yet profit-making industries, adhere to 21st Century security standards.

As we analyze the potential threats to Northern New Jersey, additional Federal funding is needed for hospital bedding, emergency medical supplies, such as those our hospitals would need for a tremendous surge of incoming patients due to disaster.

Our best defense and response mechanism for disaster are trained First Responders, who would conduct de-contamination operations and distribute mass medication.

Terrorism is not our only concern, catastrophic weather would also severely put us to the test.

While Essex County has an Emergency Operations Center, the facility is inadequate. Essex County's Operations Center does not contain state-of-the-art interoperable communications, nor does it have the capacity to serve as the alternate seat of government.

The New Jersey Transit Office Emergency Center is located next to Newark's Penn Station and the Port Authority is adjacent to the Holland Tunnel.

Catastrophic weather or other disasters could force the closure of both of those centers. As their nearest neighbor, both agencies would turn to Essex County. Regretfully, we would also be unable to meet their needs at this time.

The New York State Police's north regional Office of Emergency Management is located in Essex County. It would seem to make great sense to fund and construct a coordinated Emergency Operations Center with the State Police as our partner.

Catastrophic weather or a terrorism event would also put our ability to evacuate and shelter a large group of people to the test. The low-lying, Ironbound section of Newark, my home town, would be severely impacted by a hurricane on the scale of Katrina. A terrorist incident in New York City could force the evacuation of hundreds of thousands of people that would pass through or be sheltered in Essex County.

At this time, Essex County is incapable of evacuating or sheltering hundreds of thousands of disaster victims.

Also, contingency plans such as reverse lanes of traffic to accommodate an evacuation have never been tested. These contingencies should be funded so that we may study these problems and conduct appropriate exercises. Disaster could jeopardize continuity of operations and continuity of government.

Currently, no plan is in place to transfer and store vital government records. Again, feasibility studies and operational exercises should be funded and conducted. First Responders are stretched to the limit, while we attempt to do more with less, and realize the importance of our mission. We will soon approach a point of diminishing returns for our efforts. It is not a matter of "if" we will be attacked, but when we will be attacked.

Funding must go to where the threats are greatest and to where the population is most vulnerable. When you have terrorists operating in our community, as they have operated here in Northern New Jersey, "beat cops" with training are in the best position to find them. I firmly believe that it is from the hood of a police car that terrorism will be stopped.

Those of us who live in Northern New Jersey expect future blackouts, blizzards, ice storms and nor'easters. To facilitate our effec-

tive response, we must have the operational ability and related hardware in place and at the ready.

More than 21 million people live in the metropolitan area. Locally, the stakes are extremely high. We urge you to support and fund our needs.

I thank you for the opportunity to be here.

[The prepared statement of Mr. Fontoura follows:]

PREPARED STATEMENT OF ARMANDO FONTOURA

Mr. Chairman, distinguished members of Congress, ladies and gentlemen.

My name is Armando Fontoura and I am the Sheriff of Essex County, New Jersey and Coordinator of the Essex County Office of Emergency Management.

Thank you for this opportunity to appear today before you and the House Homeland Security Committee's Subcommittee on Emergency Preparedness, Science and Technology.

For those who are unfamiliar with northern New Jersey, please know that Essex County is a core county member of the Urban Area Security Initiative, commonly known as UASI.

As reported in the New York Times, federal counter-terrorist officials have categorized parts of Essex County, the financial, industrial and cultural capital and the transportation hub of New Jersey, as ″America's Two Most Dangerous Miles″.

Those of us charged with protecting the people of our community and our critical infrastructure do not disagree with the ″Most Dangerous″ classification.

Essex County is home to the busiest international airport in the New York/New Jersey metropolitan area, one of the world's largest and most active seaports and New Jersey's largest and busiest railway station.

As one of our nation's most densely populated regions, Essex County is also home to a wide variety of potential terrorist targets, including chemical refineries, propane gas farms, natural gas storage facilities, pharmaceutical companies, the New Jersey Performing Arts Center, Riverfront Stadium, major shopping malls, many colleges, universities and hospitals, an intricate and interdependent network of highways, rail lines, bridges and tunnels, and New Jersey's largest and busiest Superior Court vicinage and our federal courts.

Captured documents specifically reveal that Newark's Prudential complex has been of particular interest to Al-Qaida terrorists. Because of this 2004 threat, law enforcement surveillance at Prudential continues.

With these many targets simultaneously in play, local, regional and state Homeland Security personnel and law enforcement agencies have intensified our vigilance, analyzed and investigated every potential lead and shared all intelligence as it relates to threats upon us.

Steadfastly, we continue to conduct Weapons of Mass Destruction and Counter-Terrorism seminars, Water, Food and Medicine Distribution rehearsals, Nuclear Device Search and enhanced Explosives Detection exercises, specifically training First Responders in vehicle-born and suicide bomber detection. And now, with the threat of Avian Flu, we are conducting regional exercises so that we may effectively respond to pandemics.

Our preparedness exercises and training are in place because Essex County and our neighbors are no strangers to incidents of terrorism.

On December 10, 1994, Mr. Thomas Mosser of North Caldwell, was killed when he opened a mail bomb sent by Ted Kaczynski, the notorious Unabomber.

Jersey City was the headquarters for the so-called ″Blind Sheik″, Omar Abdul Rahman, and staging ground for the 1993 terrorist attack on the World Trade Center.

Many of the victims of the 2001 terrorist attack on the trade center were from northeastern New Jersey, including more than 40 Essex County residents.

The follow-up investigation to the 2001 attack documents that 19 of the 21 terrorists traveled through northern New Jersey, plotting their assault right in our own backyard, and as many as eleven of the terrorists assimilated our culture and lived among us.

As to future threats, our boots are on the ground. Thousands of law enforcement officers and other First Responders are training, exercising and watching.

We thank our federal partners for their technical expertise and past financial support to acquire vital protective gear, communications, rolling stock and other counter-terrorism hardware.

Of major concern to those of us in northern New Jersey is the target-hardening of our critical infrastructure. As noted earlier, we have a wealth of tempting targets and a population that would be severely at-risk in the event of a manmade or natural disaster.

More funding must be expended on items such as high security fencing, motion detectors, surveillance cameras, security barriers and training for our First Responders and our private-sector partners who manage over 85% of our county's critical infrastructure facilities and sites.

Since 2004, federal Homeland Security funding to northeastern New Jersey, while generous, has been reduced. Our 2005 and 2006 funds have, almost exclusively, been earmarked and expended on target-hardening.

However, in order to support this public-sector financial investment in our safety, Congress must enact legislation, mandating that vulnerable, yet profit-making, industries, whether chemical, petroleum or nuclear power, for example, adhere to security standards that meet the needs of the 21st century.

As we look forward and calculate the potential for manmade or natural threats, additional federal funding is needed for HAZMAT detection equipment, hospital bedding and emergency medical supplies, such as X-ray machines, MRI's and sterilization equipment, specifically the equipment that our hospitals and health care facilities would need in the event of a tremendous surge of incoming patients as a result of a catastrophic natural disaster or terrorist incident.

The best defense against terrorist and the first line of response to natural disasters are trained law enforcement officers, firefighters, emergency medical technicians and hospital personnel who would be charged with a major surge of incoming patients and the distribution of mass medication and prophylaxes.

A terrorist attack is not our only concern. A catastrophic weather event, such as a hurricane on the scale of Katrina, would severely put us to the test as would an airline crash in our densely populated urban area or a major HAZMAT incident.

While Essex County has an Emergency Operations Center we believe this facility to be inadequate to meet our needs. A viable EOC should contain state-of-the-art interoperable communications and have the capability to serve as the alternate seat of government.

The EOC for New Jersey Transit is located next to Newark's Penn Station and the EOC for the Port Authority of New York and New Jersey is located just outside of the Holland Tunnel.

A catastrophic weather event could force the closure of either center. As their nearest neighbor, both agencies would turn to Essex County. Regretfully, we would also be unable to meet their many needs.

The New Jersey State Police's north regional Office of Emergency Management is located in Essex County. It would seem to make great sense to fund and construct a coordinated Emergency Operations Center with the State Police as our partner in Essex County.

A catastrophic weather event or terrorist event would also put our ability to evacuate and shelter a large group of people. The low-lying, Ironbound section of Newark would be severely impacted by a hurricane. A terrorist incident in New York City could force the evacuation of hundreds of thousands of people who would pass through or be sheltered in Essex County.

At this time, Essex County could cope with an evacuation and sheltering of hundreds of victims but not thousands or tens of thousands or hundreds of thousands of people.

In the event of such a major disaster, contingency plans, such as reverse lanes traffic to accommodate an evacuation, have never been tested. These contingencies should be funded so that we may study these problems and conduct appropriate exercises.

Weather, terrorism or any other significant disaster could also jeopardize Continuity of Operations and Continuity of Government. Currently, no plan is in place to transfer and store vital government records and documents. Again, feasibility studies and operational exercises should be funded and conducted.

Right now, the boots we have on the ground are stretched to the limit. We are all doing more with less. We all realize the importance of our mission. However, we will soon approach a point of diminishing returns for our efforts.

UASI members know it is not a matter of ″if″ we will be attacked. but where and when.

The pork barrel must be taken out of the funding formula. Funding must go to where the threats are greatest and to where the population is most vulnerable.

When you have terrorists operating in the community, as they have operated here in northeastern New Jersey, in Canada, in London and in Spain, ″beat cops″ with

training are in the best position to find them. I firmly believe that it is from the hood of a police car that terrorism will be stopped.

We who live in northern New Jersey expect to experience future blackouts, blizzards, ice storms and nor'easters. To facilitate our effective response to such incidents, we must have the operational ability and related hardware in place and at the ready.

More than 21 million people live in the metropolitan area. Locally, the stakes are extremely high. We urge you to support and fund our needs.

I thank Representative Pascrell for bringing this important hearing to our district and I thank the Chairman for this opportunity to appear before you today.

Mr. REICHERT. Thank you, Sheriff. The Chair now recognizes Chief Postorino.

STATEMENT OF MICHAEL POSTORINO, FIRE CHIEF, CITY OF PETERSON, STATE OF NEW JERSEY

Mr. POSTORINO.. Thank you.

Let me express what an honor it is that I was asked to participate in this Homeland Security Emergency Preparedness Subcommittee hearing. First, I would like to recognize and than Hon. Members of the Emergency Preparedness, Science and Technology Committee, Congressman Reichert, Congressman Pascrell, and Congressman Dent, Committee members.

Two areas which are always at the forefront of emergency/disaster responses are: [1] Command & Control, and [2] Communications.

Regarding Command & Control, fire departments in general are usually the most adept at working within a structured Incident Command System. Prior to Executive Order No. 50, issued by the State, as per the New Jersey Division of Fire Safety, all members of the Department are required to participate and receive Incident Command Training. Additionally, every service call, which in our case for the City of Paterson totals over 6,000 fire and 26,000 EMS calls, results in the Incident Command System being utilized on a daily basis.

Unfortunately, experience has shown that when we are involved in large-scale incidents, which require a "Unified Command Structure," a large number of other agencies which may have a "classroom understanding" of the Incident Command System lack a "working knowledge" of the system. As an incident escalates, and in particular where a Federal, State and local response is mandated, failure of such respective agencies to have a working knowledge of NIMS and the Incident Command System will present major coordination and control problems.

Consistent with Homeland Security Presidential Directive HSPD 5, and State of New Jersey Executive Order 50, the Paterson Fire Department has taken the initiative and completed the required Incident Command and NIMS training mandated for Fiscal Years 2005 and 2006, and we will continue to meet the training requirements for Fiscal Year '07.

Regarding communication, the biggest challenge in particular when a Federal, State and local response is warranted deals with interoperability. While efforts are being made to improve on the interoperability, it doesn't appear that such efforts are moving fast enough. During our various emergency drills, the same complaints resurface about different agencies not having the capabilities of communicating with each other, or sharing data. Again, while im-

provements are being made, some of the same communications issues identified post 9/11 are still quite evident today.

While events of the magnitude of Hurricane Katrina, 9/11 or Oklahoma City are not every-day occurrences, thank God, many events that do occur on a daily basis, such as building fires, rescues, chemical spills, train derailments, and highway incidents require different agencies for jurisdiction to communicate with one another to provide the necessary equipment and manpower to mitigate the incident.

What I ask is, are we really better prepared or are we just more aware?

I'll give you a couple examples of the City of Paterson, blackouts, back in 2003 we had the blackout of the Northeast. We lost power, we lost all ability to phone service, no redundancy for our computer systems, no ability for our firefighters to respond unless they manually were able to do it using their cell phones. This is unacceptable in today's day and age. We have yearly storms. Extrication gets hindered by lightning strikes, which in the case of Passaic County would knock out our radio tower. This radio tower can only be restarted if one individual—by an individual who has the key to go up to an off-site, unlock it, and manually start the generator. How can that be in today's day and age?

Just last month, the City of Paterson had a train derailment. While the Fire Department worked in conjunction with the Passaic County Sheriff's Department to help the Department, the Paterson OEM, Paterson Police, New Jersey State Police, New Jersey Task Force One, one of the simplest functions, being able to communicate, can only be done using either our cell phones or face to face. How is it that we can talk to people on the moon, but yet within one block we cannot communicate with our radio system?

Some solutions, we need to invest in solar power for redundant back-up power. We need alternative antenna repeater sites. We need to regionalize our radio frequency bandwidth, so that all emergency responders can communicate. We have to prevent the FCC from allowing commercial vendors from purchasing low-powered systems which cause bleed overs during our emergency operations.

I can give you an example of how we'll be working on an emergency scene, we have a limousine company that will come in and, basically, bleed out our members while we are giving out orders, while they are giving their directions for where they need to go. We need to upgrade our infrastructure so that the technology that's out there today can be supported.

As far as funding goes, fire departments have to compete with other city agencies, with different demographics, for gas tax dollars. Funding cycles must be planned far in advance for changes or upgrades of costly equipment. One of the major problems we run into is that by the time the budgets get approved the technology is almost already out of date, and this causes—and the manufacturer no longer can support the technology.

Some solutions, funding assistance from Federal sources must be consistent in order to provide necessary training, continuity of operations of instituted programs, and replacement of necessary manpower and needs.

In conclusion, while there is new awareness regarding the threats which emergency responders face today, and while efforts are being made to prepare for such threats, the sad reality is that first responders still lack the necessary training and equipment to handle the emergencies of any large-scale incident.

Again, I would close with what I opened, are we better prepared or are we really just more aware?

Thank you.

[The prepared statement of Mr. Postorino follows:]

PREPARED STATEMENT OF MICHAEL POSTORINO

Let me express what an honor it is that I was asked to participate in this Homeland Security Emergency Preparedness Subcommittee Hearing.

First I would like to recognize and thank the Honorable Members of the Emergency Preparedness, Science and Technology Subcommittee: Congressman David Reichert, Subcommittee Chairman; Congressman Bill Pascrell, Jr., Subcommittee Ranking Member; and Congressman Charles Dent, Subcommittee member.

Committee Members:

Two areas which are always at the forefront of any Emergency/Disaster Response are: (1) Command & Control and (2) Communications.

Regarding Command & Control, Fire Departments in general are usually the most adept at working within a structured Incident Command System. Prior to Executive Order # 50 being issued, as per the New Jersey Division of Fire Safety, all members of the Department were required to receive Incident Command Training. Additionally, every service call, which in our case totals over 6000, results in the Incident Command System being utilized on a daily basis. Unfortunately, experience has shown that when we are involved in large-scale incidents which require a ″Unified Command Structure″, a large number of other agencies which may have a ″classroom understanding″ of the Incident Command System lack a ″working knowledge″ of the System. As an incident escalates, and in particular, where a Federal, State, and local response is mandated, failure of such respective agencies to have a ″working knowledge″ of NIMS and the ICS will present major coordination and control problems.

Regarding Communications, the biggest challenge, in particular, when a Federal, State, and Local response is warranted, deals with interoperability. While efforts are being made to improve on the interoperability, it doesn't appear that such efforts are moving fast enough. During our various emergency drills, the same complaints resurface about different agencies not having the capabilities of communicating with each other. Again, while improvements are being made, some of the same communication issues identified ″post 9/11″ are still quite evident today.

While events of the magnitude of Hurricane Katrina, 9/11, or Oklahoma City are not everyday occurrences; Many events that do occur on a daily basis such as building fires, rescues, chemical spills, train derailments and highway incidents require different agencies or jurisdictions to communicate with one another to provide the necessary equipment and manpower to mitigate the incident.

Are we better prepared, or are we just more aware?

Examples of Everyday Occurrences:

Blackouts: No backup power, lost phone service, no redundancy in computer systems and radio systems. Only 3 of the 7 firehouses have backup generators. These generators are over 25 years old and need replacement. We have applied for solar powered electrical backup units for all firehouses via the 2006 Fire Act Program.

Yearly Storms: Common occurrences such as extraction of residents in low lying areas near Passaic River. Radio tower was struck by lightning knocking out power, rendering all communications unusable. Backup generator is a manual start unit which necessitates someone going to the site to start it.

Train Derailment: The Paterson Fire Department worked in conjunction with the Sheriff's Department, Health Department, Paterson O.E.M., Paterson Police, NJ State Police, Department of Pubic Works, NJ Task Force One, and the Susquehanna Railroad Company. There was no communications due to the lack of radio interoperability.

Solutions:

Investment in solar power for redundant backup power.

Alternative antenna repeater site.

Regionalization of radio frequency bandwidth.

Have the FCC prevent commercial vendors from purchasing low powered systems which cause bleed over and distortion on our public safety primary stations.

Provide a trunked radio system and training in proper operation procedures. This will provide no delay in being able to communicate with other agencies.

Upgrade wiring in building infrastructure to support new technology.

Funding Sources:

The Fire Department has to compete with other city agencies for scarce tax dollars.

Funding cycles must be planned far in advance for changes or upgrades of costly equipment.

One of the major problems we run into is that by the time the budgets get approved the technology is out of date and in many cases the manufacturer no longer supports the technology.

Solutions:

Funding assistance from federal sources must be consistent in order to provide necessary training, continual operation of instituted programs, and replacement of manpower.

Grants Procured by the Paterson Fire Department:
(Assistance to Firefighters Grant Program Awards)

2001 AFG grant for Personal Protective Equipment
$244,933.00—SCBA's,Turnout Gear

2002 AFG grant for Fire Operations and Firefighter Safety
$117,331.00—Portable Radios, SCBA Voice Amplifiers

2003 AFG grant for Fire Operations and Firefighter Safety
$136,751.00—Firehouse Air Filtration Systems & Decon Washer/Dryer

2004 AFG Fire Prevention and Safety Program for General Prevention Awareness and Multi-Hazard Prevention Programs
$216,639.00—Fire Companies with Notebook Computers to interface with Fire Inspection Program, hire 2 inspectors

2005 AFG grant for Rescue Truck Purchase
$280,000.00—Rescue Truck Purchase

2005 SAFER ″Staffing for Adequate Fire and Emergency Response″ grant to hire personnel.
$6,374,080.00—Hire 64 Firefighters

The seven city firehouses average 40 years of age with antiquated mechanical and electrical systems; in most cases the wiring is inadequate for today's power needs. Security systems are non existent. We have installed new fencing and installed new locks but if the terror alert is raised, we have no other security measures in place.

In the past the Paterson Fire Department applied 3 times for a rescue truck before being successful. This, after showing that the City had not been able to procure a new truck since 1984.

Consistent with Federal & State requirements, the Paterson Fire Department maintains and updates the Fire/Rescue, Hazmat, and EMS Emergency Annexes, which in part comprise the City of Paterson Emergency Operation Plan. In addition, the Paterson Fire Department will be presenting an addendum to the Evacuation plan, which is maintained and updated by the Paterson Police Department.

