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THE DEPARTMENT OF HOMELAND SECURITY: AN OVERVIEW OF THE PRESIDENT'S PROPOSAL

HEARING

BEFORE THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

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THE DEPARTMENT OF HOMELAND SECURITY: AN OVERVIEW OF THE PRESIDENT'S PROPOSAL

THURSDAY, JUNE 20, 2002

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The committee met, pursuant to notice, at 1:10 p.m., in room 2154, Rayburn House Office Building, Hon. Dan Burton (chairman of the committee) presiding.

Present: Representatives Burton, Barr, Gilman, Morella, Shays, Horn, Thomas M. Davis of Virginia, Souder, LaTourette, Miller, Ose, Jo Ann Davis of Virginia, Platts, Weldon, Putnam, Schrock, Duncan, Sullivan, Waxman, Lantos, Mink, Sanders, Maloney, Norton, Cummings, Kucinich, Davis of Illinois, Tierney, Turner, Allen, Schakowsky, Clay, Watson, and Lynch.

Staff present: Kevin Binger, staff director; Daniel R. Moll, deputy staff director; James C. Wilson, chief counsel; David A. Kass, deputy chief counsel; Marc Chretien, senior counsel; Chad Bungard, Pablo Carrillo, Hilary Funk, Randall Kaplan, and Jennifer Hall, counsels; Caroline Katzin, Kevin Long, and Gil Maklin, professional staff members; Blain Rethmeier, communications director; Allyson Blandford, staff assistant; Robert A. Briggs, chief clerk; Robin Butler, office manager, Elizabeth Crane, deputy communications director; Joshua E. Gillespie, deputy chief clerk; Nicholis Mutton, assistant to chief counsel; Leneal Scott, computer systems manager, Corinne Zaccagnini, systems administrator; Phil Schiliro, minority staff director; Phil Barnett, minority chief counsel; Kate Anderson, Michelle Ash, Tony Haywood, and David Rapallo, minority counsels; Karen Lightfoot, minority senior policy advisor; Mark Stephenson and Tania Shand, minority professional staff members; Ellen Rayner, minority chief clerk; and Earley Green, minority assistant clerk.

Mr. BURTON. The committee will come to order. Today we are meeting to begin considering the President's proposal to create a Homeland Security Department. And Governor Tom Ridge, my good friend, is here to testify, commonly known as Landslide.

I am very glad that he is here to explain the President's plan and to answer our questions. For the last couple of months, a lot of questions have been asked about the events leading up to September 11th. Did the FBI and the CIA fail to coordinate, and many of us have questions about that. Did the FBI respond as aggressively

as they should have when leads were developed? Did the INS make mistakes?

These are very important questions. We ought to get answers. It is important to learn from the mistakes that were made in the past so we can do better in the future. And that is the value of oversight, congressional oversight is absolutely necessary. But it is also important for us to look forward. We need to take the steps that are necessary to prevent another terrorist attack. The President has said very clearly that we need to have one cabinet level department whose primary mission is to protect the United States from terrorist attack; a Defense Department for the United States, if you will.

Congress is going to act on the President's proposal and I believe will do it in a bipartisan way, that is very important. I support the President's plan. I support the creation of a homeland security department. I signed on as an original co-sponsor of the bill. I want to work with the President, Mr. Ridge and all of my colleagues on the Government Reform Committee to get this bill passed, and we will get the job done.

I think that this committee is in a good position to take on this challenge. First, it is our jurisdiction. This committee is responsible for executive branch reorganizations. Second, and more importantly, we have the experience. We have a subcommittee, very ably chaired by Mr. Shays, and Mr. Shays, we want to thank you for all of the hearings you have had in the past that deal with national security.

And he has held more than two dozen hearings on actually this issue. Are we organized to defend against terrorist attacks? Are we organized to recover from them? This subcommittee has been looking at these issues for more than 2 years. We have seven subcommittees that oversee every facet of the government. Almost every one of these subcommittees have held hearings this year looking into different aspects of the homeland security puzzle.