Consistent with Homeland Security Presidential Directive/HSPD-5, and State of New Jersey Executive Order # 50, the Paterson Fire Department has taken the initiative and completed the required Incident Command and NIMS training mandated for Fiscal Years 2005 and 2006, and will continue to meet the training requirements for Fiscal Year 2007.

The Paterson Fire Department has and will continue to partake in various emergency disaster drills designed to identify any areas of concern, which need to be addressed.

In conclusion, while there is a new awareness regarding the threats which emergency responders face today, and while efforts are being made to prepare for such threats, the sad reality is that first responders still lack the training and equipment required to handle such large-scale incidents.

Mr. REICHERT. Thank you, Chief. The Chair recognizes Chief Rotonda.

STATEMENT OF JOSEPH ROTONDA, CHIEF OF POLICE, TOWNSHIP OF BELLEVILLE, STATE OF NEW JERSEY

Mr. ROTONDA. Good morning, Honorable Chairman, Honorable Charles Dent, and my Congressman, the Ranking Member of this committee, Hon. William Pascrell, Jr. Thank you, gentlemen, for inviting me and giving me the opportunity to appear before this committee and address the topic at hand.

Let me start off by noting, that with the exception of our sister state New York and Virginia, no other state has suffered both the human tragedy and financial loss as New Jersey has, from the terrorist attacks of September 11th.

In the hours, days and weeks after September 11, New Jersey's law enforcement community assisted and provided security to protect important infrastructure. For example, within the first week, Belleville's Mobile Command Unit was loaned out to the Secret Service as the Command Post, used to recover the remains of those who lost their lives on 9/11. During this initial period and up to the present day, to the best of our abilities we assess possible terrorist targets, to the extent we were and are currently able to do. However, with limited resources we have attempted to be as prepared as we could be for the type of attack that the Federal Government warned us about.

However, such measures in the name of homeland security have not come cheap. They have consumed large amounts of tax dollars earmarked for other governmental programs and services. It goes without saying for the record, that has been no small task. In the near and distant future, the challenges will only grow, especially in a state like New Jersey, which has the dubious distinction of having the highest property taxes in the Nation.

If I may, I would like to describe the Township of Belleville with respect to this issue, as most other New Jersey communities we just do not have the local resources to fund all necessary equipment, manpower and continuing training.

The Township of Belleville, Essex County, is located directly north of the City of Newark, within ten miles of New York City. Our population is approximately 36,000 people. Our police department consists of 113 sworn police officers and 41 civilian employees. Currently, 74 percent of total valuation is placed on residential property owners.

At close proximity to New York City, and bordering the City of Newark, both of whom remain likely terrorist targets, has placed an additional strain on communities such as Belleville. As the chief law enforcement executive, I have an obligation to protect the citizens of my Township, as well as ensuring the safety of officers under my command. I cannot do this without the assistance of the Federal Government in providing additional manpower, equipment and training.

The Township has valuable infrastructure targets, major water lines, the transcontinental gas lines, telephone transfer stations, a direct highway that leads to lower Manhattan, a bridge, major medical centers, two mental health facilities, and a light rail that runs directly into Penn Station in Newark and then directly to New York City. In 2003, the New Jersey Office of Counter–Terrorism classified the Belleville Interconnection as one of the 104

critical infrastructures in the state. This infrastructure is considered a target of interest to terrorists. Damage to one of the main aqueducts, while supplying drinking water to several municipalities in Northern New Jersey, including the cities of Newark and Jersey City, two largest cities in the State of New Jersey, and any level of disruption would have the potential of widespread destruction, fear and loss of life.

Yet, currently, the security around this facility consists of an old damaged fence with very poor exterior lighting and no security monitoring systems. Financially, we cannot afford to purchase the necessary security systems to address these concerns. Additionally, we do not have the manpower to station personnel at this site, again increasing our security concerns.

In early 2003, the Township of Belleville established an Emergency Response Team. We do not have a very large staff, so utilizing law enforcement officers in this capacity has its ramifications. For example, manpower shortages to normal police operations, and the need and requirement for specialized training and equipment.

Also in 2003, the Essex County Prosecutor's Office, in conjunction with the New Jersey Office of Homeland Security and Preparedness, created the Essex County Rapid Deployment Team. Currently, several of my officers also serve on this team. Once again, we face manpower shortages, when our members are deployed, such as last summer during the London terrorist attacks, whereby our officers patrolled our light rail system from Belleville to Penn Station in Newark. We just do not have the funds allocated to cover overtime, compensation time, and equipment.

In 2003, the Township of Belleville established a Community Emergency Response Team, comprised of local citizens who have received designated training to qualify as members. As CERT members, they are trained to assist our first responders in the event of a terrorist attack and/or natural disaster. However, since its inception, our local officials have not earmarked a budget to provide for the cost of training, equipment and necessary resources. To this point, we have maintained our CERT team through private organizational donations. Yet, without adequate funding, we cannot offer proper training, equipment and resources that are truly necessary.

Early in 2003, one year after 9/11, we were fortunate enough to be able to purchase gas mask canisters to protect our staff from terrorist attacks involving biological, chemical and other agents. However, we are now starting to question whether or not we will have proper funding to purchase new canisters, gas masks, and/or equipment necessary to maintain properly-functioning, life-saving equipment.

This equipment requires yearly fit testing, equipment checks and maintenance records. Yet, I do not have the resources available to purchase the necessary testing equipment for all the mandatory OSHA regulations. Even if I had the resources, without a stockpiling, how much time would it take us to retrieve them, to address an imminent or emerging crisis.

Gentlemen, I do not have the answers to these questions, which leads me to my final thoughts, and in conclusion I would like to

note for the record that Belleville has been fortunate to receive some funding through the State of New Jersey and the Federal Government. They have truly helped us in our efforts, but, gentlemen, as I have noted, it is clearly not enough for us to properly address being prepared and capable of handling some of the potential emergencies we could face. To make this work, first responders, emergency personnel, local officials and citizens understand the needs of their communities better than anyone. They, most of all, need to be an integral part of decisions regarding future funding decisions.

Again, I would like to thank Hon. Chairman and his committee for giving me the opportunity. It has been an honor and a privilege to serve the community, State and Nation.

Thank you.

[The prepared statement of Mr. Rotonda follows:]

PREPARED STATEMENT OF JOSEPH ROTONDA

Good morning, Honorable Chairman, David G. Reichert, Honorable Charles Dent, Honorable Bennie G. Thompson, and my Congressman, the ranking member of this committee, the Honorable William Pascrell Jr. Thank you, Gentlemen, for inviting me and giving me the opportunity to appear before this committee and to address the topic at hand. (″Preparing for, responding to, and preventing terrorist attacks, natural disasters, and other emergencies: Is Northern New Jersey Ready?″)

Let me start off by noting, that with the exceptions of our sister state New York and Virginia (Washington, D.C.,) no other state has suffered both the human tragedy and financial loss as New Jersey, has from the terrorist attacks of September 11, 2001.

In the hours, days, and weeks after September 11, New Jersey's law enforcement community assisted and provided security to protect important infrastructure. For example, within the first week, Belleville's Mobile Command Unit was loaned out to the Secret Service as the Command Post, used to recover the remains of those who lost their lives on 9/11. During this initial period and up to the present day, to the best of our abilities, we assessed vulnerabilities. To the extent we were and currently are able, however, with limited resources, we have attempted to be as prepared as we could be, for the type of attacks that the federal government warned us about. Clearly, our great state has been willing to bear more than its fair share, in our war on terrorism.

However, such measures in the name of homeland security have not been cheap. They have consumed large amounts of tax dollars, earmarked for other governmental programs and services. It goes without saying, for the record, that it has been no small task, in terms of marshalling the staff, equipment, and other resources needed. In the near and distant future, the challenges will only grow, especially in a state like New Jersey, which already has the dubious distinction of having the highest property taxes in the nation, if local governments do not get the resources, i.e. funding, equipment and proper training.

If I may, I would like to describe the Township of Belleville with respect to this issue, as most other New Jersey Communities, we just do not have the local resources to fund all the necessary equipment, manpower, and continued training.

The Township of Belleville, Essex County, is located directly north of the City of Newark, on the western bank of the Passaic River, within ten miles of New York City. Our population is approximately 36,000 with a density of approximately 11, 000 people per square mile. Our police department consists of 113 sworn police officers and 41 civilian employees. The community is part of the heart of New Jersey's rust belt. Our township is considered an Urban Aid Community with an increasing tax burden; currently 74% of total valuation is placed on the residential property owners, due largely to the migration of businesses and manufacturing industries from the township.

Our close proximity to New York City and bordering the City of Newark, both of who remain likely terrorist targets, has placed an additional strain on communities such as Belleville. As the Chief Law Enforcement executive, I have an obligation to protect the citizens of my township as well as insuring the safety of the officers under my command. I cannot due this without the assistance of the Federal Government in providing additional manpower, equipment and training.

The township has valuable infrastructure targets, i.e. major water lines, the transcontinental gas lines, telephone transfer station, a direct highway that leads into lower Manhattan (Route #7 leads to the Holland Tunnel,) a bridge, major medical center (Clara Maass Medical Center,) two mental health facilities used for both educational purposes and rehabilitory needs for people with cerebral palsy, and a light rail line that runs directly into Penn Station, Newark, New Jersey, then to Grand Central Station, New York. NY. With respect to homeland security issues in 2002, with the passage of the Public Health Security and Bioterrorism Preparedness and Response Act, the Environmental Protection Agency developed baseline threat information, to use in conjunction with vulnerability assessments pertaining to contamination threats, such as the release of biological, chemical, and radiological substances into our water supplies. In 2003, the New Jersey Office of Counter-Terrorism classified the Belleville Interconnection, as one of the 104 critical infrastructures in the state. This infrastructure is considered a target-of-interest to terrorists. Damage to one of the main aqueducts, which supplies drinking water to several municipalities in Northern New Jersey, including the Cities of Newark and Jersey City (the two largest cities in the State,) and any level of disruption, could have the potential of widespread destruction, fear and loss of life. Yet, currently, the security around this facility is an old damaged fence, with very poor interior/exterior lighting, and no security monitoring systems, i.e., C.C. T.V.

Financially, we cannot afford to purchase the necessary security systems to address these concerns. Additionally, we do not have the manpower to station personnel at this site, again increasing our security concerns. As I stated earlier, my community's leaders have allowed the police/fire/first responders to take measures to address our homeland security concerns from our perspective and needs. In early 2003, we established an Emergency Response Team. You must, however, keep in mind we are not a major city such as Newark, Jersey City, Paterson or Trenton. We do not have a very large staff, so utilizing law enforcement officers in this capacity has its ramifications, i.e., manpower shortages to normal police operations, the need and requirements for specialized training and equipment such as automatic weapons. Prior to the creation of this team, our department did not have a single, automatic weapon or a law enforcement, officer capable and qualified to use such a weapon. Now, we all know the terrorists have them, so this is a positive thing, but again, it has become very costly. Also in 2003, the Essex County Prosecutor's, Office in conjunction with New Jersey Office of Homeland Security and Preparedness, created the Essex County Rapid Deployment Team. Currently, several of my officers also serve on the RDT. Again, I emphasize, we did so to help do our part in accomplishing the goals and objectives of this multi-agency effort, to prepare and respond to a terror attack, natural, or manmade disaster. Once again, we face manpower shortages, when our members are deployed, such as last summer, during the London terrorist attacks, whereby our officers patrolled our light rail system, from Belleville to Penn Station, in Newark N.J.

We just do not have the funds allocated to cover overtime, compensation time and equipment needs. Additionally, in October of 2003, in an attempt to encourage community/citizen involvement in our efforts to prepare for, respond to, and prevent terrorist attacks and natural disasters, we instituted the Community Emergency Response Team, comprised of local citizens, who have received designated training to qualify as members. As C.E.R.T. members, they are trained to assist our first responders in the event of a terrorist attack and/or a natural disaster; however, since its inception, our local officials have not earmarked a budget to provide for the costs of training, equipment, and necessary resources, To this point, we have maintained our C.E.R.T., through private organization donations, (citizens willing to donate their time and money to purchase some of the necessary equipment.) Again, this highlights the fact that we have attempted to take the proper steps to prepare not only our first responders but also our citizens. Yet, without adequate funding, we cannot offer proper training, equipment and resources that truly are necessary.

Lastly, in early 2003, over one year after 9/11, we were fortunate enough to purchase Dragger Gas Masks/Canisters to protect our staff from a terrorist attacks involving biological, chemical, and other agents; however, we are now starting to question whether or not we will have proper funding to purchase new canisters, gas masks and/or equipment necessary to maintain properly functioning life saving equipment. Currently, I have to serve two masters as an employer: OSHA Worker Health Safety Rules/guidelines, which require yearly fit testing, equipment checks, and maintenance records. Yet, I do not have the resources available to purchase the necessary testing equipment for these mandatory OSHA Regulations. Thus, it is issues such as this, that leave one wondering in a hypothetical situation, what happens if we were to have a terrorist attack, which involved bio- hazardous materials and numerous members of our personnel responded and are then required to relin-

quish their equipment for HAZ-MAT decontamination. We currently do not have enough resources to replenish these vitally necessary life saving equipment. Even if we had the resources, without a stockpile, how much time would it take us to retrieve them, to address an eminent and/or emerging crisis situations? Gentlemen, I do not have the answers to these questions, which leads me to my final thoughts.

This is clearly only part of addressing our homeland security target-hardening agenda but are we really addressing the problem? I wonder what the public would think, if they knew. Would they accept this? This in turn, leads me to my next observation. It appears to me, that the public perception is our federal government since, 2001, has become complacent, which has helped to increase the fears of both the public and America's First Preventers.

In conclusion, I would like to note, for the record, that Belleville has been fortunate to receive grants through the state of New Jersey and the federal government. They have truly helped in our efforts: but, Gentleman, as I have noted, it clearly is not enough for us to properly address being prepared and capable of handling some of the potential emergencies we could face. To make this work, first responders, emergency personnel, local officials, and citizens understand the needs of their communities better than anyone. They, most of all, need to be an integral part of decisions, regarding future funding decisions.

Again, I would like to thank the honorable chairman, Reichert and his committee for giving me this opportunity. It has been an honor and a privilege to serve this community, state and nation.

Mr. REICHERT. Thank you, Chief. The Chair recognizes Mr. Canas.

STATEMENT OF RICHARD CANAS, DIRECTOR, OFFICE OF HOMELAND SECURITY AND PREPAREDNESS, STATE OF NEW JERSEY

Mr. CANAS. Thank you very much, Chairman Reichert, Congressman Dent and Congressman Pascrell. I appreciate the opportunity to address your Subcommittee on Emergency Preparedness, Science and Technology.

This morning, I want to outline the responsibilities of my new office and provide you with my own perspective on Northern New Jersey's preparedness for the various risks we face.

Before I begin, I want to set a context for your expectations. I have been at my job in New Jersey for a little less than three months, and there still are large areas of New Jersey's culture, history, politics and law that I am still absorbing. If I cannot answer your questions today, I will get back to you with responses as soon as I can.

Just about three months ago, here in New Jersey, Governor Corzine signed Executive Order 5, creating the New Jersey Office of Homeland Security and Preparedness as a Cabinet-level position. According to the Executive Order, our responsibility is "to administer, coordinate, lead, supervise New Jersey's counter-terrorism and preparedness efforts."

We are charged with coordinating emergency response efforts across all levels of government, law enforcement, emergency management, non-profit organizations, other jurisdictions, and the private sector, to protect the people of New Jersey.

The Executive Order also requires that we function as the Governor's clearinghouse for all legislation, both state and Federal, related to counter-terrorism and preparedness issues.

I come here today believing we will also build a strong relationship with you, our Representatives in Congress, just as we are developing a strong working relationship with the state legislature.

My job is to bring all of New Jersey's homeland security efforts into a coordinated and unified whole. While doing this, I am focusing on three watch words, inclusiveness, regionalization and transparency. Inclusiveness means that all relevant agencies, state, Federal, local and private sector, must have a seat at the table.

Regionalization refers to concerns that overlap between municipalities and counties, even between New Jersey and our neighboring states.

As you know, our Urban Area Security Initiative, or UASI, region already follows that regional approach. The funding allotted to Newark and Jersey City does not just pay for initiatives in those cities. Instead, it is shared among those counties and the six surrounding counties—those cities and the six surrounding counties. It is invested with the awareness that a regional boundary crossing approach is the best way to protect northeastern New Jersey.

The Federal Government's revised strategy for 2006 appears to validate the cooperative regional approach that New Jersey has been following.

My third watch word is transparency. It means simply enough that the people of New Jersey and you, our Federal partners, must be able to understand what my office does. Our actions must be totally open, explainable to the average person, and understood by everyone, in short, making us the single-stop shopping and honest broker for homeland security in the state.

We work closely with the Office of Emergency Management, which is still directed by Colonel Rick Fuentes and still falls under the New Jersey State Police. In that regard, the role of my office, in short, is to make sure the OEM office of New Jersey does its job properly and has the appropriate resources it needs.

Since I took office, we have been involved in a number of key issues, including hurricane preparedness, pandemic, flu preparedness, interoperability, continuity of operations, and continuity of government, and, of course, our Federal Grants Program. The grant programs, in particular, are an issue I would like to discuss with this committee in greater detail.

As you are well aware, my office is preparing to distribute Federal homeland security grants throughout New Jersey. Our Federal partners have given us good news and bad news this year. We are receiving a large share of a smaller pie. Funds for our UASI region, covering Jersey City, Newark and the counties of Bergen, Essex, Hudson, Morris, Passaic and Union, is up approximately 77 percent from the year before, to $34.4 million. Last Friday, I met with the UASI Steering Committee to discuss our spending plans.

Mr. Chairman, I am prepared to discuss in more detail some of the programs within the northern region at this time, or offer it as an addendum for the sake of brevity.

But, New Jersey's preparedness needs are not limited to the UASI region. They cover our entire state, and this year we will only receive $17.7 million in homeland security grant funds to be distributed statewide. This is a decrease of more than 52 percent from the year before.

I am aware that New Jersey's homeland security needs will always exceed the availability of funds, but it is very disappointing

that the entire pot of Federal funding to the state shrank by almost 30 percent this year.

I certainly do not believe we are less at risk today than before 9/11. It has been our increased vigilance and preparedness that has made us safer against this national threat, not because the enemy has stopped planning against us. This is the wrong time to reduce homeland security funds. I plan to work with you to reverse this Federal trend.

Now, this hearing has been called to discuss the extent to which Northern Jersey is prepared for a catastrophe. As a newcomer, I am still learning, but I'm also able to see objectively and with an outsider's perspective. Since taking office, I have worked extensively with OEM and the State and the Federal enforcement and intelligence community. I must say that in all my years in government I have not seen the level of information sharing that we are experiencing today. This is a tremendous positive.

However, there are some gaps in our response capabilities and the areas that still need improvement. Several of these areas have to do with the difficulty in evacuating large numbers of residents, identifying adequate emergency sheltering, and the exact location of special needs people, but we are working with the county OEMs to address these issues.

It is my belief that New Jersey's emergency responders in the northern part of the state have made unprecedented regional use of Federal funding, and as a result are well prepared to handle virtually any crisis.

In closing, let me say that in creating the new Office of Homeland Security and Preparedness, and asking me to head it, Governor Corzine has given me the opportunity to make a difference in the lives of New Jersey's almost 9 million citizens. I relish the opportunity, and pledge to work with your Subcommittee towards ensuring that all our goals are met.

Thank you.

[The prepared statement of Mr. Canas follows:]

PREPARED STATEMENT OF RICHARD CANAS

Thank you very much Chairman Reichert, Congressman Dent and Congressman Pascrell and members of the Subcommittee on Emergency Preparedness, Science and Technology.

This morning I want to outline the responsibilities of my new office and provide you with my own perspective on northern New Jersey's preparedness for the various risks we face.