Last fall, at the full committee, we heard Benjamin Netanyahu, the former prime minister of Israel talk about how they dealt with terrorism in that country, and what we need to do here in the United States. We heard from in General Zinni who was asked by the President to be his special envoy to the Middle East. So we have the experience.

One thing is clear. If we are going to do this, it has to be bipartisan. We have to work together, Republicans and Democrats. We have got to work with the other committees of the House and we have got to work with the leadership. After September 11th, this Congress rallied behind the President. We worked together to do what was necessary in that crisis. We can be all proud of that. If we all work together over the next month, we can get the same kind of results.

And we have got a lot of work to do. And we don't have a lot of time to do it. We just received the bill 2 days ago. I think all of the Members here have questions about different aspects of the bill. Why were some agencies included? Why were other agencies left out? That is why I am very pleased that Governor Ridge is here this afternoon so he can start answering these questions and we can start getting answers.

In his message to Congress, the President said, "the threat of terrorism is a permanent condition." It is not going to go away, and he is right. This problem is not going to go away. Terrorists from around the world are going to keep trying to strike us where we are weak. When the stakes are this high, we can't have the responsibility for homeland security spread out over 100 different agencies. That is a big problem. We need to have one Federal agency, one cabinet level officer whose primary mission is homeland defense.

That is why the President made this proposal. That is why we need to work together with him to get it passed. And I am going to ask all of my members here on the committee to limit their opening statements to 3 minutes or less. If Members would be willing to submit their statements for the record, that would even be better. We have a lot of questions for Governor Ridge and I want us to have as much time as possible to ask those questions. I tried to lead by example by keeping my usually long statement short.

So I hope everyone will do the same.

[The prepared statement of Hon. Dan Burton follows:]

Opening Statement
Chairman Dan Burton
Committee on Government Reform
"The Department of Homeland Security:
An Overview of the President's Proposal"
June 20, 2002

Today, we are meeting to begin considering the President's proposal to create a Homeland Security Department. Governor Ridge is here to testify. I'm very glad that he's here to explain the President's plan and answer our questions.

For the last couple of months, a lot of questions have been asked about the events leading up to September 11. Did the FBI and the CIA fail to coordinate? Did the FBI respond as aggressively as they should have when leads were developed? Did the INS make mistakes?

These are very important questions. We ought to get answers. It's important to learn from mistakes that were made in the past so we can do better in the future. That's the value of oversight. Congressional oversight is absolutely necessary.

But it's also important for us to look forward. We need to take the steps that are necessary to prevent the next terrorist attack. The President has said very clearly that we need to have one cabinet-level department whose primary mission is to protect the United States from terrorist attacks. Congress is going to act on the President's proposal, and I believe we'll do it in a bipartisan way.

I support the President's plan. I support the creation of a Homeland Security Department. I've signed on as an original cosponsor of the bill. I want to work with the President and all of my colleagues on the Government Reform Committee to get this bill passed -- and we will get the job done.

I think that this Committee is in a good position to take on this challenge. First, it's our jurisdiction. This Committee is responsible for executive branch reorganizations.

Second, and more importantly, we have the experience. We have a subcommittee -- very ably chaired by Chris Shays -- that has held more than two dozen hearings on exactly this issue -- are we organized to defend against terrorist attacks? Are we organized to recover from them? This subcommittee has been looking at these issues for more than two years. We have seven subcommittees that oversee every facet of the government. Almost every one of those subcommittees have held hearings this year looking into different aspects of the homeland security puzzle.

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One thing is clear. If we're going to do this, it has to be bipartisan. We've got to work together -- Republicans and Democrats. We've got to work with the other Committees of the House, and we've got to work with the Leadership. After September 11, this Congress rallied behind the President. We worked together to do what was necessary in a crisis. We can all be proud of that. If we all work together over the next month, we can get the same kind of results.