Before I begin, I want to set a context for your expectations. I have been at my job in New Jersey for a little less than three months and there are still large areas of New Jersey culture, history, politics and law that I am still absorbing. So, I ask for your patience.

If I cannot answer your questions today, I will get back to you with responses as soon as possible.

As you know, Governor Corzine signed Executive Order #5 in March, creating the New Jersey Office of Homeland Security and Preparedness as a cabinet-level agency.According to the Executive Order, our responsibility is ″to administer, coordinate, lead and supervise New Jersey's counter-terrorism and preparedness efforts.″

We are charged with coordinating ″emergency response efforts across all levels of government, law enforcement, emergency management, nonprofit organizations, other jurisdictions and the private sector, to protect the people of New Jersey.″

The Executive Order also requires that we function as the Governor's clearinghouse for all legislation—both state and federal—related to counter-terrorism and preparedness issues.

I come here today believing we will also build a strong relationship with you, our representatives in Congress . just as we are developing a strong working relationship with the State Legislature.

For example, Assemblywoman Joan M. Quigley, chairwoman of the Homeland Security and State Preparedness Committee—joined me on a tour of one of this region's critical infrastructure sites—a chemical manufacturing facility in her district.

And I have met Assemblyman Frederick Scalera, the committee's vice chair . on several occasions, drawing on his role as a Legislator and as a Deputy Fire Chief who plays a key role in our Urban Area Security Initiative—or UASI—region.

You should know that my door is always open. I invite you to contact me directly or through my office's Legislative Liaison, Nick DiRocco. Nick will be spearheading our review of legislation, and helping us make the appropriate recommendations to the Governor.

My job, then, is to bring all of New Jersey's homeland security efforts, at all levels, into a coordinated and unified whole.

While doing this I am focusing on three watchwords: Inclusiveness, Regionalization and Transparency.

″Inclusiveness″ means that all relevant agencies—state, federal, local and private sector, must have a seat at the table.

″Regionalization″ refers to concerns that overlap between municipalities and counties,even between New Jersey and our neighboring states.

As you know, our UASI region already follows that regional approach.

The funding allotted to Newark or Jersey City does not just pay for initiatives in those cities . instead it is shared among those cities and the six surrounding counties. It is invested with the awareness that a regional, boundary-crossing approach is the best way to protect Northeastern New Jersey.

The Federal Government's revised strategy for 2006 appears to validate the cooperative, regional approach that New Jersey had been following.

My third watchword, ″transparency″ means—simply enough—that the people of New Jersey and you, our federal partners, must be able to understand what my office does. Our actions must be totally open, explainable to the average person and understood by everyone - in short, the single-stop shopping and honest broker for homeland security in the state.

To serve these needs . our office has a Division of Operations and a Division of Preparedness. Our Deputy Director for Operations, Mr. John Paige, will join us during the first part of July. Mr. Paige is a veteran FBI Special Agent and counterterrorism expert from Northern New Jersey. I will shortly be naming the Deputy Director for the Preparedness Division.

We work closely with the State Office of Emergency Management—which is still directed by Colonel Rick Fuentes, and still falls under the New Jersey State Police.

In that regard, the role of my office—in short—is to make sure NJOEM does its job properly, and has the appropriate resources it needs.

That coordination and leadership role is similar to what the Office's response would be to any emergency—a flu pandemic, for example.

In that case, the New Jersey Department of Health and Senior Services, under Commissioner Fred Jacobs, would lead the state's response to the human health issues.

And the New Jersey Department of Agriculture, under Secretary Charles Kuperus, would lead the response to animal health issues.

My job is to make sure that all state agencies are working together correctly during such emergencies.

Since I took office we have been involved in a number of key issues—including hurricane preparedness, pandemic flu preparedness—interoperability . COOP and COG, or Continuity of Operations and Continuity of Government . and of course our federal grant programs. The grant programs, in particular, are an issue I would like to discuss with this committee in greater detail.

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But New Jersey's preparedness needs are not limited to the UASI region—they cover our entire state. And this year we will only receive $17.7 million in homeland security grant funds to be distributed statewide. This is a decrease of more than 52 percent from the year before.

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Now—this hearing has been called to discuss the extent to which Northern New Jersey is prepared for a catastrophe.

As a newcomer I am still learning—but I am also able to see objectively, and with an outside perspective.

Since taking office I have worked extensively with NJOEM and the state and federal enforcement and intelligence community. I must say that in all my years in government, I have not seen the level of information sharing that we are experiencing today. There are some gaps in our response capabilities and areas that need improvement.

Several of these areas have to do with the difficulty in evacuating large numbers of residents, identifying adequate emergency sheltering and the exact location of special needs people, but we are working with the county OEMs to address these issues.

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In closing, let me say that in creating the new Office of Homeland Security and Preparedness and asking me to head it, Governor Corzine has given me the opportunity to make a difference in the lives of New Jersey=s almost nine million citizens.

I relish the opportunity and pledge to work with your subcommittee towards insuring that all our goals are met. Thank you.

Mr. REICHERT.

Well, thank all the witnesses for their testimony. This is an impressive group. I have had the opportunity to work with sheriffs, and police chiefs, and emergency managers across the Nation when I was a Sheriff in King County in Seattle, and it's great to see a couple sheriffs, and police chiefs, and fire chief here, and Emergency Management Director, all with us today. All of your testimony is—we were taking notes, and I always, as a police officer, a detective, and a sheriff, I always remember the Federal Government, you know, wanting to help. I mean, they came to us and said, we are from the Federal Government and we are here to help.

I've only been in Congress 18 months, and now I find myself on the other side of that saying, we are from the Federal Government, and we are here to help, and Bill, and Charlie and I, my two partners up here today, are still—we do want to help, we are trying to figure out what the role is. We know the job happens in your communities, in your local communities, the cop on the beat, the firefighter, he or she, and their fire trucks are out there protecting our communities every day, and what I hear you say today are words that we've heard over and over again as we've held hearings.

And, I just want to list off a few of those, and I've heard over my whole career as a law enforcement officer in the Seattle area, equipment, training, funding, and now personnel is the big deal. I mean, we all talk about the cops office getting cut, and now some of the emergency training for firefighters are laid on the table and we're fighting to keep those fundings. The Federal Government is always reaching out and saying, we want your help, we need your help, we want you to be there, you are a part of the team, help us protect this country, protect our community, keep our citizens safe,

but on the other hand we are taking money away from the local people in order to get that job done, and it's wrong.

The biggest thing I see out here too is the relationships, and the Sheriff mentioned that in this area of the country the turf wars don't seem to be a problem, and that's great to hear. We still battle with that back in the Seattle area.

One of the things I want to focus on in my line of questioning to begin with is interoperability. When I held my first hearing as the Subcommittee Chairman a few months ago, I remember someone from the Federal Government who was testifying saying, "Mr. Chairman, we've been struggling with the issue of interoperability for ten years, trying to find a way, something to do," and Bill was there.

And, I said, "Interoperability has not been a problem for ten years, it's been a problem since 1972 when I became a cop, I can remember trying to get my radio to work and wrestling with the man that had a knife that was trying to stab me and I couldn't get help." So, interoperability and the ability to communicate is something that first responders have been dealing with and struggling with for a long, long time, and it's time we do something about it, and we are doing something about it. We have some legislation.

But, I want to ask—but, I hope it will spur this movement to get somebody motivated in the Department of Homeland Security, and someone held accountable, to get the issue of operability and interoperability on its way to a resolution.

But, I just have a couple of questions for anyone on the panel, since it applies to all of you. Has your county conducted or participated in a statewide baseline study of your state's interoperable communications? Anybody who wants to—has there been a study of what exists today?

Mr. SPEZIALE. Mr. Chairman, let me first let you know this will be one Sheriff that won't be going to Congress, that's for sure. I wish you well.

Mr. REICHERT. Don't ever say never.

Mr. SPEZIALE. I don't know why you did that.

As far as our state goes with interoperability, it becomes a situation where at least in this county there is a two-prong situation. We have to worry about operability, as you heard from Chief Postorino, and we also have to worry about interoperability. The situation as we have right now, as far as operability goes, we have so many aspects of voice over IP, there's so many different aspects that we could really investigate and deal with, satellite transmission, God forbid we lose power, or there's certain aspects of radio systems that are out there, we don't have that here. We have a situation where interoperability is not something that I can talk to the Paterson Fire Department, although we have a coordinated team effort here in Passaic County, where we all work together very closely.

Mr. REICHERT. Right.

Mr. SPEZIALE. We cannot communicate together.

The best we can do is on our cell phones. We have satellite phones, should we have to talk, but that's me, the Prosecutor, and possibly each of the Chiefs.

Mr. REICHERT. Do you have 800 megahertz?

Mr. SPEZIALE. We have 800 megahertz, but we do not have a truncated system.

Mr. REICHERT. OK.

Mr. SPEZIALE. And, here's what I'm faced with. Last—two weeks ago, I was in a situation where in the middle of the night one of our repeaters went down. We were unable to have our patrol cars communicate with our dispatch center, our emergency 911 center, from outside the vehicle. They could communicate on a low-band radio, which we had as a back-up system, an old antiquated system, and I had to, in the middle of the night at 4:00 in the morning, get my partner from Essex County to send me a part for the repeater so that somebody could climb the tower and just get us up in a band-aid approach. That was just on an every-day situation. Imagine if we were in a disastrous situation what we would have been faced with if I couldn't get Armando to get me the piece to get up in the tower and get us back communicating.

Mr. REICHERT. We have the same problem in the east side of our county, King County, our deputies have to carry two cell phones, plus their radio, in case they run out of coverage.

Mr. SPEZIALE. And, I don't think that the world realizes that we all talk about having those cell phones on us, but I'm a former—I'm retired from the New York City Police Department, I was there for the '93 bombing, I was there for the World Trade Center disaster, the cell phone towers went down, the telephone lines went down. We were unable to communicate period. We had no way. There was confusion. We had to talk face to face, that was the only way we were able to communicate.

We have to come up with a system with today's world, with like I said, voice over IP. All the things that we have available to us with satellite communications, we have to come up with a new system that all of us in this field, and in this arena, can communicate, because there's going to come a time that it's just a matter of when, and these aren't going to cut it.

Mr. REICHERT. Right.

Sheriff, do you want to respond, and then we'll go to Mr. PASCRELL.

Mr. FONTOURA. We are probably making a little more progress in the interoperability area than Passaic has. We have, in conjunction with the Department of Homeland Security, State Police and the Attorney General, we have been able to work—the interoperability person that is handling it for them happens to be working us, which is Lieutenant Maley, also happens to be the FCC Commissioner for the entire East Coast, which is a nice thing to have in your office, as you know.

Mr. REICHERT.

Mr. FONTOURA. But, we've done well, we are able now, we started the first part of that program, where the Jersey City Fire Department, Newark Fire Department, our Department, Newark Police Department, we are able to communicate with one another, and, hopefully, we are going to bring that sort of the beginning, if you will, we are going to bring that to the rest of the state and work it in conjunction with the Department of Homeland Security more—additional funding, we need an awful lot of additional funding, but we are making some progress. That is a priority for us, pri-

ority for the state, it's a priority for the rest of us, and we intend to continue and make some progress in the interoperable because it's very crucial for all of us, obviously.

Mr. REICHERT. I have other questions in this area, but I'll reserve those now and recognize Mr. Pascrell for his questions.

Mr. PASCRELL. Thank you, Mr. Chairman.

The question of interoperability, as the Chairman pointed out, has been at the center of a lot of discussion in the Congress of the United States, and I'm glad that—I think it was you, Chief Postorino, that mentioned the importance and significance of getting the cooperation from the FCC. We had them before us in Committee. They have ignored this, forget about, you know, what happened before 9/11 is an indication of their being deaf to the entire situation. You know, this is serious business, spectrum, broad spectrum.

These local—I mean, you heard the Chief talk about limousine service cutting in on your communication, I mean, this is ordinary communication. When you start to talk about interoperability between the agencies, we have a major problem throughout the United States of America, and we are imploring the FCC to come forward and help us in that regard.

I know it's important as to what four letter words are out on the TV and the radio, that's critical, this is more critical. This defense is going to determine life and death. This is going to determine life and death.

Mr. Canas, you just got your job, and I want you to tell the audience here, and the other Congressmen, just one sentence, give us a brief background of where you came from.

Mr. CANAS. Thirty-four years of law enforcement at the Federal and local level, as well as intelligence, four years at the White House as Director of Counter–Terrorism and Counter–Narcotics, a year as Special Assistant to the CIA, and two years as Director of the National Drug Intelligence Center, that's what got me here.

Mr. PASCRELL. So, you bring a wealth of experience to this particular position, and we are very fortunate that the Governor made that decision to bring you to New Jersey. We are looking with excitement to the future.

But, you said something very interesting in your testimony about the issue of transparency, and the question, you want homeland security in New Jersey to be a transparent operation for the public, so that the public understands what's going on for most part.

How important do you think that is?

Mr. CANAS. I think it's critical. I think that recently I toured the southern states in preparation for a hurricane, and I found glaring apathy among the public. I think it's critical that in a congested area as the northern part of New Jersey is, with the multitude of languages that are out there, and cultures that are out there, that our policies and our procedures are clear to the public.

I think that during an evacuation, for example, which is something that we'll probably face during any calamity, communications with that public, and I've always equated public service with public trust, and that means if you have to get these citizens to trust you, and be clear as to what the procedures are.

Mr. PASCRELL. Well, you know, we are living in a very peculiar time in Washington, and that is the subject of debate many times has been transparency. Members of the Congress don't know what's going on half the time, and the question is, what do we want the public to know and what does the public have a right to know. I think that the public has a right to know a lot more than we provide them, and a lot is being protected under the guise of secrecy and classified information, that's a lot of bologna. We read about it in News Week magazine, after coming from, you know, a classified meeting many times. Is this what you are talking about?

Mr. CANAS. That's part of it, Congressman. You know, prior to joining the state team, I was in the private sector for a long time working on public information, the synthesis of public information, and you are absolutely correct, some people claim that 99 percent of the information that we need to know to do our job is out there in open source, and that means it's available, readily available, to the public, it just needs to be credible, and it's for us to stamp it with a Good Housekeeping Seal of Approval that this is credible information that the public should know.

Mr. PASCRELL. Chief Rotonda, what do you think is the proper role of the Federal Government in dealing in terms of responsibilities, overall responsibilities, with protecting the public, in your estimation?

Mr. ROTONDA. I'd like to take it from a municipal point of view.

Mr. PASCRELL. Put the microphone closer to you, please.

Mr. ROTONDA. I'm sorry.

Mr. PASCRELL. Thank you.

Mr. ROTONDA. The role—I feel the role of the Federal Government in protecting the public, I feel that the public feels let down right now with the first responders, or I just feel that they really don't know everything that's going on, and I feel we have to at some point let the public know.

Funding that is available, are we capable of doing the job? I don't think they really know, the public really knows exactly what the Federal Government is doing, and what we are even doing on a municipal level. I think they feel more secure than they really should be.

Mr. PASCRELL. We'll have a second round, I guess, right, Mr. Chairman?

Mr. REICHERT. Yes.

Mr. PASCRELL. Second round of questions.

We have, just in conclusion for this first round, when you look at the infrastructure of the State of New Jersey, when you look at the transit system in the northeast, and you look at the Turnpike, or the Amtrak, or Ports of Elizabeth and Newark, the critical utility infrastructure, 21 percent of the fuel consumed nationally comes through that area that we referred to before, the area down in Linden, that process. It processes over 40 percent of the jet fuel used in commercial airports. The fallout from a terrorist attack would be unbelievable.

When you look at the petroleum industry in the State of New Jersey, you are talking about heavy duty, critical industries. When you are dealing with the chemical, as I said before, or the pharmaceutical industry, there's 70,000 people working in the pharma-

ceutical industry in the State of New Jersey. There's a major portion of our infrastructure, and I have one question to each and every one of you.

I mentioned seven areas, just yes or no, are we prepared right today to protect those seven areas?

Mr. Canas, yes or no?

Mr. CANAS. Yes.

Mr. PASCRELL. Mr. Rotonda?

Mr. ROTONDA. No.

Mr. PASCRELL. Chief Rotonda?

Mr. ROTONDA. No.

Mr. PASCRELL. Chief?

Mr. ROTONDA. No.

Mr. PASCRELL. Chief Postorino?

Mr. POSTORINO.. No.

Mr. PASCRELL. Sheriff Fontoura?

Mr. FONTOURA. Somewhat, but not exactly. If Roger Clemens could throw a grenade from the Pulaski Skyway and hit a major area that would create a lot of problems for all of us.

Mr. PASCRELL. There's a future Congressman.

Mr. REICHERT. There' a future Congressman, if I ever heard one.

Mr. PASCRELL. Sheriff Speziale.

Mr. SPEZIALE. I agree with Armando. We are not there yet.

Mr. PASCRELL. Thank you, Mr. Chairman.

Mr. REICHERT. Thank you, Mr. Pascrell.

The Chair recognizes Mr. Dent.

Mr. DENT. Thank you, Mr. Chairman, and Chief Rotonda, you mentioned that New Jersey has the highest property taxes in the Nation, and, in fact, just the other day, we have many New Jersey residents, former New Jersey residents, who now live in Pennsylvania, and we're the fastest growing region in the State, and my friend said to me from New Jersey that his property taxes in Pennsylvania were as high as they were in New Jersey.

Looking at his mansion, I said, yes, but your house is now three times as large. I had to get that off my chest.

First, Mr. Canas, how large is your office? In Pennsylvania, our Homeland Security office is quite small, just a handful of people. How many people do you have working in your office?

Mr. CANAS. I think after this budget, if we get one through, it should be a little under 100.

Mr. DENT. OK, that's considerably larger than Pennsylvania, I mean, much, much larger.

Who administers your counter-terrorism funding? Do you handle it, or does your State Office of Emergency Management process those homeland security grants and terrorism preparedness grants that come down?

Mr. CANAS. The Federal grant program is administered by my office. I distribute it, I oversee it, and I coordinate with the counties their grant programs.

Mr. DENT. OK.

In my state, and in many states, I'm not as familiar with New Jersey, but last time I checked around 80 percent of the Federal terrorism preparedness grants that had been appropriated over the last three or four years had not been drawn down. Some of the

monies may have been obligated or allocated, but they had not been drawn down by the states.

What's the status in New Jersey?

Mr. CANAS. I don't know, Congressman, I'll have to get back to you with the exact numbers. I do know that the majority of it has been obligated, and for the most part has been drawn down.

Mr. DENT. Nationally, about one third of those terrorism preparedness grants, that would be the UASI fund, the state homeland security grants, and law enforcement grants, those dollars, I'm told about a third of those grants that had been drawn down by the states have been spent on interoperability. Is that about where you are in New Jersey, are you using—where are you spending most of that money today?

Mr. CANAS. Again, my guess, because I'm new to the process, probably Sheriff Fontoura could answer that, but in the UASI regions my understanding is that a major chunk of that money has gone to the interoperability problem.

I don't know if you have a comment on that.

Mr. DENT. Nationally, it's supposed to be about a third of the monies that have been spent.

Mr. FONTOURA. That's probably about accurate, somewhere between 25 and 40 percent.

Mr. DENT. And, perhaps, one of the——

Mr. FONTOURA. I might also add that every penny that we have gotten from Essex County, through the graces of your committee and Congressman Pascrell, we spend our money. When we get it figured out, Chief Rotonda gets his share, and we make sure everybody gets their share, but there's nothing in the bank, I can assure you. Whatever we get we spent, we spent it well, on behalf of the public of this county.

Mr. DENT. And, with respect to interoperability, and one of the sheriffs or chiefs might be able to answer this, in Pennsylvania I have the northeast Pennsylvania Counter–Terrorism Task Force in my region, several counties, and we talk about these issues of interoperability. And, one thing that keeps coming up is that it's hard for us to get as interoperable as we'd like for topographical reasons, geographic reasons, if some counties have lots of mountains and, of course, their systems won't function as well as some of the folks down in the urban areas. Do you have those same types of issues here in Jersey?

Mr. FONTOURA. Yes, we do, particularly, here.

Mr. SPEZIALE. We have a—I was a chief in Bucks County after I retired from New York City, so I understand the complexity of Pennsylvania as well, but we have a situation here in New Jersey where we are on all different bands, from low band, to VHF, to UHF, to 800 megahertz, because of the terrain. That's why I say we have to come up with a truncated system so that we can all talk and communicate together. That's what really needs to be developed, and with the technology that's out there, Congressman, I mean there's just so much new technology out there, that we can communicate with someone on the moon, but I can't talk to the fire chief down around the corner.

Mr. DENT. One thing, too, and I should probably go back to Mr. Canas, it was pointed in your testimony that the UASI funding this

year, this Newark, New Jersey Metropolitan Area received a significant increase in UASI. What do you attribute that increase to? AS you know, our friends across the Hudson River received a significant reduction in New York, what do you think, what was it about your proposals that led to this increase?

Mr. CANAS. My guess, Congressman, and I say it's a guess because we don't have all the information from the peer review process, we are still waiting for that, but our early analysis indicates that the majority of the emphasis is because of the high risk area that Northern New Jersey reflects. We are locked at the hip with New York.

Mr. DENT. Right.

Mr. CANAS. We are a threat to New York City, and the high density of population, I'm sure that was factored in, the high number of chemical plants. So, I would say risk, number one, but I also need to point out that they have done an admirable job in the process. They reflect less than 1 percent in salaries and overtime in their grant submissions, that means their sustainability is very credible. Their ability to merge their grant submissions into ongoing state programs, which gets high marks also with DHS, is another reason that they did a total turnaround from last year's numbers to this year's. I think they've done a very credible job in the UASI region. I wish I could say the same for the rest of the state, but for the UASI, certainly in the northern part, I think a lot of the credit goes to the administration of the UASI grant program.

Mr. DENT. Thank you, I'll yield back.

Mr. REICHERT. Thank you, Mr. Dent.

I just have a follow-up question on the concept of the Federal Government's role. Most say, the vast majority of first responders agree that they don't want the Federal Government to come in and take over a disaster response scene, but was it—it would just be interesting to hear, we know it has to be a partnership, Federal Government and, you know, we always hear this thing from the Federal, especially FBI or U.S. Attorneys, you know, they always come in and say, this has to be a Federal, state and local partnership, but I'm not sure they really understand it.

And, I just am curious to know from the panel's point of view, what's the appropriate role of the Federal Government when it comes to training, and planning, and interoperability, is it setting standards? We know that funding has a lot to do with helping you, but what's the role the Federal Government can really play to help you?

Mr. FONTOURA. Well, I think that the Federal Government has a very critical role, and here, speaking just for our area, we have a Joint Terrorism Task Force that we work with our Department of Homeland Security, and it was a little shaky before Mr. Canas came on board from that perspective, but it's been good with our local folks, you know.

The FBI here in our state works well with us, the U.S. Attorneys Office, you mentioned turf wars back in your area, perhaps, you are still a little bit stuck in that. You know, we've come to the realization that we are all in the same army, fighting the same war, so the turf wars, if they existed once when I was with the New

York City Police Department, yes, I experienced turf wars with the feds and everyone else.

Mr. REICHERT. Yes.

Mr. FONTOURA. They are no longer here in this area, I don't believe we have turf wars. I think when we all come to the table, we all come to the table prepared to do the best that we fan on behalf of our citizens, and the Federal Government has a role to play. Obviously, the information that they develop, which is very critical for us to have, you know, they are always very reluctant to let go of it, I think now it's important that they understand that we know when they know. So, I think by and large we are getting the information as quickly as we possibly can, so from that respect I think working together is very critical and very crucial.

I believe here the Federal Government understands that, and we've been doing that, and I expect it's going to continue to even a greater degree now with Mr. Canas and his philosophy.

Mr. REICHERT. What about a national clearinghouse for this technology? There's 800–900 vendors out there we know that have some sort of a solution, a piece of the solution to interoperability and operability, some standard that may be set by Congress across the country for interoperability, not to say that any one jurisdiction has to have a particular plan, because they all have to be different for every neighborhood and community, we recognize that, but a clearinghouse to help police agencies, fire agencies, emergency managers, weed through some of this technology that's out there.

Mr. SPEZIALE. Myself and Sheriff Fontoura were at the Homeland Security Summit that was handled by Senator Clinton. I don't think there's an emergency management manager here in this audience that does not have a plan. The problem is, we need someone to make Washington understand how serious this is country-wide, whether it be a communication tsar, whether it be one individual, or whether it be a collective team, we need interoperability, somebody needs to realize that we have to get the vendors and the players all together in one room to get this problem resolved.

Mr. REICHERT. Mr. Pascrell.

Mr. PASCRELL. Thank you, Mr. Chairman.

Sheriff Fontoura, you mentioned an evacuation plan, this is important, this is critical. You heard the gentleman from Pennsylvania mention it also, because, you know, in our area it would be go west, go west.

Are we prepared, God forbid, if there's a major attack, or if there's a major natural catastrophe in New York, are we prepared to handle those folks that would come across and through the tunnels and bridges?

Mr. FONTOURA. To a limited degree, yes, but I think that as I mentioned during my testimony, I think if it becomes a real serious problem where hundreds of thousands of people are coming across, no, we are not prepared. There's not enough sheltering, there's not enough, you know, we've marked our escape routes, as all of you know, and people always ask me, I see you have evacuation, but where is it going, where it is going? I said, well, part of that plan is, I tell people, I remind people that there will be an officer or a CERT, Community Emergency Response Team member, to tell you where you are going to go, because we really don't know. We don't

know what type of emergency it's going to be, it may be a school auditorium in Livingston, it may be in the Meadow Lands Arena, we don't know, but there will be people—you just follow the signs and at some point you will see an officer if the plan goes according to the way we've drawn it up, you should see a police officer, firefighter, or a CERT member, to direct you which way you should be going.

Do we have enough? No. On a limited basis.

Mr. PASCRELL. Mr. Chairman, excuse me, we really didn't focus on the problem of evacuation, until we saw what was being done and what was happening in New Orleans, and with Hurricane Rita in the Houston area, the Galveston area, a very serious problem of turning all roads one way so people could get out of there, nothing like we have down on our own shores when there's a major storm approaching.

The other thing you said, Sheriff Fontoura, was about the business community stepping up to the plate. We are going to have someone on the second panel that is going to tell the audience and members of the Congress what the business community in Jersey is doing in partnership with the state and Federal Governments and local governments, to provide security for the very infrastructure that exists in our state. And, I hope you'll be able to stay for that.

Sheriff Speziale, I'm very interested, as you well know, in intelligence gathering, and I'm very disappointed, not with our intelligence community, but in the fact that it has been warped by Federal policy. Is intelligence gathering, disseminating intelligence, a Federal responsibility, or should state and local governments play a larger role in that gathering of intelligence?

Mr. SPEZIALE. Well, I think, Congressman, it goes back to that we all have—we all have one common goal, to protect our citizens, and as Armando said, it may come from the hood of a patrol car, it may come from the informant in the jail, it may come from the Federal intelligence agency that provides the information. I think that we all have to collectively work as a team to make sure that we share in intelligence. It can't be a one-way street, it cannot just be one agency, we have to work collectively as a team to make sure that information is disseminated.

I am fortunate, because I still consult for the Department of Justice in regards to wire tap investigations, so I have that top secret clearance.

Mr. PASCRELL. Right.

Mr. SPEZIALE. However, there are other chiefs throughout the communities that don't get that top secret clearance, and there is a problem with that information sharing because as you know there are certain sensitivities in that information that can't go to certain levels of secret and top secret, and there's areas that can't be shared, but we have to share this among everybody.

Mr. PASCRELL. The basis of my question was, what is happening in London, not only since the subway bombing, but before that, there is a very different system that exists in the United States of America, in London those foot patrol are a very key part of the intelligence gathering.

I don't see that. I see more of a top-down situation in our country, and which I think is very dangerous, to be very honest with you.

Mr. SPEZIALE. And, you are absolutely right, where we have to realize that the police officer on the street is the person that interacts more with the public, recognizes what's going on and what are the changes in the neighborhood that that person is patrolling, and that is the person that will be able to provide that first tier of intelligence to come up the chain of command, instead of the tiers going down the chain of command.

Mr. PASCRELL. Let me ask you——

Mr. FONTOURA. Can I?

Mr. PASCRELL. Sure, go ahead.

Mr. FONTOURA. The public has a very definite role, probably the most crucial role. If you think back to the Prudential, the intelligence that we've been able to get since the Prudential threat came along is that there were a couple of people that were casing the Prudential building for about three months. They were having coffee in a luncheonette right across the street, which by the way I go by almost twice a week. There are officers there, there are cops there, but no one, these fellows were making notes, writing things, taking pictures, taking photos of the building, the garage entrance, but yet no one thought enough, and their conscience wasn't raised enough to say, let me let the police, there's police officers there all the time, let me just tell this cop what I think is going on here.

Either they thought, well, I don't want to be a pain, or I don't want to, you know, get involved with this. This is nonsense. You are going to see it before we see it, so if you see something out of the ordinary, if it doesn't fit, give us a call. The worst that could happen is, it's nothing, we'll put your mind at ease.

Mr. PASCRELL. Chief Rotonda?

Mr. ROTONDA. I was saying, Congressman, it has gotten better since 2001 for the foot patrol officer. We do have resources now, we have places where we can report suspicious activity. That wasn't the case before 2001.

So, it's not at its greatest level, but it is better. However, I do feel that it's the Federal Government's responsibility ultimately to disseminate information down to the police departments.

As the Sheriff had said, we can't all get top secret clearance. I attempted myself and they said it wasn't necessary for me to have it. So, you know, again, back to your question, it is better now. Could it get much better? Yes, it can, but it is an improvement.

Mr. REICHERT. Mr. Dent?

Mr. DENT. Just a quick comment on the quality of information you are getting from Washington. We all talk about the information sharing, intelligence sharing, and I think we've done a better job of that horizontally at the Federal level. And, it's clear that you are doing a very good job of it here in New Jersey among yourselves.

But, I'm worried about this vertical level of information sharing. In Pennsylvania again, my State Homeland Security Office is often talking to me or complaining to me about the types of information coming down from Washington, from the ESOC, Elementary Security Operations Center, down to them, it's often—it's in large quan-

tity, it's not well qualified, it's not as credible as it needs to be, and consequently, it's not a very useful interaction.

And, I was just curious what your thoughts were, Mr. Canas, on that issue.

Mr. CANAS. I couldn't agree more. The information we get from Washington, specific to New Jersey, tends to be Pablum. We don't get enough specifics, but, you know what, I don't believe there are a lot of specifics at the Federal level. Having worked in that environment, I can tell you that the intelligence community does an outstanding job looking outward, but looking inward, because of legal implications and practical implications, there is no CIA that looks inside the United States. That's these gentlemen here. They are the people that need, from the bottom up, to synthesize that information.

I can also tell you that here in New Jersey we could not agree more that all information and all intelligence, like politics and emergencies are local, and it starts with the municipalities reporting in to a central location. I don't think the Federal Government can help us with that. I think that's something we need to do ourselves, and we are prepared to invest money, state money, to make that happen.

Us feeding, at the local level, the information upward, the Federal Government then can synthesize that information, put it in context for us, and get it back to us, but it has to start from the bottom up, and I think that's what we are doing here in New Jersey, and I think that's what everyone should be doing.

Mr. DENT. Well, I have no further questions, I just want to thank you, gentlemen. I find that these interactions are very helpful to me. I learned a great deal from the local and state officials about—we are in Washington, and we are looking at this issues sometimes at 60,000 feet in the air, you are where the rubber meets the road, so your observations are really very helpful to me.

So, thank you.

Yield back.

Mr. REICHERT. So, I thank the witnesses for your testimony, thank you for being with us here this morning. We know you have busy schedules and a job to do, but it is important that you share your incites with us and your testimony. The citizens here in your region are fortunate to have you as leaders in their community, and I think that after hearing what you had to say today they can feel much safer.

Again, thank you all so much for everything that you do for your community, your neighborhoods, and our country. This panel is excused and we'll call up the second panel. Thank you all very much.

Mr. PASCRELL. Mr. Chairman?

Mr. REICHERT. Mr. Pascrell.

Mr. PASCRELL. Yes, I would ask as many of you to stay for the second panel, which is going to be a humdinger, we have FEMA, we have the DHS here, so please, if you can, hang on.

Thank you to the panelists, we really appreciate it.

Mr. REICHERT. Thank you, let's give them a nice round of applause.

Mr. REICHERT. We'll begin the second round of hearing the second panel. Mr. Walter Gramm, the Executive Director, New Jersey

Business Force, Business Executives for National Security, Mr. Steve Kempf, Regional Director, Federal Emergency Management Agency, Mr. Timothy Beres, Director, Preparedness Programs Division, Office of Grants and Training, Department of Homeland Security.

The Chair recognizes Mr. Gramm to testify.

STATEMENT OF WALTER GRAMM, EXECUTIVE DIRECTOR, NEW JERSEY BUSINESS FORCE, BUSINESS EXECUTIVES FOR NATIONAL SECURITY

Mr. GRAMM. Well, good afternoon, Chairman Reichert, Ranking Member Pascrell, and Congressman DENT. It's an honor to be here today to help address the question at hand, are we ready?

I'm here on behalf of the Business Executives for National Security, or BENS, a D.C.-based national, non-partisan, non-profit organization, comprised of more than 500 business executives committed to volunteering their time and talents to improve the Nation's security. BENS has a 24-year track record of applying business skills and best practices to achieve measurable improvements in government practice.

I am the Executive Director here in New Jersey for the BENS Business Force initiative. The National Business Force initiative, I'm proud to say, had its genesis here in New Jersey and has been providing a template for the formation of regional public/private partnerships across the Nation. It was launched in 2003 with the recognition that government alone cannot adequately prepare for nor respond to catastrophic events. In short, it takes a village, a local village, as you pointed out, Mr. Pascrell, and business is a principal citizen of that village.

When facing the threat of any catastrophic event, businesses have two kinds of responsibilities. The first is saving themselves. Self-preservation or business continuity and planning to make business operations resilient enough to survive any event.

While business continuity is important to a company, its customers, employees, suppliers, and ultimately our economy, a second critical responsibility is helping our communities. In that spirit, as well as out of humanitarian concern, companies responded admirably during 9/11, Katrina and other catastrophic events. But, business/government collaboration in the midst of crisis has often been chaotic, with little or no advanced planning, training or exercising.

And, that is the Business Force mission, to mobilize and organize the resources and expertise of the business community in advance. Business and government need such a partnership to better prepare for threats and an all-hazards approach prior to a terrorist attack, flu pandemic, or natural disaster. The White House's Katrina: Lessons Learned report encouraged expansion of the BENS Business Force model, and the U.S. Department of Homeland Security has provided partial funding.

Specific Business Force projects that mobilize private sector support fall into four major categories. The first is organized collaboration. Businesses link to state and local government emergency operation centers and information fusion centers to improve communications before, during and after a crisis.

Second is surge capacity and supply chain management. Businesses pledge their resources, like warehouse or office space, trucks, equipment, skilled personnel, on a pro bono basis through the Business Response Network.

The third is mass vaccination and treatment. Business Force companies contribute volunteers and skilled management to assist state and local governments in the design, testing and execution of plans to dispense vaccines and medical supplies, in the event of a pandemic or biological attack.

And, the fourth area is leadership and strategic support. Business Force partnerships offer best business practices and civic leadership from some of the Nation's top executives to help government improve homeland security capabilities.

And, crisis information in New Jersey, citizens—here in New Jersey the Business Force is taking an all-hazards approach, especially as it relates to communications and public awareness. For example, with the New Jersey Public Television and Radio, NJN, one of our key member organizations, we have been working to provide accurate, actionable, authoritative and available New Jersey-specific preparedness and crisis information to New Jersey citizens and business who live within media markets predominantly centered on New York City and Philadelphia.

This gets to the transparency issue outlined by Director Ca/as.

Our member organizations have been enhancing their own security, business continuity, and communications capabilities through the use of advancing technology.

As a New Jersey citizen, I am proud of the role our state has played in helping other states in times of crisis. The recent deployment to the Gulf Coast Region in the wake of Katrina and Rita, coordinated and managed by the New Jersey State Police, confirmed that the public sector and individuals responsible for our protection and recovery from future catastrophic events are among the top professionals in the Nation. BENS is proud of the progress that we have made in building the public/private partnership here in the state, and look forward to expanding that partnership under Governor Corzine's and Director Ca/as' leadership.

Some opportunities ahead that will help in continuing to forge efficient and effective partnerships are the opening of the new Regional Integrated Operations Center that Director Ca/as talked about, and it's a chance to better integrate the private sector into preparedness and response efforts. Business and government leaders must learn to communicate effectively and make sound decisions during an event.

Second is the continued New Jersey State endorsement and subsequent integration of the Business Response Network into OEM's EPINET system.

The third is the need for pandemic flu readiness planning, which has given us a new urgency to the partnering already underway between private companies and New Jersey's State health officials.

Business does not have all the answers, but it is clear, especially during times of crisis, that our Nation needs the vast resources, expertise and capabilities of the private sector. We cannot overstate the value of building trust and creating a sturdy bridge between business and government in advance. BENS will continue to work

with our government partners to strengthen prevention, preparedness and response capabilities.

Thank you for the opportunity to address the committee.

[The prepared statement of Mr. Gramm follows:]

PREPARED STATEMENT OF WALTER GRAMM

Good afternoon. It is an honor to be here today to help address the question: ″Is Northern New Jersey Ready?″

I am here on behalf of Business Executives for National Security, or BENS, a national nonpartisan, nonprofit organization, comprised of more than 500 business executives committed to volunteering their time and talents to improve the nation's security. BENS has a 24-year track record of applying business skills and best practices to achieve measurable, demonstrable improvements in government practices.

I am the Executive Director here in New Jersey for the BENS Business Force initiative. The National Business Force initiative, I am proud to say, had its genesis here in New Jersey and has been providing a template for the formation of regional public/private partnerships across the nation. It was launched in 2003 with the recognition that government alone cannot adequately prepare for nor respond to catastrophic events like terror attacks or pandemic flu. In short, ″it takes a village″ and business is a principal citizen of that village.

When facing the threat of any catastrophic event, businesses have two kinds of responsibilities. The first is saving themselves. Self-preservation, or business continuity planning, includes developing emergency response capabilities to protect employee health and safety, as well as taking steps to make business operations resilient enough to survive a catastrophic event. Business preparedness helps protect critical infrastructure, ensure availability of urgently needed goods and services, and strengthen economic stability.

While business continuity is important to a company, its customers, employees, suppliers, and ultimately our economy, a second critical responsibility is helping their communities. Business understands that it needs to help maintain ″continuity of community″ in order to ensure its own business continuity. In that spirit, as well as out of humanitarian concern, companies responded admirably during 9/11, Katrina and other catastrophic events. But business-government collaboration in the midst of crisis has often been chaotic, with little or no advanced planning, training or exercising.

That is the BENS Business Force mission to mobilize and organize the resources and expertise of the business community in advance, to improve security capability in states or regions, where it is most needed. Business and government need such a partnership to better prepare for threats in an all-hazards approach prior to a terrorist attack, flu pandemic or natural disaster. The White House's Katrina: Lessons Learned report encouraged expansion of the BENS Business Force model, and the U.S. Department of Homeland Security (DHS) has provided partial funding.