We've got a lot of work to do, and we don't have a lot of time to do it. We just received the bill two days ago. I think all of the Members here have questions about different aspects of the bill. Why were some agencies included? Why were other agencies left out? That's why I'm very pleased that Governor Ridge is here this afternoon, so we can start asking those questions and getting answers.

In his message to Congress, the President said, "the threat of terrorism is a permanent condition." He was right. This problem is not going away. Terrorists from around the world are going to keep trying to strike us where we're weak. When the stakes are this high, we can't have responsibility for homeland security spread out over 100 different agencies -- that's a big problem. We need to have one Federal agency -- one cabinet-level officer -- whose primary mission is homeland defense. That's why the President made this proposal. And that's why we need to work with him to get it passed.

I'm going to ask all Members to limit their opening statements to three minutes or less. If Members would be willing to submit their statements for the record, that would be even better. We have a lot of questions for Governor Ridge, and I want us to have as much time as possible to ask them. I've tried to lead by example by keeping my statement nice and short. I hope everyone will do the same.

I now yield to Mr. Waxman for his opening statement.

Mr. BURTON. With that, Mr. Waxman is not yet here, but his good friend and my good friend, Mr. Lantos, is here. We will start with him. Mr. Lantos.

Mr. LANTOS. Thank you very much, Mr. Chairman. And I am glad to welcome our good friend, Tom Ridge. I want to commend the President for selecting you for your current position and wish you the very best in your future position.

No one could do the job better than you, Tom. We are all proud of you. Following September 11, phase 1, the immediate task of giving the President all of the powers that he needs to conduct the war against global terrorism was the responsibility legislatively of the Internal Relations Committee. The chairman of that committee, Henry Hyde, and I as ranking member, managed that legislation in a 9½-hour marathon session. The session wasn't so long because the issue was controversial, it was long because every member chose to speak on the subject.

As you remember, we passed it with one dissenting vote. All Republicans and all but one Democrat voted to give the President all of the powers to conduct the war on global terrorism.

This legislation and your new department is the second phase. Now, we have had some time to look at the organizational structures that will be required to carry on this vote. If the phrase "mission creep" has any meaning, it is your operation. You currently have 100 employees, and you will have, I understand, about 170,000, which I think deserves a record in the Guinness Book as the fastest growing entity in the Federal Government.

And let the record show it happened under Republican administration.

You will note, Tom, that you will have the same bipartisan support wall to wall that the President had with his initial proposal. We are dealing with the Nation's security. And we are all on the same side of this issue.

Our concerns are not with the needs to establish this new department. Democrats have advocated it for a long time. But we are determined to do it right. Because if we don't do it right, all of us will suffer. I think it is important for the media and the administration to understand that those of us who will raise questions about particulars of the proposal do so in a spirit of patriotism, cooperation and friendship. There is no monopoly on wisdom in this body or in the government at large. And we Democrats will be making constructive and positive contributions to make your future department more effective and more functional.

Let me just say that the State Department had a rather interesting test case, pilot study of how difficult it is, even in the same general arena to integrate different entities. In the recent past, as you know, we went through integrating the U.S. Information Agency, the Arms Control and Disarmament Agency and the State Department, all dealing with foreign policy. It was a horrendously complex undertaking, partly because the cultures of the three agencies were so different.

You will be inheriting a tremendous array of agencies with profoundly different cultures. And one of the things we will be looking at is how we can smoothly do this. My own recommendation would be that long before the legislation passes, there be some inter-

agency cooperation so people understand the other agencies that they will be dealing with.

Now, one item will be nonnegotiable on the Democratic side. And that is, the job security of every single Federal employee in all of these agencies. And I strongly urge you and the President not to debate this. Because, should you choose to do so, we will simply not cooperate. So I would be grateful if, in your opening statement, you would indicate what your position is on job security for all of the Federal employees in the various departments and agencies which will become part of your department.