Specific Business Force projects that mobilize private sector support fall into 4 major categories:

1. Organized Collaboration: Businesses link to state and local government emergency operations centers and information ″fusion centers″ to improve communication before, during and after a crisis. This collaboration helps identify threats and minimize bureaucratic roadblocks to get the right resources to the right places faster;

2. Surge Capacity/Supply Chain Management: Businesses pledge their resources (warehouse or office space, trucks, equipment, skilled personnel, etc.) on a pro bono basis through the Business Response Network (BRN) , a web-based registry that can be quickly tapped by emergency management officials;

3. Mass Vaccination/Treatment: Business Force companies contribute volunteers and skilled management to assist state and local governments in the design, testing, and execution of plans to dispense vaccines and medical supplies in the event of a pandemic or biological attack;

4. Leadership and Strategic Support: Business Force partnerships offer best business practices and civic leadership from some of the nation's top executives to help government improve homeland security capabilities.

Here in New Jersey the Business Force is taking a ″High Point to Cape May″ all-hazards readiness approach, especially as it relates to communications and public awareness. For example, with NJN Public Television & Radio, one of our key member organizations, we have been working to provide accurate, actionable, authoritative, and available New Jersey-specific preparedness and crisis information for New Jersey citizens who live within media markets predominantly centered on New York City and Philadelphia.

Our member organizations have been enhancing their own security, business continuity, and communications capabilities through the use of advancing technology. Leading edge screening, security, medical, and information sharing systems such as NJN's DigitalSecure datacasting system, NC4's National Incident Monitoring Center, and several other innovative programs are being rapidly deployed.As a New Jersey citizen, I am proud of the role our state has played in helping other states in times of crisis. The recent deployment to the Gulf Coast Region in the wake of Katrina and Rita (coordinated and managed by the New Jersey State Police) confirmed that the public sector individuals responsible for our protection and recovery from future catastrophic events are among the top professionals in the nation. BENS is proud of the progress that we have made in building the public-private partnership here in the State and look forward expanding that partnership under Governor Corzine's and Director Richard Canas' leadership.

Some opportunities ahead that will help in continuing to forge efficient and effective partnerships:

1. The opening of the new Regional Integrated Operations Center (RIOC) at the New Jersey State Police campus in West Trenton later this summer provides a chance to better integrate the private sector into preparedness and response efforts. Business and government leaders must learn to communicate effectively and make sound decisions during an event. To this end, business representatives should actively participate in the state emergency operation centers and information fusion centers.

2. Continued New Jersey State endorsement and subsequent integration of the Business Response Network into OEM's EPINET system will allow for the broad expansion of the asset base available for emergency response.

3. The need for pandemic flu readiness planning has given a new urgency to the partnering already underway between private companies and New Jersey State health officials. We are looking forward to expanding the role of business and business volunteers in the design, testing, and execution of response plans, including the dispensing of medications.

Business does not have all the answers, but it is clear, especially during times of crisis, that our nation needs the vast resources, expertise and capabilities of the private sector. We cannot overstate the value of building trust and creating a study bridge between business and government in advance. BENS will continue to work with our government partners to strengthen prevention, preparedness and response capabilities.

Thank you for the opportunity to address the Committee and for your courtesies. I look forward to your questions.

Mr. REICHERT. Thank you, Mr. Gramm. The Chair recognizes Mr. Kempf.

STATEMENT OF STEPHEN KEMPF, REGIONAL DIRECTOR, REGION II, FEDERAL EMERGENCY MANAGEMENT AGENCY DEPARTMENT OF HOMELAND SECURITY

Mr. KEMPF. Good afternoon, Chairman Reichert, Ranking Member Pascrell, and, of course, the senescent Congressman Dent.

My name is Stephen Kempf, Jr., and I am the Regional Director, Region II, Department of Homeland Security's Federal Emergency Management Agency.

I'm also a New Jersey native, first responder, disabled fireman, former Fire Commissioner. I've been ten years in the radiological emergency preparedness community, and this is my second tour as Regional Director. So, I've been around a little while.

On behalf of FEMA and the Department of Homeland Security, I would like to thank you for the opportunity to testify before you today on FEMA's efforts with regard to disaster readiness and planning in the State of New Jersey.

We who live in New Jersey and within FEMA Region II have certainly witnessed their share of disasters over the years. These range from hurricanes to major snowstorms, nor'easters, and, of

course, the World Trade Center disaster in 2001, as well as the emergency for the World Trade Center bombing in 1993.

Emergency preparedness in New Jersey, as in all parts of the country, is the responsibility of State and local emergency managers. As we enter this hurricane season—already having had one tropical storm, Alberto—I cannot stress this enough, and we commend the efforts of the State and locals to prepare for future events. In addition, planning for a disaster is the responsibility of an even more basic unit, the family and the individual. Citizens must be prepared to be self-sufficient for up to 72 hours after a disaster. This gives local, State and Federal authorities the time to complete life-saving missions.

I would like to point out that New Jersey does lead the Nation in the number of active Community Emergency Response Teams, or CERTs, allowing for greater citizen support in a major event.

I know you are aware that FEMA derives its primary authority from the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Simply put, this Act provides the authority for mitigating the effects of natural and manmade disasters through awarding grants to states, assisting in readiness planning with our Federal, State, local and federally-recognized tribal and private sector partners, in coordinating the Federal response, providing recovery assistance, and establishing the role of the Federal Coordinating Officer.

Through FEMA's mitigation grant programs, Pre–Disaster Mitigation, Flood Mitigation Assistance, and the post-disaster Hazard Mitigation Grant Program, FEMA provides funds and technical assistance to develop State and Local Mitigation Plans, which assess the communities' risks and vulnerabilities and proposes mitigation solutions to reduce those risks. Mitigation planning should be included as part of a community's overall planning effort. By having an LMP, communities have a better understanding of their risks and an awareness of the infrastructure and properties vulnerable to those risks, and can apply for mitigation funding when it is made available under the Mitigation Grant Programs mentioned before. Mitigation Grant Programs are funded on a 75 percent Federal, 25 percent State or local cost-share basis.

The role of FEMA, the Department of Homeland Security, and other Federal, State, local, tribal, and private sector partners is further outlined in the National Response Plan, the Nation's all-discipline, all-hazard plan for establishing a single, comprehensive framework for the management of domestic incidents.

The New Jersey Office of Emergency Management has also organized their operations consistent with the National Response Plan and NIMS, and will be in a position to respond to future events with full integration into the overall Federal response.

FEMA's Region II, which includes New York, New Jersey, Puerto Rico and U.S. Virgin Islands, continuously supports all hazard emergency response planning, and is acutely aware of the importance of catastrophic emergency response planning. As you well know, the recent history in this region, especially the tragic events of September 11th, have inspired in all the state, local and tribal governments an enhanced sense of importance on the issue of regional disaster planning.

This regional approach was validated at the recent Catastrophic Continuity of Operations/Continuity of Government, otherwise known as COOP/COG, Planning Conference held the first week of April, 2006. During this conference, representatives from FEMA's Regions I and II worked with the states represented by these regions to develop common planning priorities.

There are numerous examples of coordination between the states in Region II and FEMA including the following: FEMA has been working directly with New Jersey State and New York City planners on the significant issue of commodity distribution, evacuation, and sheltering after a major event.

Together, FEMA and the State of New Jersey conducted a statewide hurricane awareness session on June 2, which was attended by over 150 local and state responders to discuss critical issues responding to a significant hurricane surge typical of the 1938 hurricane that impacted the Northeast.

New Jersey officials recently participated in a two-day Department of Homeland Security and FEMA catastrophic hurricane exercise with all the Northeast States, because of the interrelationship of all, testing the NRP and the important relationships with the Principal Federal Official responsible for hurricanes this season throughout the Northeast.

The State of New Jersey is completing construction of one of the Nation's first fusion Emergency Operations Center, totaling almost 78,000 square feet that will incorporate all State operations, as well as providing space that will allow Department of Homeland Security, FBI and FEMA officials to be fully integrated into any response.

Sir, I have a rather lengthy testimony, but given the five minutes I will provide you with my written statement and certainly will address any questions that you might have.

Thank you very much. Thank you for your time.

[The prepared statement of Mr. Kempf follows:]

PREPARED STATEMENT OF STEPHEN KEMPF

Good morning Chairman Reichert, Ranking Member Pascrell and members of the Committee. My name is Stephen Kempf and I am the Regional Director, Region II, of the Department of Homeland Security's Federal Emergency Management Agency (FEMA). On behalf of FEMA and the Department of Homeland Security (DHS), I would like to thank you for the opportunity to testify before you today on FEMA's efforts with regards to disaster readiness and planning in the State of New Jersey. This discussion will include FEMA's general authority to mitigate, prepare for, respond to and recover from disasters of all types, FEMA's role and activities in emergency planning in New Jersey, and FEMA's specific activities associated with preparing for the 2006 Hurricane Season.

Those living in New Jersey and within FEMA Region II have certainly witnessed their share of disasters over the years. These range from Hurricane Floyd in 1999 to major snowstorms and nor'easters and, of course, the World Trade Center disaster in 2001, as well as the emergency for the World Trade Center bombing in 1993.

Emergency preparedness in New Jersey, as in all parts of the country, is the responsibility of State and local emergency managers. As we enter this hurricane season - already having one tropical storm, Alberto - I can not stress this enough, and we commend the efforts of the State and locals to prepare for future events. In addition, planning for a disaster is the responsibility of an even more basic unit - the family and the individual. Citizens must be prepared to be self-sufficient for up to 72 hours after a disaster. This gives local, State and Federal authorities the time to complete life saving missions. I would like to point out that New Jersey does lead

the nation in the number of active Community Emergency Response Teams (CERT), allowing for greater citizen support in a major event.

FEMA's Role and Statutory Authority to Support State and Local Governments

FEMA derives its primary authority from the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. Simply put, this act provides the authority for mitigating the effects of natural and manmade disasters, through awarding grants to States; assisting in preparedness and readiness planning with our Federal, State, local, Federally-recognized tribal and private sector partners; coordinating the Federal response; providing recovery assistance; and establishing the role of the Federal Coordinating Officer.

Through FEMA's mitigation grant programs—Pre-Disaster Mitigation (PDM), Flood Mitigation Assistance (FMA) and the post-disaster Hazard Mitigation Grant Program (HMGP)—FEMA provides funds and technical assistance to develop State and Local Mitigation Plans (LMP), which assess the communities' risks and vulnerabilities and propose mitigation solutions to reduce those risks. Mitigation planning should be included as part of a community's overall planning effort. By having an LMP, communities have a better understanding of their risks and an awareness of the infrastructure and properties vulnerable to those risks and can apply for mitigation funding when it is made available under the mitigation grant programs mentioned. Mitigation grant programs are funded on a 75 percent Federal and 25 percent State or local cost-share basis.

The role of FEMA, the Department of Homeland Security, and other Federal, State, local, tribal and private sector partners is further outlined in the National Response Plan (NRP), the nation's all-discipline, all-hazard plan for establishing a single, comprehensive framework for the management of domestic incidents.

FEMA and DHS' new Preparedness Directorate coordinate initiatives that include planning and technical assistance for State, local and tribal governments, and provide support to National Incident Management System (NIMS) implementation and the National Emergency Management Baseline Capability Assessment Program. Further, FEMA operates the Emergency Management Institute (EMI), a national training center for emergency planning, exercise design, and incident command operations for Federal, State, local, tribal and private sector individuals. The New Jersey Office of Emergency Management has also organized their operations consistent with the National Response Plan and NIMS and will be in a position to respond to future events with full integration into the overall federal response.

FEMA Region II Support and Coordination Activities

FEMA's Region II, which includes New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands, continually supports all-hazards emergency response planning, and is acutely aware of the importance of catastrophic emergency response planning. As you well know, the recent history in this region, especially the tragic events of September 11th, have inspired in all of the State, local and tribal governments an enhanced sense of importance on the issue of regional disaster planning. This has made my job, and the job of my staff, much easier, as we have found receptive and eager partners in our planning efforts.

This regional approach was validated at the recent Catastrophic Continuity of Operations/Continuity of Government (COOP/COG) Planning Conference held during the first week of April 2006. During this conference, representatives from FEMA's Regions I and II worked with the States represented by these Regions to develop common planning priorities.

There are numerous examples of coordination between the States in Region II and FEMA including the following:

FEMA has been working directly with New Jersey State and New York City planners on the significant issue of commodity distribution, evacuation, and sheltering after a major event;

Together, FEMA and the State of New Jersey conducted a State-wide hurricane awareness session on June 2, which was attended by over 150 local and State responders to discuss critical issues responding to a significant hurricane surge typical of the 1938 hurricane that impacted the Northeast. Future sessions are planned for Long Island and Westchester County, New York;

New Jersey officials recently participated in a two day DHS and FEMA catastrophic hurricane exercise with all the Northeast States testing the NRP and the important relationships with the Principal Federal Official (PFO) responsible for hurricanes this season throughout the Northeast; and,

The State of New Jersey is completing construction of one of the nation's first fusion Emergency Operations Center, totaling almost 78,000 square feet that will in-

corporate all State operations, as well as providing space that will allow DHS, FBI and FEMA officials to be fully integrated in any response.

Protocols and Coordination in a Disaster: Chain of Command

As I have described earlier in this testimony, under the Stafford Act, FEMA is authorized to supplement the efforts and available resources of State and local governments and disaster relief organizations for an emergency or major disaster declared by the President. We lean forward and move Federal teams, commodities, and equipment to Federal facilities. However, we cannot actually provide assistance under the law, unless the Governor asks, certifying that the event is beyond the State's capability and the President declares an Emergency or Major Disaster. Nevertheless, commodities and equipment that may be necessary and made available are pre-positioned in a number of logistics centers and mobile support locations, strategically placed across the nation.

The Stafford Act acknowledges the constitutional authority of the Governor to respond to incidents affecting New Jersey through the New Jersey Office of Emergency Management (NJOEM), which incorporates the States' mutual aid system and principles of the ICS and provides the structure through which State and local government agencies respond. NJOEM coordinates the overall management of an emergency to include requests for support and resources from other State agencies, other States under the Emergency Management Assistance Compact (EMAC), and supplemental assistance from the Federal government. In addition, DHS has recognized New Jersey as one of the first States to involve the private sector in their operational planning.

In advance of a hurricane, Region II follows existing protocols to activate the Regional Response Coordination Center (RRCC) including Emergency Support Function (ESF) personnel as appropriate, and to deploy the State Liaison Officer (SLO) and Emergency Response Team Advanced (ERT-A) personnel to begin pre-landfall coordination with State emergency management officials to address life saving and life sustaining response requirements. The ERT-A will work with their State counterparts to assess State resource needs, and commodities may be pre-staged at the Federal staging area in anticipation of need. The RRCC works with the affected State to identify critical facilities such as potable water, power and sewage; and needs for assistance or commodities including evacuation, housing, and food. This process is facilitated by the ESF leads, for example, the Department of Transportation provides transportation and evacuation support, the U.S. Army Corps of Engineers provides assistance with debris and other public works and the Department of Health and Human Services provides health and medical support.

Several additional FEMA teams may be activated, including the Agency's National Response Coordination Center Team, the Hurricane Liaison Team (HLT), and the five Mobile Emergency Response Support (MERS) detachments. The FEMA/National Weather Service (NWS) HLT, established in 1996, coordinates communications between the NWS's National Hurricane Center, FEMA, and the emergency management community primarily at the State level. The HLT is activated a few days in advance of any potential U.S. hurricane landfall. The HLT provides an excellent way to communicate with the large number of emergency managers typically impacted by a potential hurricane. This is a critical effort to ensure emergency managers and first responders know what to expect from the hurricane.

FEMA headquarters may deploy an Emergency Response Team National (ERT-N) to supplement Regional staff, and may alert National Disaster Medical System (NDMS) and Urban Search and Rescue (US&R) teams to prepare for deployment. Once an event has occurred, the Rapid Needs Assessment (RNA) team may deploy to determine critical needs or issues in the State. When a facility is available and prepared for staff, a Joint Field Office (JFO) would be opened to support the disaster response and recovery efforts. FEMA's Stafford Act recovery programs would be carried out throughout this process.

As part of this planning effort and consistent with the States plans and priorities, FEMA will continue to work with other Federal agencies, the State and other stakeholders to:

Improve Federal support to the emergency management response capability of local, State and Federal agencies to rapidly respond to emergencies, major disasters, and Incidents of National Significance.

Ensure unified command and unity of effort through rigorous adherence to the principles of NIMS. In preparation for this upcoming hurricane season, but with the additional benefit of being ready for any disaster, Secretary Chertoff has pre-designated a PFO and a Federal Coordinating Official (FCO) for Regions I and II. The PFO for this area will be Rear Admiral David P. Pekoske, First District Commander, U.S. Coast Guard; the Deputy PFO will be Joseph Picciano, FEMA Region

II Deputy Director; and the FCO will be Phil Parr, a seasoned FEMA Federal Coordinating Officer. Meetings have been held with key New Jersey State, local and emergency management officials, which have included either the designated PFO or DPFO, where discussions that have incorporated explanations of the PFO role.

Streamline national level emergency contracting procedures and plan to ensure an adequate inventory of response and recovery assets are strategically pre-positioned throughout the country.

2006 Hurricane Season Improvements

The historic 2005 hurricane season challenged FEMA as never before. The agency supported the largest evacuation in U.S. history, coordinated the delivery of approximately four times the amount of water and two times the amount of ice delivered for all four Florida hurricanes combined in 2004, coordinated the rescue of 36,000 individuals with U.S. Coast Guard and FEMA Urban Search & Rescue teams and provided temporary housing assistance to an unprecedented 825,000 families displaced from their homes. While catastrophic Hurricane Katrina resulted in a record response from all levels of government, the lessons learned from FEMA's response will prove invaluable for the improvement of future major disaster responses.

FEMA approaches the 2006 hurricane season with a renewed sense of commitment and urgency to improve our service to the Nation by building on a solid foundation of experienced professionals and the lessons learned from last year's unprecedented disaster response activities. Techniques and technologies that were employed in the response to Hurricanes Rita and Wilma in the 2005 season to improve response coordination have been institutionalized. And, as a result of intensive collaborative analysis of response and recovery programs post-Katrina, FEMA is implementing multiple new measures designed to strengthen essential functions so the agency can more effectively respond to all disasters. These improvements are designed to supplement the experience and skills of FEMA employees with 21st century tools and technology—maximizing the agency's performance regardless of disaster size, cause or complexity.

Following are some examples of some of the national initiatives for improvement that will be in place for the 2006 hurricane season.

Improving Federal coordination in the immediate response, by increasing the level of coordination with the Department of Defense. A Defense Coordinating Officer (DCO) and support staff are anticipated to be stationed at FEMA Region II to smooth and expedite the provision of Department of Defense support. The identified DCO has met with Regional staff and briefed the States at the recent Catastrophic COOP/COG Planning Conference. In addition, the Region maintains close coordination with the Regional Emergency Preparedness Liaison Officer (EPLO) staff. FEMA headquarters has been working with DOD to shorten the time from request to delivery of assets by pre-identifying military capabilities and developing the scope of work and cost information for support in communications, ground transportation, air transportation, medical support and search and rescue.

Improving situational awareness and communications interoperability, through development of the DHS Secretary's Situational Awareness Teams, and augmentation of survivable and interoperable communications capabilities. Region II has actively coordinated with other States to include New Jersey on issues of communications interoperability. Emphasis has been placed on types of equipment, frequency management and cross-coordination of support capability in any operational situation.

As an element of FEMA's increased ESF-1 and ESF-13 capability, TSA is in the final stages of publishing a Natural Disaster Plan that forms teams of TSA personnel from across the country to respond to natural disasters with 24 hours notice. These teams consist of scaleable numbers field personnel as well as command and control elements to support the on scene commander. The teams also include a Federal Air Marshal element that is also scaleable to assist local and federal law enforcement personnel in accomplishing their tasks. These teams will provide continuation of transportation commerce where and when needed, including the replacement of transportation security specific personnel who may be personally affected by a natural disaster, once again to permit the continuation of commerce or evacuation, as required.

Hiring, training and developing the two FEMA Incident Response Support Teams (FIRSTs) to support the Federal response to Incidents of National Significance. These are small, rapidly deployable teams that can provide support directly to State, local and tribal governments on scene, providing technical advice, situational awareness, communications and assistance in requesting and employing lifesaving Federal assets. They are intended to deploy within two hours of notification, to be on-scene within 12 hours, and are a forward component of the ERT-A.

Improving logistics and commodity preparations by replenishing and restocking essential disaster commodities at logistics and staging areas and working in advance with vendors. FEMA headquarters will have enhanced logistics support from the Defense Logistics Agency to ensure available stockpiles of emergency meals, water, tarps, plastic sheeting, medical equipment and essential pharmaceuticals.

FEMA is actively improving the visibility of disaster assets and commodities from requisition to arrival at disaster locations, thus enhancing logistics management. FEMA headquarters is improving delivery of disaster commodities within States and implementing a commodity tracking initiative, the Total Asset Visibility Project: Phase I, which will provide FEMA with an improved ability to manage its inventory of certain commodities and to track the location of trailers carrying commodities. Phase I will address commodities leaving the logistics warehouses in Atlanta, GA and Fort Worth, TX, regardless of where the disaster occurs.

As part of the national evacuation planning initiative, we recognize that given the small size of Region II, an evacuation in catastrophic disaster conditions would require close coordination among all States, both for transportation routing and sheltering of evacuees. The experience gained by FEMA Region II and the State of New Jersey in housing and caring for Katrina evacuees has provided valuable insight. In addition to assisting with local sheltering needs, FEMA Region II deployed a large number of staff to the Gulf States in support of Hurricane Katrina and learned many valuable lessons through that experience. We would also like to commend New Jersey for the significant effort it has made over the past year to expand hurricane evacuation planning activities.

Strengthening our emergency medical response. Disaster Medical Assistance Teams (DMATs) have served with distinction in responses to many incidents, including natural disasters throughout the U.S.; the World Trade Center attacks in New York on 9/11/2001; the 2002 Winter Olympic Games in Utah; and a wide range of National Special Security Events.

Strengthening our search and rescue response. FEMA headquarters continues to work with numerous Federal agencies including FEMA's Urban Search and Rescue elements, the U.S. Coast Guard and the Department of the Interior (Park Service) to agree on roles, responsibilities, and available resources for structural collapse rescue, water rescue, and wilderness rescue. Although New Jersey's Urban Search and Rescue team is not presently part of the FEMA national system, they are recognized by states in the northeast region and elsewhere in the nation and have served admirably including supporting NYC during 9/11.

Developing the 2006 Concept of Operations for Hurricane season: FEMA headquarters has been working with the primary and supporting ESF agencies in identifying the tasks that should be done starting 96 or more hours out, then 72 hours, 48 hours, etc. to ensure we have all Federal supporting and operational functions synchronized in the response. FEMA plans to activate more assets (teams and commodities) sooner and place them closer to anticipated landfall, while keeping them safe, though we recognize that with the variables of hurricanes this can be problematic.

Improving customer service and expediting help to disaster victims by improving shelter population management and doubling registration capacity to 200,000 persons per day. We will also deploy mobile registration intake centers (MRICs), recognizing that many disaster victims may be stranded or in congregate shelters with no communications and unable to register for assistance. We are also enacting measures to cut down on the incidences of waste, fraud and abuse, taking such steps as improving our identity verification process during registration, suspending the use of debit cards, providing more information on the intended purpose of disaster assistance, and developing safeguards on the use of new technologies to both improve our stewardship responsibilities of Federal taxpayer dollars while simultaneously reducing the delays associated with disaster victim identity verification.

Expanding our home inspections capacity and improving the speed and suitability of temporary housing, and enhancing the debris removal process.

FEMA plans to increase our disaster workforce and is expanding training of employees for disaster readiness.

Looking Ahead

Mr. Chairman and Members of the Committee, while the Department, Region II, and the State of New Jersey are making great strides to strengthen essential functions to improve our 2006 readiness, I would be remiss if I did not mention some of the major areas that will require long term commitment in conjunction with the State. These areas include:

evacuation planning as identified through the Nationwide Plan Review Report dated June 16, 2006, prepared by DHS and the Department of Transportation (this planning also encompasses the impacts on surrounding States)

further communications enhancement;

addressing the emergency needs and requirements for the elderly, the disabled, and other special needs populations;

disaster commodity inventory tracking systems and distribution centers to result in more effective delivery or relief supplies to disaster victims; and

refining the coordination of all levels of government.

Finally, as Federal, State, local and tribal governments become better prepared in anticipation of this hurricane season, it is vitally important that individuals and families also be prepared. New Jersey has not been directly hit by a significant hurricane event in many years, potentially resulting in a lack of individual preparedness. I recognize that States generally hold public awareness campaigns at the start of hurricane season, and encourage that they continue that practice and encourage strong public awareness campaigns. As I mentioned before, New Jersey does lead the nation in Community Emergency Response Teams (CERT) allowing for greater citizen support in a major event. FEMA Region II public affairs staff will coordinate with and support the States to ensure a unified message.

Of course, preparation for improved emergency management must be a consistent process. FEMA will continue to make other significant enhancements beyond this hurricane season to help further strengthen the Nation's preparedness and ability to respond and recover from disasters, whatever their cause. We look forward to continuing our partnerships with the State of New Jersey, tribal and local governments, as well as the private sector, community organizations and individuals in identifying their roles and responsibilities. Together, we will strengthen our ability to prepare for, protect against, respond to, and recover from catastrophic events.

Mr. Chairman and Members of the Committee, thank you again for the opportunity to appear before you today. I would be pleased to answer any questions you may have.

Mr. REICHERT. The Chair recognizes Mr. Beres.

STATEMENT OF TIMOTHY BERES, DIRECTOR, PREPAREDNESS PROGRAMS DIVISION, OFFICE OF GRANTS AND TRAINING, DEPARTMENT OF HOMELAND SECURITY

Mr. BERES. Thank you, Chairman Reichert, Congressman Pascrell, and Congressman DENT. Thank you for this opportunity to discuss homeland security and the support the Department of Homeland Security has provided to New Jersey.

My name is Tim Beres, and I'm the Director of Preparedness Programs in the Department's Office of Grants and Training. Since 1998, I have worked to develop national homeland security programs to prepare our Nation's public safety community to deal effectively with terrorism and weapons of mass destruction.

During my tenure, I've had the opportunity to establish the first National Training Center for Civilian Terrorism Preparedness, and I've established an advanced educational program which has educated current and future leaders in the field of homeland security.

In addition, I've led the development and evolution of the Homeland Security Grant Programs, including the Urban Area Security Initiative to allocate finite Federal Resources that support strategic direction of the Department and the national preparedness goal.

The Department's mission is to make our entire Nation safer and more secure, by managing risk in a way that lessens the vulnerability of the entire country. As Secretary Chertoff has pointed out, we will never have the resources to protect every single person, and every single place, at every single moment in America. Our responsibility at DHS is to determine how to most effectively use limited Federal resources to maximize security throughout the country.

In allocating 2006 Homeland Security Grant funds, we used an approach that expands our understanding of what constitutes risk,

while taking into account congressional guidance encouraging our Nation to move away from reaction to strategic preparation.

As you know, Mr. Chairman, the combined region of New Jersey—of Jersey City and Newark, was one of the highest ranked areas for relative risk in the fiscal year 06 analysis. More than 2,000 assets were considered in the analysis for this urban area, and the combination of the two cities in the program had a significant impact in its overall ranking of relative risk.

Since 9/11, the Department of Homeland Security has provided more than $320 million to the State of New Jersey. While the State of New Jersey saw an 8 percent decrease in funding from last year, as you know, Mr. Chairman, funds appropriated for the Homeland Security Grant Program were cut by more than 25 percent. The State of New Jersey's total award of nearly $52 million represents approximately a 30 percent greater slice of the national pie.

The Jersey City/Newark area has received on average approximately 3 percent of all funding through the Urban Area Security Initiative since the program's inception, and has received more than $97 million overall since 2003. This year's Urban Area Security Initiative allocation of $34.3 million was nearly 5 percent of the total funds available, an almost 80 percent increase from last year.

As we look at how to strategically invest Federal dollars, we are seeking investments that promise to increase the overall capability of a region through funding such things as technology and specialized training.

The State of New Jersey and its partners have worked hard in this regard. As a result, the Homeland Security Grant Program funding from prior years has had a significant impact on the successful implementation of several important Homeland Security initiatives across New Jersey. These include a regionalized explosive detection response capability, creation of a large-scale emergency medical response capability, and working towards implementing a state-wide interoperable communication system.

Mr. Chairman, it is these kinds of large-scale, long-term capability-based improvements that the Homeland Security Grants Program were designed to support. The process used to allocate fiscal year 06 Homeland Security Grants reflects this emphasis, as well as our improved understanding of nationwide risk and ability to evaluate risk, mitigation strategies against the National Preparedness priorities.

In conclusion, Mr. Chairman, the Department believes that the 2006 Homeland Security Grants Program resulted in a dynamic and objective funding process that will sustain improvements in our homeland security over the long term. However, we will continue to solicit feedback on improving our grant processes from this Subcommittee, from other members of Congress, and especially from those on the front lines who work every day to protect all of us.

With billions of dollars at stake every year, we take this issue very seriously, and believe that healthy debate will only make our process better, more transparent, and result in the improvements needed to secure our Nation from terrorism and other threats.

I can assure you that myself, and my staff, and everyone that works with us, all think of ourselves as citizens and not necessarily Federal bureaucrats, and realize that it's the first responders that are on the front line, our law enforcement, public works, public health, firefighters, everyone, that we are looking forward to, to protect our families in times of crisis, and we are doing our best to make sure that we are providing them with the resources that we have to make ourselves and all their families safer, too.

Thank you, Mr. Chairman, for the opportunity to be here today and address you. Thanks.

[The prepared statement of Mr. Beres follows:]

PREPARED STATEMENT OF TIMOTHY BERES

Chairman Reichert, Congressman Pascrell and Members of the Committee, thank you for the opportunity to appear before you today to discuss the Homeland Security Grant Program, and specifically, the support that the Department has provided to the State of New Jersey.

Let me start by stating that while the focus of today's hearing, ″Is Northern New Jersey Ready to Respond to a Disaster″, is an all-hazards discussion, the focus of my statement is on financial, training, and exercise support to prepare New Jersey to prevent, detect, respond and recover from acts of terrorism. This information will supplement the hurricane preparedness testimony delivered from my colleagues at FEMA to provide an overall view of the state of preparedness in New Jersey.

There has been much debate and discussion during the past several weeks. Some of the information presented in public has been accurate and some has not. The debate itself is positive - it is welcome and necessary for us to be engaged in discussion over homeland security priorities and funding.

One thing however is very clear: the discussion on funding should not be an issue of placing the safety and security of any one person, community or State in America ahead of another. This is very much about making our entire nation safer and more secure by managing risk in a way that lessens the vulnerability of the entire country.

The safety and security of each and every American lies at the core of the mission of the Department of Homeland Security (DHS), and it is a mission that the men and women of the Department take seriously.

However, a safer and more secure America is not an exclusive mission of the Department of Homeland Security. America's safety and security is a shared national responsibility. It is a mission that is shared among local, State and Federal agencies, the public and private sectors and the American people. In the context of terrorism, it requires an unprecedented mix of efforts - border and immigration controls, security in our ports, and airports and protection of critical assets and infrastructure, including transportation, communication, financial and energy. Homeland security is about managing risk for the entire nation based on a comprehensive national approach; it is about applying limited resources most effectively based on our understanding of America's overall risk.

Let me be very clear, there is a critical distinction to be made: Threat is not synonymous with risk, nor is risk analysis synonymous with risk management, as I will discuss later.

There are many tools employed every day and in every way to keep our nation safer and more secure from the threat of terrorism and a host of other hazards and threats that comprise our national risk continuum. Today, I would like to focus on the Homeland Security Grant Program (HSGP).

The HSGP is the Department's primary means of homeland security assistance to the states and local communities, and it includes the State Homeland Security Program (SHSP), the Law Enforcement Terrorism Prevention Program (LETPP), and the Urban Areas Security Initiative (UASI). As such, HSGP is one of the Department's most important and visible mechanisms to manage national strategic risk.

Today's testimony will focus on the method DHS utilized to evaluate the risk of terrorism to States, territories, and Urban Areas; the peer review process we employed to determine the expected effectiveness of proposed solutions, and ultimately, the risk management techniques we used to determine allocations for Fiscal Year (FY) 2006. I will go into great detail regarding how the Department strived to em-

ploy an objective, comprehensive, and fair process for allocating FY2006 HSGP grants to improve nationwide terrorism preparedness.

The debate about ″who got how much″ has overshadowed the more important discussion about the best way to use limited financial resources to increase America's security. We used an approach this year that expands our understanding of what constitutes risk while taking into account Congressional guidance encouraging our nation to move away from ″reaction″ to ″strategic preparation.″

As Secretary Chertoff said in recent remarks pertaining to this program,

″We cannot protect every single person at every moment in every place against every threat. What we have to do is manage the risk, and that means we have to evaluate consequence, vulnerability, and threat in order to determine what is the most cost-effective way of maximizing security.″

The Department's grants programs have traditionally provided financial assistance to all 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Territories. By the end of Fiscal Year (FY) 2006, states and localities will have received over $18 billion in assistance and direct support from the Department of Homeland Security since September 11, 2001. This does not account for the additional billions made available from the Departments of Health and Human Services and Justice.

The Department is making significant, important, and vital changes to HSGP, both with the analytic capabilities that support the program and the management techniques we use to determine allocations. And, as we have all seen from the reaction to our FY 2006 allocations, implementation of risk management will not necessarily be an easy or a popular shift. However, it is an important shift and one that we take seriously. We have and will continue to solicit feedback on our processes and are willing to listen to criticism and suggestions for improving our processes. With billions of dollars being allocated each year, this is a serious business - and we believe that healthy debate about risk management principles will only make these processes better and more transparent. Despite recent successes globally in the war on terror, America's security will be a marathon and not a sprint. We need an objective funding process that will sustain improvements for the long- term.

Today, I hope to articulate the following policy considerations:

1. The objectives of the Homeland Security Grants are to enhance capabilities to prevent, deter, respond to, and recover from acts of terrorism, to be allocated based on risks, threats, vulnerabilities, and unmet target capabilities. It is long-standing Administration policy that the limited pool of Federal grant resources should be primarily used to improve long-term capabilities that provide a maximum return on investment, instead of to finance day-to-day occurring local personnel operational costs.

2. The new DHS risk analysis process incorporates the tremendous increase in relevant individual risk of urban communities, this risk in relation to other communities, and the distribution of risk across our entire nation.

3. In applying risk management to the grant process, DHS has emphasized the principle of risk reduction, including the peer-review assessment. This includes the likelihood that Federal resources can help reduce long-term risk and address short falls in capability. The new allocation formula, based on risk and effectiveness, strives to provide an objective process that is flexible to account for improved information on a national scale.

FY 2006—A Transition Year

In past years, DHS' risk analysis was largely driven by both population size and density. But over time we have been able to develop enhanced techniques to analyze risk. In FY 2006, the risk analysis considered three primary components: Threat, Vulnerability, and Consequence. The Threat component represents an adversary's intent to attack a specific target and its potential capability to execute the attack; the Vulnerability component embodies the susceptibility to an adversary's attack and the likelihood that it will achieve an impact; and the Consequence component measures the possible impact from such an attack.

With the enhanced methodology and broader set of data inputs, we were able to capture a truer estimation of relative risk for all urban areas. The footprint used to analyze the risk to both assets as well as geographic areas and populations was adjusted this year. This adjustment more accurately reflects the regional context in which these jurisdictions operate and the critical infrastructure that provides higher potential targets and requires protecting. There is better data about not just New York City, but about the entire region, including the Jersey City/Newark area and across a broader range of sectors. As a result of these improvements, many areas' risk scores changed significantly, a reflection of an enhanced analytical approach to gauging the risk urban areas face relative to one another.

It is important to understand the downstream impact of these changes in relative risk. For example, New York City does not suddenly have less risk in an absolute sense; in fact, it continues to be among the highest risk Urban Areas. However, the relative values for virtually all other candidates increased this year due to our better understanding of their risk and its analysis. The relative differences among the higher risk candidates is what changed from last year to this year. Indeed, Urban Areas such as the Jersey City/Newark area, Los Angeles, and Chicago saw their share of national risk relative to New York City increase considerably, in some cases doubling or tripling compared to previous analysis. These changes in relative risk were key drivers in the changes in funding allocations.

FY 2006 also marks the first HSGP grant cycle in which the Interim National Preparedness Goal is in place to identify National Priorities and help focus local and state expenditures. This common planning framework, and the tools that support it, allow us individually as communities and states and collectively as a Nation to better understand how prepared we are, how prepared we need to be, and how we prioritize efforts to close the gap. The absence of this type of consistent preparedness target is at the forefront of many of our national shortcomings over the past 25 years. The Interim National Preparedness Goal demands that we focus attention on ″raising the bar″ of preparedness across the country to establish minimum capabilities and be prepared for the risks we face. This, along with measurement of risk, gives us an important management consideration for our grant programs.

Accordingly, the Department of Homeland Security has been aggressive in:

1. improving the risk analysis tools used to determine a National risk profile, so that we can target funding at higher risk locations, and

2. clarifying the risk management objectives for the HSGP, within the context of the Interim National Preparedness Goal

This year we have also implemented another significant change in how funds under the HSGP are allocated. In previous years, States and Urban Areas knew their funding allocations prior to submitting grant applications. Based on substantial input from the national preparedness community Congress, and our focus on risk management, Department has moved towards a risk-based approach that incorporates a competitive analysis element to allocating funds for HSGP. This is a critical step in achieving a Homeland Security Grants Program that emphasizes risk-informed grant making, increased accountability and is focused on maximizing the return on investment of federal grant funds.

Risk-Based Analysis and Management

I would like to explain how we analyzed risk for determining the 2006 grant funding.The Department of Homeland Security has many risk management resources at its disposal people, technology, and funding are just a few. The HSGP is among the most valuable of these tools because it allows us to partner with our States, Territories and Urban Areas and First Responder communities, and support national preparedness goals.

The Administration, Congress, State and Local stakeholders, first responder organizations, and industry groups have called for more risk management approaches to inform homeland security grant allocations. There has been a clear recognition that our national approach requires that we apply federal funding resources in a way that maximizes resources to benefit all Americans.

Key to this year's process is a much better understanding of our national risk.In our effort to improve our methods for risk management of the terrorist threat we considered several key factors.

1. Ultimately, it is the States, Urban Areas and Territories that own the risk in their respective areas, and they must make investments locally that will build needed capabilities and address identified risk. DHS's risk management job is to provide them guidance, and within available resources, financial assistance to make these investments. In this program, we have been directed to invest in initiatives that promote unity of effort at the community, regional, state, and national levels. They must continue to provide tangible benefits beyond the flow of Federal dollars.

2.When managing risks, we must rely on analysis of risk to inform our management process, but be cognizant of the inherent uncertainty of this analysis. Consider this definition of risk analysis from the Society for Risk Analysis:

″Risk analysis uses observations about what we know, to make predictions about what we don't know.″

I think this sums up risk analysis in the context of homeland security quite nicely. We have carefully considered the factors that experts believe lead to risk, and we have confidence in our approach. But we are realists and we understand that risk in the terrorist context is new, constantly changing, and lacks the measuring history of data flow found in other hazards.

Terrorist threat cannot be predicted with the reliability of hurricanes or floods, or mechanical failures. No matter how much we invest in scientists and algorithms, we cannot measure terrorism risk in an absolute sense. Therefore, we emphasize building capabilities to manage risk nationwide based on the best estimations possible. Our profile is built on an analysis of relative risk based on what is known.