Finally, let me just suggest that you have our profound goodwill. You have demonstrated with your own personal career a degree of commitment to public service and patriotism that we all appreciate. And we on the Democratic side look forward to working with you. Thank you Mr. Chairman.

Mr. BURTON. Thank you, Mr. Lantos.

And now I would like to introduce Chris Shays, the chairman of the Subcommittee on National Security, who has done yeoman's service in working on this issue. Mr. Shays, you are recognized.

Mr. SHAYS. Thank you, Mr. Chairman. Mr. Chairman, thank you for holding these hearings. I have a terrific committee, both Republicans and Democrats. Mr. Ridge, thank you for being here.

In the course of the 28 hearings on global terrorism, our subcommittee has traveled the twisted bureaucratic byways and dead-end currents of our current homeland security structure. We saw duplication in research programs and a proliferation of narrowly focused counterterrorism efforts. We heard testimony on a crippling lack of coordination between more than 100 Federal departments, agencies, offices, task forces, steering committees and working groups attempting to protect America's people and property from catastrophic harm. And we learned this hard fact: The menace of global terrorism respects no moral, legal or political boundaries. Terrorism cuts across cold war jurisdictional stovepipes and turf boundaries as coldly and as dangerously as a commercial aircraft cuts through a building.

In another age, in the face of another mortal challenge to our serenity and sovereignty, President Abraham Lincoln advised Congress, "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise with the occasion. As our case is new so we must think anew, and act anew. We must disenthrall ourselves, and then we shall save our country."

At this moment in history, saving our country requires bold action to reshape and refocus instruments of government's most fundamental responsibility, defense of life and liberty. The President proposed that bold action building on the work of three national commissions and the work of thoughtful legislators on both sides of the aisle and in both Chambers.

The President asked us to establish a department of homeland security with sufficient reach, strength, agility and efficiency to thwart any terrorist network. The scope of the administration's proposal reflects and honors the hard lessons learned at the World Trade Center, at the Pentagon, and in a field outside Shanksville, PA, and the caves of Afghanistan. It challenges us to think anew

and act anew. Recent news reports should chasten anyone attempting to indulge the old habits of division and delay.

That we captured a terrorist suspected of plotting to detonate a radiological device should sound an alarm. We are in a race against the terrorists who seek to use weapons of mass destruction against us. Each day, each hour, they get closer.

There is time for serious discussion and debate. There is no time for dilatory tactics or purely theoretical musings on the unintended consequence of prompt action. The consequences of inaction are intolerable. The President's proposal is bipartisan, it is bicameral. And I agree with the distinguished house minority leader, it can and should be done by September 11th.

Mindful of the vigilance and sacrifice upon which we build, let the process to restructure our homeland defense proceed with the urgency demanded by the challenges before us.

I would just say this one last point. I know this bill isn't perfect. I know this bill needs some work. But together Republicans and Democrats, we can work our will on this legislation and give the President an excellent bill. And thank you, Tom Ridge and your staff, for working so hard to get this to us after the President's announcement so recently.

Mr. BURTON. Thank you, Mr. Shays.

[The prepared statement of Hon. Christopher Shays follows:]

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ONE HUNDRED SEVENTH CONGRESS

Congress of the United States

House of Representatives

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Statement of Rep. Christopher Shays
June 20, 2002

In the course of twenty-eight hearings on terrorism, this Subcommittee has traveled the twisted bureaucratic byways and dead ends of our current homeland security structure. We saw duplication in research programs and a proliferation of narrowly focused counterterrorism efforts. We heard testimony on a crippling lack of coordination between more than one hundred federal departments, agencies, offices, task forces, steering committees and working groups attempting to protect America's people and property from catastrophic harm.

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The President proposed that bold action. Building on the work of three national commissions, and the work of thoughtful legislators, the President asked us to establish a

Department of Homeland Security with sufficient reach, strength, agility and efficiency to thwart any terrorist network.

The scope of the administration proposal reflects, and honors, the hard lessons learned at the World Trade Center, at the Pentagon, in a field outside Shanksville, Pennsylvania and in the caves of Afghanistan. It challenges us to think anew and act anew.

Recent news reports should chasten anyone tempted to indulge the old habits of division and delay. That we captured a terrorist suspected of plotting to detonate a radiological device should sound an alarm. We are in a race against the terrorists who seek to use weapons of mass destruction against us. Each day, each hour, they get closer.

There is time for serious discussion and debate. There is no time for dilatory tactics or purely theoretical musings on the unintended consequences of prompt action. The consequences of inaction are intolerable.

The President's effort is bipartisan. It is bicameral. And, I agree with the distinguished House Minority Leader: It can and should be done by September 11.

Mindful of the vigilance and sacrifices upon which we build, let the process to restructure our homeland defenses proceed with the urgency demanded by the challenge before us.

Mr. BURTON. We will recognize Members in order of their arrival, but the one exception will be Mr. Waxman, who is the ranking minority member.

Mr. WAXMAN. Thank you very much, Mr. Chairman. I thank you for recognizing me. I apologize I wasn't here when the meeting started, but there is another mark-up going on on the prescription drug benefit in the Commerce Committee. Today's hearing addresses how to organize our government to fight terrorism. This is an important subject. Our government can do a better job protecting against terrorism, and reorganization can help.

I particularly want to welcome Governor Ridge to the hearing. I commend him and the President for preparing a blueprint of reorganization. This is not a partisan issue but a national one. Leadership from the White House is essential. But as we embark on this reorganization effort, it is important that we keep our priorities in perspective. Fundamentally, reorganization is a bureaucratic exercise. The plan before us addresses organizational flow charts. The creation of five new under secretaries, and 16 new assistant secretaries and the application of Civil Service and procurement laws.

As a professor of management at Columbia University recently remarked, to think that a structural solution can bring about a major improvement in performance is a major mistake. The reorganization plan doesn't address the most pressing security questions that we confront. We have to stop the spread of biological weapons. But this reorganization doesn't contain a plan for international inspections of suspect facilities or for greater resources for tracking biological agents globally.

We have to improve airline security, and enhance the poor performance of the new transportation security administration. But this reorganization doesn't contain any plans for fixing the flaws in the new transportation security administration. Instead it simply moves this agency into a new bureaucracy.

And we have to improve the performance and coordination of our intelligence agencies. But it isn't clear how adding another intelligence agency in a new bureaucracy helps fix this. For example, there is nothing in this bill that would ensure that the National Security Agency will do a better job translating warnings of terrorists threats.

While I am not opposed to reorganization, in fact I am convinced that there are steps that we can take that will make sense and improve the functioning of our government, but it has to be done in a way that minimizes the disruption and bureaucracy and maximizes our ability to confront the terrorism threat that we face.

There is an old adage that those who don't remember the past are condemned to repeat it. But we may do exactly this in our headlong rush to create a new department. The history of past reorganizations is not reassuring. The Department of Energy was created 25 years ago, and it is still dysfunctional. The Department of Transportation was created 35 years ago, yet as the National Journal reported this week, it still struggles to make its components cooperate, share information and generally play nice.

The model that we are supposed to be emulating is a creation of the Department of Defense 50 years ago. But, for over 35 years, the Defense Department was riven with strife. In 1983, when President

Reagan ordered the invasion of Grenada, the Army and the Marines had to split the island in half because they couldn't figure out how to cooperate. It was not until the Goldwater-Nichols Act of 1986 that the problems created in the 1947 reorganization were finally addressed.

To avoid the mistakes of the past we have to do a careful job. But the process we are following is not encouraging. The reorganization plan was released before the administration completed its work on the national strategy to provide homeland security. So it is impossible for us to assess how this reorganization will contribute to the national strategy. Moreover, the White House proposal we are considering today was put together by a handful of political appointees working in secret.