3.Risk Analysis DOES NOT EQUAL Risk Management. In fact, the Society for Risk Analysis definition makes this point better than I can:

Risk analysis seeks to inform, not to dictate, the complex and difficult choices among possible measures to mitigate risks.

As this indicates, the risk analysis is only one input to the risk management process that should be considered for Homeland Security. In any risk context, risk management typically involves considerations beyond the quantifiable analysis. Risk management includes many other considerations such as management objectives, fiscal constraints, one's ability to actually impact the risks one faces, and the strategy that best serves our overall national interests. The primary risk management objective of the HSGP is to: raise the bar of preparedness across the at-risk states, territories and Urban Areas as part of an interdependent national effort by directing funds to areas of greatest risk and those implementing the most effective risk management solutions.

These two objectives announced by Congress require the Department to balance the desire to focus resources on areas at relatively greater risk, with the desire topromote use of federal resources for strong solutions that ″raise the bar″ of national preparedness and address national risk.

Thus, common sense dictates that managing risk through the HSGP program involves much more than just distributing dollars in proportion to the relative risk data that we generate each year. Rather, it is viewed as a means for reducing risk and promoting national objectives.

As previously noted, DHS defines risk by three principal variables: Threat, or the likelihood of a type of attack that might be attempted, vulnerability, or the likelihood that an attacker would succeed with a particular attack type, and consequence, or the potential impact of a particular attack. The risk model used as input to the HSGP process includes both asset-based and geographically-based terrorist risk calculations. DHS combines these complementary risk calculations to produce an estimate of the relative risk of terrorism faced by a given area.

Our enemies still wish to inflict both physical and economic harm on the United States. Recognition of this threat is underscored by both the Administration's and Congress's desire to assess and categorize our national assets - things such as key transportation hubs, financial processing sites, nuclear power and chemical plants, priority communication and energy systems. These are sites that, if attacked, would have an extraordinary impact not only on the surrounding population and community, but in some cases, the nation as a whole. In the first year of this grant program we had categorized approximately 200 sites, in 2004 some 1700, in 2005 approximately 11,300. This year, we further expanded the number of sites to include many considered to be 'high risk' by the surrounding state and local jurisdiction, which brought the total number of sites in the analysis to over 260,000 sites.

This asset-based approach uses strategic threat estimates from the Intelligence Community of an adversary's intent and capability to attack different types of assets (such as chemical plants, stadiums, and commercial airports) using different attack methods. DHS analyzes the vulnerability of each asset type relative to each attack method to determine the forms of attack most likely to be successful. Additionally, DHS estimates the consequences that a successful attack would have on each asset type, including human health, economic, strategic mission, and psychological impacts. This analysis yields a relative risk estimate for each asset type, which DHS applies to a given demographic area, based on the number of each asset type present within that area.

The geographic-based approach allows DHS to consider general characteristics of a geographic area mostly independent of the assets that exist within that area. First, DHS evaluates threats, law enforcement activity, and suspicious incidents reported during the evaluation period.

Next, DHS considers vulnerability factors for each geographic area, such as the area's proximity to international border.

Lastly, DHS estimates the potential consequences of an attack on that area, including human health, economy, strategic mission, and psychological impacts.

DHS's ability to analyze risks to the Nation is improving each year in both breadth and sophistication. Despite the known limitations of the Department's analysis, the results confirm two fairly intuitive points:

1. The majority of the risk is contained in a handful of locations throughout the country. This is the argument so strenuously made by that handful of localities. However,

2. There are risks to other urban areas that we have begun to assess more accurately. These areas have previously received relatively small amounts of grant funding. The HSGP risk analysis considered much more than the final number of cities that made the Urban Area list. Those that made the list did so because they had a level of risk. In this case, the urban areas under UASI contain 85% of our national urban area risk. Attachment A reflects both the funding and risk curve and you can see these correspond.

Given these two results, and drawing on intuition and common sense, it seems reasonable that while we must fortify higher-risk locations, we cannot ignore the risks in the other locations.

Effectiveness

For FY 2006, States and Urban Areas submitted grant applications, called Investment Justifications, to formally request FY 2006 HSGP funding in support of their strategies and related program planning documents. These applications were reviewed through an intensive peer review process. The FY 2006, competitive grant process to allocate funds to States and Urban Areas was based on two factors:

1. The relative risk to assets and populations within the eligible applicant's geographic area, and

2. The anticipated effectiveness of the individual investments comprising the Investment Justification, in aligning to the Interim National Preparedness Goal and addressing the identified homeland security needs of each applicant.

Finding the right balance between these two factors is the central risk management challenge. It requires us to conduct extensive analysis of relative need and risk, thoroughly review applications, and rigorously analyze the potential effectiveness of the grant funds. The Department of Homeland Security conducted an unprecedented amount of analysis to arrive at decisions about grants funding. We took into consideration alignment with other national policy initiatives and statute objectives, as well as ensuring consistency of approach both over time and between the HSGP programs.

The major considerations of project requests were the following:

Relevance—Connection to the National Priorities, Target Capabilities List, State/Urban Area Homeland Security Strategy goals and objectives, and the Enhancement lan.Regionalization—Coordination of preparedness activities across jurisdictional boundaries by spreading costs, pooling resources, sharing risk, and increasing the value of their preparedness investments.

Impact—The effect that the investment will have on addressing threats, vulnerabilities, and/or consequences of catastrophic events.

Sustainability—The ability to sustain a target capability once the benefits of an investment are achieved through identification of funding sources that can be used beyond the current grant period.

Implementation Approach—The appropriate resources and tools are (or will be) in place to manage the Investment, address priorities, and deliver results.

States and Urban areas each submitted up to 15 investments for consideration. These investments were submitted with an Investment Justification, which allowed them to describe specific funding and implementation approaches that would help achieve initiatives outlined in the Statewide Program and Capability Enhancement Plan. This plan developed in the Fall of 2005 establishes how Urban Areas and States will work to develop their individual capabilities as part of a broader national effort. The Investment Justification allowed the States and Urban Areas to request funding for allocation to their near-term priorities, consistent with the National Priorities articulated in the Interim National Preparedness Goal.

The effectiveness review is a method to evaluate a state or Urban Area proposal in relation to others submitted and against the grant program criteria provided. It is not, I repeat it is not an evaluation of how well an initiative is or is not performing in a particular State or Urban Area. This element, added with Congressional direction and support, is designed to encourage uses of funds in accordance with pre-announced program guidelines and that will both enhance community, state and national preparedness beyond a grant period.

Peer Review Process

Our risk management objective was to determine the ″anticipated effectiveness″ of the investments contained in the Investment Justification. Thus, DHS convened a panel of a cross section of representatives from States, Territories, and Urban Areas, and from a variety of Homeland Security and Emergency Management disciplines.

States and Urban Areas sent high ranking officials to be reviewers; for example, three States sent their most senior Homeland Security Directors. From the Fire and Rescue community, an Assistant Deputy Fire Chief, Battalion Chief, Fire Operations Chief, and a Fire Emergency Management and Communications Chief participated, from Law Enforcement, an Assistant Chief of Police, Captain of a Sheriff's Department, Commander of a Special Response Team, and a Lieutenant from a Homeland Security and Tactical Operations unit. All used their knowledge and experience to evaluate the anticipated effectiveness of proposed solutions from their peers. These examples are only a subset of the vast experience of peer reviewers who participated in the HSGP process.

Peer review panels were made up of reviewers from varied backgrounds and experience - and to avoid potential conflicts of interest - diversity was emphasized. Each panel included a balance of representation from each region (Eastern, Central, and Western). The peer review panels reviewed and scored each individual Investment included in the Investment Justification as well as the Investment Justification submission in its entirety. The peer review panels also reviewed the Enhancement Plan to ensure alignment among Initiatives from the Enhancement Plan with proposed Investments.

The peer review process provides a significant incentive for States and Urban Areas to spend the limited pool of Federal resources on projects that will provide a meaningful return on investment and a lasting impact on reducing the risks of terrorism.

HSGP Guidance to All Communities

Prior to the release of the HSGP guidance, DHS provided extensive assistance to States and local governments in their development of updated Homeland Security Strategies and the Capability Enhancement Plans, which link investment planning to the National Priorities outlined in the Interim National Preparedness Goal. This guidance for the development of Enhancement Plans was a critical precursor to the development of successful Investment Justifications that meet the criteria assessed by the Peer Review Panel during the HSGP application process.

Between the time that the FY2006 Homeland Security Grant Program (HSGP) guidance was released on December 2, 2005, and the application due date of March 2, 2006, the DHS Grants and Training (G&T) Preparedness Officer for both the State of New Jersey (NJ) and the Newark/Jersey City Urban Area was in frequent contact with the State and Urban Area. The officer was available to answer technical questions regarding the process. Due to the competitive nature of the application process, G&T staff members were not able to discuss or offer advice regarding specific program or budget proposals that may unfairly benefit one application over another.

G&T provided technical assistance to assist with the Program and Capability Review (PCR), which was the core planning process each State was required to conduct prior to submitting proposals. The PCR justified how any FY 2006 funds would be invested. Approximately 110 representatives from the State of New Jersey, including representatives from the Jersey City/Newark urban area, participated in the PCR technical assistance session on January 10, 2006. The session stressed the need to emphasize broad regionalization and include additional stakeholders, such as other local regions and the private sector, in the program planning process.Q02

Allocation

To support the management objectives of HSGP, we investigated several allocation techniques, and ultimately selected a two-by-two matrix approach that allows us to evaluate Investment Justifications based on the Relative Risk to the Applicant vs. the anticipated Effectiveness of the Investment Justification submitted by that applicant.

This two-by-two matrix approach provided us with the following benefits:

It allowed us to assemble a picture of the challenge recognizing that the two factors we value: Relative Risk and anticipated Effectiveness are distinct and not inherently correlated

It gave us a relatively simple lens through which to view the decision space as policy makers, while still allowing a known model to drive final allocations.

To generate final HSGP allocations, we assembled two of these matrices: one for States and Territories subject to SHSP and LETPP dollars, and one for Urban Areas subject to UASI dollars. The matrices worked the same. Each applicant was plotted in the matrix by using their relative risk score and their Investment Justification Effectiveness rating.Once plotted in the matrix, each applicant fell into one of four quadrants:

Quadrant 1: higher relative risk/higher anticipated effectiveness
Quadrant 2: higher relative risk/lower anticipated effectiveness

Quadrant 3: lower relative risk/higher anticipated effectiveness
Quadrant 4: lower relative risk/lower anticipated effectiveness

Once allocations were determined for each of the four quadrants, final dollar allocations were determined. For that, Relative Risk was weighted two-thirds and anticipated effectiveness was weighted one-third to emphasize the risk-based nature of the programs while recognizing strong program solutions. Using our analytic model, we generated the final allocation results you have seen, and which are illustrated by the chart below.

Urban Area	Allocation
AZ—Phoenix Area*	$3,920,000
CA—Anaheim/Santa Ana Area	11,980,000
CA—Bay Area	28,320,000
CA—Los Angeles/Long Beach Area	80,610,000
CA—Sacramento Area*	7,390,000
CA—San Diego Area*	7,990,000
CO—Denver Area	4,380,000
DC—National Capital Region	46,470,000
FL—Ft. Lauderdale Area	9,980,000
FL—Jacksonville Area	9,270,000
FL—Miami Area	15,980,000
FL—Orlando Area	9,440,000
FL—Tampa Area*	8,800,000
GA—Atlanta Area	18,660,000
HI—Honolulu Area	4,760,000
IL—Chicago Area	52,260,000
IN—Indianapolis Area	4,370,000
KY—Louisville Area*	8,520,000
LA—Baton Rouge Area*	3,740,000
LA—New Orleans Area	4,690,000
MA—Boston Area	8,210,000
MD—Baltimore	$9,670,000
MI—Detroit	18,630,000
MN—Twin Cities Area	4,310,000
MO—Kansas City Area	9,240,000
MO—St. Louis Area	9,200,000
NC—Charlotte Area	8,970,000
NE—Omaha Area*	8,330,000
NJ—Jersey City/Newark Area	34,330,000
NV—Las Vegas Area*	7,750,000
NY—Buffalo Area*	3,710,000
NY—New York City	124,450,000
OH—Cincinnati Area	4,660,000
OH—Cleveland Area	4,730,000
OH—Columbus Area	4,320,000
OH—Toledo Area*	3,850,000
OK—Oklahoma City Area*	4,102,000
OR—Portland Area	9,360,000
PA—Philadelphia Area	19,520,000
PA—Pittsburgh Area	4,870,000
TN—Memphis Area	4,200,000
TX—Dallas/Fort Worth/Arlington Area	13,830,000
TX—Houston Area	16,670,000
TX—San Antonio Area	1,460,000
WA—Seattle Area	9,150,000
WI—Milwaukee Area	8,570,000

*Sustainment Urban Area.

The allocation process used this year to distribute the nearly $711 million in UASI funding, $125 million less than FY 2005 (overall HSGP funding was reduced $343 million below the President's request), to 46 metropolitan areas was structured to take into account both the risk and effectiveness of the proposed investments.

DHS Support for New Jersey and the Jersey City/Newark Areas

The combined region of Jersey City/Newark was one of the highest-ranked urban areas for relative risk in the FY06 analysis. More than 2,000 assets were considered

in the analysis for the urban area, and the combination of the two cities had a significant impact in the overall ranking of relative risk. The Jersey City/Newark area has received, on average, approximately 3 percent of all funding through the Urban Areas Security Initiative since the program's inception, and has received more than $97 million overall from the UASI program since 2003. This year's UASI allocation was nearly 5 percent of the total funds available, which amounts to nearly an 80 percent increase from last year.

As we look at investing Federal dollars, we are seeking investments that promise to increase the overall capability of a region through funding such things as equipment and specialized training. Jersey City/Newark and its partners have worked hard in this area. HSGP funding from prior years has had a significant impact on the successful implementation of several homeland security initiatives across New Jersey. For example:

New Jersey has developed Regionalized Explosive Detection/Response Capability—Over the past three fiscal years funding has been used to support a dual-pronged initiative entitled the Explosive Detection & Render Safe Task Force to address rapid responses to suspected improvised explosive devices (IED's). 10 bomb squads and 26 canine units have become more fully integrated and interoperable through similar equipment, common training and a written plan providing a bomb response capability across the state.

Implemented USAR Task Force—Beginning in 2004, funds were used to implement an Urban Search and Rescue (USAR) strike team to provide the six-county UASI region with a rapid, first response to disasters that involve structural collapses. Nine fire departments participate on the strike team and have been outfitted with a modern rescue vehicle, heavy rescue tools, and confined space communication equipment. This effort complements Northern New Jersey's long standing commitment to USAR.

Created Large Scale EMS Response Capability—The UASI, Central, and Shore regions have created EMS Task Forces to provide disaster related emergency medical services during large mobilization efforts. 11 medical trailers filled with medical supplies have been funded in these regions and been assigned to specific EMS teams.

Additionally, the funds provided as part of the FY06 HSGP award will have a tremendous impact on several initiatives currently in progress, including:

Achieving a Statewide Interoperability Communications System—The state is working to provide both tactical and wide area communications for federal, state, and local public safety agencies. Interoperability equipment and infrastructure such as 20 interoperability channels, 520 cache radios, and mobile communications equipment are being procured to allow for statewide interoperability.

Achieve ″E Team″ Capability in Each County—″E Team″ is a collaborative crisis management system that provides management support in areas of emergency preparedness, response, and recovery. The system is being implemented in all 21 counties.

Achieve Statewide Intelligence Management Systems (SIMS) in Each County—SIMS is used to accumulate, manage and analyze intelligence data accumulated from numerous internal and external sources. SIMS is being implemented in all 21 counties.

Needless to say, building these capabilities within the State of New Jersey and the Jersey City/Newark Urban Area increases prevention, deterrence, response and recovery capabilities not only of the State and Urban Area, but also of the region, particularly the Greater New York metropolitan area. Law enforcement and emergency management activities in New Jersey and the Jersey City/Newark Urban Area help mitigate the risk to the entire region, and increased capabilities in New Jersey help relieve the burden on New York and neighboring areas.

In addition to providing grant funds, training, and exercise support, the Office of Grants and Training (G&T) has made great strides in building relationships with key homeland security officials in New Jersey and cooperative efforts with FEMA Region II.

G&T's Washington, D.C.—based Preparedness Officer for New Jersey has maintained his role for the past 2.5 years, allowing for a successful relationship to become established. He is intimately familiar with the operations of homeland security in New Jersey and its two Urban Areas.

G&T has a full-time Preparedness Officer located onsite at FEMA's Region II office in New York City. While the focus of this individual is specifically G&T's Emergency Management Performance and Metropolitan Medical Response System grants, she maintains an active professional relationship with her federal FEMA counterparts in the New York/New Jersey area.

Representatives from FEMA Region II have attended various meetings in partnership with G&T. Most recently, FEMA representatives attended and participated in each of the regional conferences we hosted at the outset of the FY06 HSGP process.

Finally, New Jersey was one of the sites of the TOPOFF 3 Exercise in the Spring of 2005. G&T staff worked with NJ officials, state agencies and other federal partners, and of course FEMA, for many months in preparation for this significant event.

Conclusion

Mr. Chairman it is essential to recognize the distinction between risk and threat. Although threat is a large component of risk, risk does not equal threat, but considers it along with vulnerability and consequences. Likewise, risk analysis informs, but does not equal risk management. We now have a much better understanding of nationwide risk then we have in the past, along with the ability to evaluate risk mitigation strategies. As a result we now have a dynamic process for managing risk that reflects the Nation's priorities. We have come a long way in our understanding of risk and as we learn we will continue to improve this still evolving process.

Managing risk is a national responsibility. We would not be acting responsibly if we simply looked at each individual state or Urban Area as its own entity in making risk-based decisions. America's security requires a comprehensive approach and the federal government has an obligation to protect the entire nation. We must take steps necessary to ensure that all of our high risk areas increase their levels of capability. The grants allocation process is not about making Omaha safe at the expense of the New York area, rather, it is about building capabilities across the nation, such as those in New Jersey and the Jersey City/Newark Urban Area, that make all of America—including New York and Washington, D.C. safer and more secure.

Moreover, providing grants to the states and Urban Areas is just one aspect of managing risk. Whether it's through border security, ensuring the security of nuclear plants, food storage facilities, financial centers across the country or cracking down on illegal immigrants, what we do in one area of the country will make a difference everywhere else.

Terrorists are working hard to exploit gaps in our efforts and the American people deserve no less than our very best effort to thwart those who would do us harm. I am confident in our ability to work together to do just that.

I would like to thank the committee for its time today and I appreciate this opportunity to bring further transparency on this process.

Mr. REICHERT. I thank all the witnesses for their testimony, and I'll begin with just a couple of questions, and then we'll move on to the other members of the committee.

I don't think anyone will disagree that the money from the grant process that's been allocated across the country since September 11th has not been useful to most agencies across this Nation.

As the Sheriff from Seattle, I know I was the recipient of many Federal grants from the Homeland Security Grant System, and also from the COP system, and I know it benefitted the Sheriff's Office tremendously, and also the entire region.

But, we know there had to be some evolution to this process and a learning curve, and I sometimes compare our response to homeland security to a very tragic occurrence in our Nation, and that's Columbine. And, police departments and sheriffs' offices across the country responded to Columbine incidents in a much different way pre that tragic day, and it caused people in law enforcement across this Nation to take a whole different look as to how we were to solve a problem that presented itself in that way.

No longer could you stand around on the outside of the building and negotiate with the person, because that person now today is in there, not negotiating, but killing people, and hurting people. So, you had to come up with a new plan, and you had to come up with new equipment, and new training, and that's what the need is for today, a new plan, new equipment, new training, for protecting our

entire country, and it's a mind set, it's a cultural change that has to take place.