The agencies with expertise were excluded from the process. In fact, there was so little communication between the White House and the agencies, that one important agency had to call us yesterday to find out how it fared under the plan. And here in Congress, we are operating under an expedited schedule that is likely to make thoughtful deliberation difficult.

If we were following regular procedure, our committee would be the lead. And we could ensure that the complex issues raised by the proposed reorganization are carefully explored, but we have been stripped of that role by the House leadership. These days there seems to be a lot of bipartisan self-congratulation going on, which makes us all feel good, and we want to work together on a bipartisan basis, because we all feel strongly that this Nation is at risk and our people are under terrorist threat.

But the time for congratulations and elaborate ceremonies will come when we have captured Osama bin Laden and the other Al Qaeda leaders, when we have arrested the criminal or criminals who launched the anthrax attacks, and when Americans from California to New York go to bed at night knowing that our intelligence agencies are in the best possible position to thwart terrorism. And it will be when we have figured out how to bring peace to the Middle East and stability in Afghanistan.

We have a long way to reach these goals. It is our job to ensure that the new bureaucracy we are creating makes a positive and not a negative contribution to this effort. Mr. Chairman, I want to pledge to you my cooperation, to Governor Ridge as well, to work with you to accomplish these goals that we want to see come out of any reorganization. I thank you for yielding me this time.

Mr. BURTON. Thank you, Mr. Waxman. We look forward to working with you as well.

[The prepared statement of Hon. Henry A. Waxman follows:]

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ONE HUNDRED SEVENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM

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Statement of Rep. Henry A. Waxman
Ranking Member
Committee on Government Reform
Hearing on
"The Department of Homeland Security: An Overview of the President's Proposal"

June 20, 2002

Today's hearing addresses how to organize our government to fight terrorism. This is an important subject: Our government can do a better job protecting against terrorism and reorganization can help.

I particularly want to welcome Governor Ridge to the hearing. I commend him and the President for preparing a blueprint of reorganization. This is not a partisan issue, but a national one. Leadership from the White House is essential.

But as we embark on this reorganization effort, it is important that we keep our priorities in perspective. Fundamentally, reorganization is a bureaucratic exercise. The plan before us addresses organizational flow charts . . . the creation of five new undersecretaries and sixteen new assistant secretaries . . . and the application of civil service and procurement laws.

As a professor of management at Columbia University recently remarked, "To think that a structural solution can bring about a major improvement in performance is a major mistake."

The reorganization plan doesn't address the most pressing security questions that we confront. We have to stop the spread of biological weapons. But this reorganization doesn't contain a plan for international inspections of suspect facilities or for greater resources for tracking biological agents globally.

We have to improve airline security and enhance the poor performance of the new Transportation Security Administration. But this reorganization doesn't contain any plans for fixing the flaws in the new Transportation Security Administration. Instead, it simply moves this agency into a new bureaucracy.

-more-

And we have to improve the performance and coordination of our intelligence agencies. But it isn't clear how adding another intelligence agency in a new bureaucracy helps fix this. For example, there is nothing in this bill that would ensure that the National Security Agency will do a better job translating warnings of terrorist threats.

I am not opposed to reorganization. In fact, I'm convinced that there are steps we can take that will make sense and improve the functioning of our government. But it has to be done in a way that minimizes disruption and bureaucracy and maximizes our ability to confront the terrorism threats that we face.

There's an old adage that those who don't remember the past are condemned to repeat it. But we may do exactly this in our headlong rush to create the new Department. The history of past reorganizations is not reassuring. The Department of Energy was created 25 years ago and it is still dysfunctional. The Department of Transportation was created 35 years ago, yet as the National Journal reported this week, it "still struggles to make its components cooperate, share information, and generally play nice."