And, I know just recently we had the Secretary, and we also had Mr. Forsman testify in front of our committees and Subcommittee, and I remember one comment that was made, I think it was by Mr. Forsman, is that the grants process is an evolving process. And, we heard testimony from Commissioner Kelly and Mayor Bloomberg, and their testimony referred to the need for training, equipment and communication equipment, but they also continually referred to, and we heard today, personnel.

As you see the grants and training process evolving, do you see it evolving into possibly discussing the need for supporting personnel across the country in some of the non-traditional roles that Homeland Security now has caused us to, those in First Responder uniforms across the Nation take on?

Mr. BERES. I think you make some very good points, Mr. Chairman. I think this whole issue, I mentioned in my testimony that I'd been working on it since 1998, has evolved considerably, and I think one of the best ways of looking at it is sort of to criminal justice, and the criminal justice system in the early '70's, before we were looking at it as a system of systems, you had law enforcement separated from COP, separated from—separated from courts and separated from corrections. I think now at Homeland Security, we are finally starting to see how it is a system of systems in taking a look at what are the needs of those individual systems as they operate within the overall broader context.

I think one of our challenges at the Federal side is determining what are some of those things when we are working with state and locals in a national security problem, a national security issue, what are those things that are the Federal responsibility to fund and/or do, and what are those things that are state and local responsibilities to fund and/or do in a national security context.

Mr. REICHERT. I want to follow up with just a quick question.

Mr. BERES. Sure.

Mr. REICHERT. Because I don't want to go over my time, and I know where you are headed with this.

But, the COPS grants have been slowly, you know, quickly, more quickly, being cut, cut, cut, and when we get to the point where we know we have equipment, we know that training is in place, and you are supporting us with that, there's a point where most chiefs, and sheriffs, and fire chiefs across the country, and emergency managers will say, we need help hiring people. Do you see the grant process going in that direction at all, or at least the discussion beginning?

Mr. BERES. I think there will be a discussion that begins on that, and I think it also starts with you all in your committee also.

Mr. REICHERT. Thank you.

Mr. PASCRELL.

Mr. PASCRELL. Thank you, Mr. Chairman.

Mr. Gramm, thanks for joining us today. I've read your testimony very carefully, and then listening to it, there have been many instances when private industry has been hesitant to detail their emergency preparedness plans because of propriety concerns.

How do your members balance your private sector concerns in emergency preparedness? You had major problems in New Jersey getting the chemical industry moving, when they didn't see the Federal Government doing anything.

Mr. GRAMM. Well, I think there's a couple different levels that you deal with. There's certainly a body of information that business has that's proprietary, that's very sensitive, that the marketplace, for example, the stock markets are very sensitive to some of those, some of that information and some of those plans.

But, where our companies have been working together closely is to try to sort out what's generic security from what is business-specific and business-sensitive information.

We started off with non-disclosure agreements, for example, but over time it's become apparent that they are not so important as they were initially thought to be, because, again, there was a generic—there's a generic body of information that the companies, as they get together and develop that, are willing to share it with business in general.

There is a little bit of a tension between the public sector and the private sector, because of a regulation culture. You mentioned the chemical industry, for example, and I think where business begins, and part of what the first panel, one of the things that the first panel mentioned, I think it was Sheriff Fontoura, was that he was looking for standards to be legislated.

Where business began with this sense of cooperation after 2001 was with a spirit of collaboration, and I think we want to be careful not to undermine that by mandating—by making legislation so isolated, perhaps, or isolated from business participation in developing, helping to develop that legislation. It gets to a non—that we continue in a collaborative environment.

Mr. PASCRELL. Well, we on a Federal level are seeing we have to move when we don't see private industry moving, you know, we are talking about a dangerous strip here in the State of New Jersey, and the chemical industry, you know, were reviewing and examining to see what they've done to step up to the plate, they're looking at it to see what the Federal Government is going to do, and there is that tension there that exists, and yet, I think the overall objective should be that we ought to get off our duffs and get something done.

Mr. Kempf, you know, your agency has come under a lot of attack. The last guy got bounced, found out didn't have any experience whatsoever. I have a great respect for Director, the present Secretary Paulson, I think he's going to do a great job. The first time that anybody has ever come from the ranks, though, first time that anybody was a firefighter, from the point of the fire agencies that we brought it. This is what I talk about with boots on the ground, so that bureaucrats are not telling us how to operate in our local communities. That's what's been going on.

What is FEMA and the Department doing to ensure that governments are prepared for vast evacuations, and mass evacuations, of those that do not have the ways or means to evacuate themselves, or those that are dependent on others for evacuation, such as those confined to hospitals, nursing homes, assisted living facilities? We lost people, when looking back at Katrina, we lost people because

there was either no central command or we couldn't get off the dime to make a decision. So, we left people in those hospitals and they died.

Now, we are not that far from September, since last September, what have we done in the meantime to improve a lot so we can protect people and save their lives?

Mr. KEMPF. Well, as you'd said before, one thing that's most important to remember is that emergency management like politics is all local. So, we have to work with the State Office of Emergency Management, who then work with their local counterparts in the counties and municipalities, and, of course, within nursing homes, hospitals and so forth, to make sure that they have plans and preparedness to move people.

Now, some of the things that come under consideration, of course, is people who are in weakened health conditions, there needs to be some medical judgments as to whether they should be moved relative to the risk that's facing them. For example, somebody is on a life support system, things of this nature. So, those all must be considered.

Our agency, Region II, we just finished off on June 2nd one of our series of meetings with the Office of Emergency Management, Director Ca/as was there with us, State Police Colonel Fuentes and his staff, and one of the things we had addressed is the need for special needs populations. I'm very attuned to that being handicapped myself, and what are the types of needs that we would require to move people out, considering everything from early notice to move the people out of harm's way before things come in, beyond what we would do with the average public, if you will.

Mr. PASCRELL. But, whether it's manmade or whether it is nature itself, it would seem to that when a situation is so overwhelming that the Federal Government has a great responsibility, if you want to look at priorities.

And when you say, well, we've got to work with the locals, we know that you have got to work with the locals, that should be done beforehand.

Mr. KEMPF. Which we are doing, that's right.

Mr. PASCRELL. And, you know, I'm sure we've learned from Katrina, but there's a lot of learning that has to go on here. I do think the Department is educable, and I do think that you have a good Director right now, and I thank you for answering the questions.

And, I'll get to Mr. Beres when we get back around again.

Mr. REICHERT. Mr. Dent.

Mr. DENT. Yes, Mr. Beres, I had talked to the previous panel, I don't know if you were here for that discussion.

Mr. BERES. I was.

Mr. DENT. OK.

Some of the questions I had dealing with states like mine, of Pennsylvania, I'm not as clear on New Jersey, but the question was, you know, what, in your estimation, is the reason why so many of the states have not drawn down a large amount of their terrorism preparedness grants from those three funding programs, UASI, the State Homeland Grant Program, and the Law Enforcement Grant Program, what do you see as the reason for that bottle-

neck, and are they still using a large amount of those dollars, about a third as I last recall, for interoperability programs?

Mr. BERES. Just the first question. There are several different issues that involve the drawn down of the dollars. Several of them have to do with primarily local procurement issues, with being able to actually get contracts out the door. Some of them are restricted to——

Mr. DENT. What is that bottleneck, though, is that occurring in the state offices?

Mr. BERES. That will occur at the actual local level, after the state has made a sub-grant award down to the lowest level. There's also issues at the state level, where many of the dollars that are granted to them have to go through an appropriations process at the state level, so before they can use them they have to be appropriated.

But, I think overall, and this was mentioned in an Inspector General's report a year and a half ago, draw down itself is not a good indicator of the use of the funds necessarily. Director Ca/as here had mentioned that most of the funds, even at the local level, that they had sub-granted down, were obligated, so most people would not draw down any of the funds until they had actually taken receipt of the equipment or had conducted their exercise to pay their contractors, and these are two-year grants that involve planning, exercise and training, too, so you wouldn't expect all of the money to be drawn down until the end of that time.

Mr. DENT. Can you talk a little bit about the trend in Homeland Security funding requests? Are these traditional equipment requests, other than interoperability, communications going down? And conversely, are you seeing more funding requests for planning, training and exercises?

Mr. BERES. I have not—let me just put it this way, from '03 to '05 about $2 billion has been spent on interoperable communications.

Mr. DENT. $2 billion?

Mr. BERES. About $2 billion.

I would have to go back and look at our data and run the data into different categories to answer that question thoroughly, and I'm happy to do that.

Mr. DENT. OK.

And, to Mr. Kempf, my only comment would be to you, I think Ranking Member Pascrell has talked about it, we all worry about this evacuation of the New York Metropolitan Area, and maybe Northern New Jersey, you know, can you just give us your observations as to where we are, and where we—or where we should be with respect to a major evacuation in this region, and what communities ought to be doing better than they are now?

Mr. KEMPF. Well, it's got to go without saying that any mass evacuation, especially the northern parts of New Jersey and the New York City confluence, is going to be quite difficult.

The roadways will permit just a certain amount of vehicles to transport itself over a certain amount of time. The state has instituted reverse lane strategies and all the other types of strategies you would necessarily need.

But, I think that the key thing that we have to look at here is the early notice and the confidence of the public to evacuate when it needs to. One of the misfortunes we have up in this part, especially with a hurricane, is that it will move very, very quickly, and people have to be willing to take an evacuation notice or order much earlier than we would otherwise anticipate in the southern regions, and that goes without saying for any fast moving terrorism attack or things of that nature.

I do believe to the extent that it's humanly possible within the State of New Jersey that the State Police Office of Emergency Management has very effective plans and can handle a large-scale evacuation. Whether it's going to be able to so-called empty the area in 24 hours, I doubt that, because of the limits of the roadway capabilities.

But, for everything that can be done I believe, and I'm confident that they have done that.

Mr. DENT. Thank you.

I yield back.

Mr. REICHERT. Thank you, Mr. Dent.

I have just a couple quick questions, Mr. Beres first.

Secretary Ridge, in June of '04, recommended that the Department of Homeland Security institute, in coordination with state, county and local governments, municipal tribal governments also, a grant tracking system, automated grant tracking system. Is that in place today?

Mr. BERES. We have a grant tracking system that collects immense amounts of data on expenditures, what people are spending their dollars are, who are—where they are spending it, who are the beneficiaries of it.

What is missing, I believe, and Secretary Forsman testified to this in his last hearing, is actually, basically, a real-time accounting system to determine where dollars actually are within a pipeline at any given time across the country.

Mr. REICHERT. And, when would that be expected to be in place?

Mr. BERES. I do not know. We are working on developing right now a more formalized grant processing system, but I do not believe that will end up solving the problem of knowing exactly where all expenditures are throughout the pipeline. That really requires everyone to be pumping into the same accounting system nationally.

Mr. REICHERT. Would this be a critical part of the next evaluation of who gets grants and how grants are distributed across the country?

Mr. BERES. I think we would more likely take a look at actual obligations we track, and then the types of things the funds are being used for.

Mr. REICHERT. OK.

Mr. Kempf, preparedness is something that we, in the First Responders arena, do every day, we prepare, and as you know, as Mr. Chertoff took office, he separated response and preparedness. How do you see that, that reorganization, is that something that's a benefit, or should we go back to putting response and preparedness back together again?

Mr. KEMPF. Well, I still think, given the enormity of the task, and the vast amount of resources, and the new challenges that we face today, there probably are some very, very strong arguments to be made to keep response and preparedness within FEMA as a separate agency, just as there are for the current structure that Secretary Chertoff has developed.

I think that the real key to—regardless of where it is, is the one that was discussed earlier, and that's the one of the relationships within organizations, whether we are attached to another organization, whether we are independent, doesn't really matter. When we have to work with other organizations, such as the Department of Defense and so on, we have to have those mechanisms in place, the relationships in place so that we can effectively move those resources and have a very, very clear picture and understanding of where we are taking those resources to.

One of the effective things we've done under this current structure is to develop what's called the PFO, Principal Federal Official structure, and I also have with me a Deputy Principal Federal Office, Joe Peshano, who has been with the agency for, I think, 30 years and is Deputy Regional Director.

We work with Admiral Pekosky from the U.S. Coast Guard, who is the lead PFO, and we all recognize that regardless of what structure we are working on, if we didn't have those plans in place, the preparedness thinking if you will, and the relationships to call up and say we need this, this is what's happening, it wouldn't work no matter what the structure was.

So, I think it really comes down to, Mr. Chairman, is that it's almost a matter of perspective. You know, it's a glass half empty, glass half full type of an argument. I think some of the locals that I talk to all the time, some found this to be very effective and a very good way for them to get information, others like the comfort of the old system that they had worked on.

Personally, I can work with this agency as it is structured today. We've been able to bring information down through our region, from Headquarters effectively into the state, and, sure, we have questions that we have to answer every once in a while, but we seem to be able to bridge those as we are learning through this system.

Mr. REICHERT. Great, thank you.

Mr. PASCRELL.

Mr. PASCRELL. Before I get to the funding, Mr. Chairman, I want to say to Mr. Kempf, I think it is the most ridiculous idea I've ever seen since I've been in the government that we have separated preparedness and response. Every time Mr. Chertoff explains to us it only gets worse. I think the sentiment, correct me if I'm wrong, Mr. Chairman, the sentiment is that we bring them together, and that they work together so that one hand knows what the other is doing. I think that this is a very, very important and critical point in discussing FEMA and where it works and where it hasn't worked. We know that FEMA can work, and it's done—a lot of people are hard-working people, as yourself, as like yourself, but I think if policies and the strategies from the top are wacky, and I hope you bring that back to Mr. Chertoff, although I've already told him to his face.

Mr. KEMPF. As long as they don't kill the messenger, sir.

Mr. PASCRELL. I want to talk about funding, Mr. Chairman. Mr. Forsman has spoken before the Congress, and now Mr. Beres, you guys are the messengers, so what I have to say has nothing to do with your service to your country. I respect it and thank you for it.

But, the funding mechanism that is before us we need to understand, the public needs to understand, how it works. First of all, when you ask the question and we talk about draw down, this is a very different kind of program for Homeland Security, in that you have to spend the money first before you get it. That's the program, it's in the law.

And so, much of the money is in the pipeline waiting to be delivered, but the municipality has not gotten what they paid for yet. They have applied to the Homeland Security for reimbursement, it's almost a reimbursement program.

What would you think of this, Mr. Beres, that instead of this foolish program that we kept on debating in the Congress, that we use the program and we use the model of the Fire Act, or the COPS program, where the money goes directly to the municipality on a competitive based, based upon risk and vulnerability? We believe that much of the money should be based upon risk and vulnerability, and not population, and we still have a system where folks in Wyoming are getting more Homeland Security money per capita than we are in New York. That doesn't make any sense. I don't know how you justify it.

I love the people in Wyoming, I want them to be protected, and we want to help them be protected, and the Federal Government has a responsibility to them. Don't tell me that we have to sacrifice.

You know, the numbers in New York are astounding. You slashed their budget from $207 million to $124 million. I want to know how that makes New Jersey safe.

Now, you approved, you increased the money to the Newark/Jersey City region, and, of course, the ten mile parameter around it. Of course, you reduced the money for the entire State, so you have to tell people that. So, we come out with less money than even the same amount of money.

I mean, you are not going to play games with these numbers anymore. What I find astonishing, what I find astonishing is, that many people lose cite of the fact that we shrunk the bottom line, we have a smaller pie to deal with. And, you've got to come up with ways to get the money, even though it's less money in totality, to as many communities that are vulnerable as possible.

I understand that, we all understand that, but I also understand one thing, if New York isn't safer we are not safer on this side of the river, and I understand that, and I'm going to fight every possibility and every chance that I get to make sure that that funding is restored, because it's a matter of priorities.

I want you to take this back to Mr. Chertoff, who comes from the State of New Jersey, who I supported when he was nominated for the job in the first place. But, you take this back to him, that I would rather provide—provide, the technical state of the art for our police and fire, the interoperability for our police and our fire, the training for our police and our fire, rather than give Barry Bonds

a $72,000 tax cut. If everything is a priority, nothing is a priority, and to me there is no greater priority than homeland security, you work on it every day, you do a great job. If I didn't feel so, I would tell you that, you know that.

Mr. BERES. Thank you, sir.

Mr. PASCRELL. But, I am telling you, you've got to take it back to your boss, we've got to have him in front of our committee again. It's been a long time since he's been here, Chairman, and we've got to ask him those tough questions. I realize you can't even answer those questions.

But, when everything is a priority, nothing is a priority. If this is a priority, if the safety of our public safety people out there every day, and we thank them all for their service, if that isn't a priority to us I don't know what is. I don't know what is.

So, we don't have—do you know how the Federal budget was cut? Tell everybody here how much the Federal budget was cut, in terms of homeland security, the bottom line.

Mr. BERES. The programs that I administer——

Mr. PASCRELL. No, not just what you administer, the bottom line budget.

Mr. BERES. I'm not sure what the total bottom line budget on all of homeland security is in that number, but the amount of dollars that we ended up being appropriated was $500 million less for the Homeland Security Grant Program.

Mr. PASCRELL. $1.4 billion less when you add in all the——

Now, let me ask you this final question, Mr. Chairman, if I will, are we less vulnerable and less at risk now, and is that why we cut those budgets?

Mr. BERES. I don't think we are less at risk, no.

Mr. PASCRELL. I have no further questions.

Mr. REICHERT. Thank you, Mr. Pascrell.

Mr. DENT.

Mr. DENT. Thank you.

Mr. Gramm, I'm just curious to hear your comments on what some of your members are doing. I know in New York, for example, CitiBank has an enormous security operation. I believe they may be the largest private sector employer in the City of New York, and I was just curious, you know, how you feel the level of interaction is between various major businesses in this region with the Homeland Security and public sector officials who are charged with keeping us safe.

Mr. GRAMM. Yes, and a lot of our businesses, based on their experience in New York, have gotten very, very aggressive and professional at the level of security and health concern kind of things that they are providing for their employees to protect the business, as part of the business continuity plans.

We started out in New Jersey with some of those companies that have offices both in New York and New Jersey, and the initiation of the Business Force concept started with our meeting with state officials and the Attorney General's office, the Governor's office, Department of Health, New Jersey State Police, and asked them specifically what kinds of things did they see the private sector being involved with that could be helpful in the development of an effective partnership.

They gave us certain things to do. We went out and our member companies in New Jersey are about 30, 32, and those companies funded initiatives, both in staff, and development of software, and processes and procedures, and then tested those out, and we are now in a position where we are ready to roll a lot of those things out through our members to the entire business community.

So, the partnership is a growing one, and especially these days in light of pandemic flu, that this is getting a lot of attention from our Public Health officials, developing that partnership with the private sector companies, in order to help with things like distribution of medications.

Mr. DENT. With respect to pandemic flu, do you notice that a lot of your members are stockpiling kamma flu and other antivirals or vaccines?

Mr. GRAMM. Not a lot at this point in time, but it is a consideration that's been talked about, yes.

Mr. DENT. Thank you, Mr. Chairman.

I yield back, have no further questions.

Mr. REICHERT. Well, I want to thank the witnesses, and I just want to comment, when I was the Sheriff I had the opportunity to sit on the panel and be quizzed by what we call in King County the County Council Members, and they are called—what are they called here—freeholders, and sometimes the freeholders or the County Council Members or Commissioners, in some areas of the country where there can be—they can offer some pressing questions. And so, when you are sitting over in this seat sometimes it can get hot. Some of you may have been in that position before, I just want to say thank you for being here, because I know sometimes you have tough questions to answer, but as Mr. Pascrell said, we appreciate you being here, we appreciate the service that you provide to our country and to our communities across the country, and good job.

Thank you. Thank you all for being here, and without further objection this ends our hearing.

[Whereupon, the subcommittee was adjourned].