The model that we are supposed to be emulating is the creation of the Department of Defense 50 years ago. But for over thirty-five years, the Defense Department was riven with strife. In 1983, when President Reagan ordered the invasion of Grenada, the Army and the Marines had to split the island in half because they couldn't figure out how to cooperate. It was not until the Goldwater-Nichols Act of 1986 that the problems created in the 1947 reorganization were finally addressed.

To avoid the mistakes of the past, we have to do a careful job. But the process we're following is not encouraging. The reorganization plan was released before the Administration completed its work on the national strategy to provide homeland security, so it's impossible for us to assess how this reorganization will contribute to the national strategy.

Moreover, the White House proposal we are considering today was put together by a handful of political appointees working in secret. The agencies with expertise were excluded from the process. In fact, there was so little communication between the White House and the agencies that one important agency had to call us yesterday to find out how it fared under the plan.

And here in Congress, we are operating under an expedited schedule that is likely to make thoughtful deliberation difficult.

If we were following regular procedure, our Committee would be the lead, and we could ensure that the complex issues raised by the proposed reorganization are carefully explored. But we've been stripped of that role by the House leadership.

These days there seems to be a lot of bipartisan self-congratulation going on, which makes us all feel good. But the time for congratulations and elaborate ceremonies comes when we have captured Osama bin Laden and the other al Qaeda leaders, when we have arrested the criminal who launched the anthrax attacks, and when Americans from California to New York go to bed at night knowing that our intelligence agencies are in the best position possible to thwart terrorism.

We have a long way to reach these goals. It is our job to ensure that the new bureaucracy we are creating makes a positive -- and not a negative -- contribution to this effort.

Mr. BURTON. Mr. Horn.

Mr. HORN. Thank you, Mr. Chairman. As you know, we have a Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations. And we have been holding a series of field hearings to examine how effectively the Federal Government is in assisting and working with State and local governments in preparing for potential terrorist attacks.

Specifically, the subcommittee has focused on biological, chemical, nuclear agents. We have especially been interested in taking to the firefighters and police officers and medical personnel and health personnel those duties that place them in the front line when such an attack occurs. We started in Nashville, then Phoenix, Albuquerque, Los Angeles, San Francisco. In the next 2 weeks, we will have Milwaukee, Chicago, Omaha, Wichita, Denver.

These hearings are the result of obviously what occurred on September 11th. We learned that the public health system is woefully unprepared to handle the massive numbers of injuries that could result from such an attack. We also learned from the police chiefs of Baltimore, Philadelphia and right here in the Nation's Capital that the Federal Government is not providing the type of intelligence information they need to do their jobs. In part, that problem stems from the chief's lack of security clearances.

I have introduced H.R. 3483 and given it to the chairman of the Judiciary Committee. And hopefully, we will get that one way or the other, where there is intergovernmental cooperation. And you as a Governor are a good example to have those feelings.

The Homeland Security Act of 2002 specifically addressed many concerns that have been raised during our field hearings such as the need for interoperable communications. When we were in Nashville, the civilian helicopters that bring things, and people and injured people to the fine hospitals they have there, and the military, they are all on different frequency and they can't talk to each other. So that is one.

And I think looking at the competition of intelligence is particularly important. CIA, NSA, national reconnaissance, and so forth. It seems to me you want competition, because you want to make sure that nothing is under the desk, that it is being done. And the people in the State and local governments they know have generally, most Governors have a little FEMA modeled after the very able people in the national FEMA. And we need to give them the information they need in intelligence.

And, Mr. Chairman, we can go through other things, but let's stop right there.

Mr. BURTON. Thank you very much, Mr. Horn. Appreciate your sticking to the 3 minutes very nice.

Mr. Kucinich.

Mr. KUCINICH. Thank you very much, Mr. Chairman. I also want to thank Governor Ridge for his appearance. Governor, good to see you. Our committee, which has the primary jurisdiction over those proposals, stands ready to work with the Bush administration in any way we can to make sure that our government is more prepared to deal with terrorist threats. We will consider the White House proposal to make the Office of Homeland Security a cabinet level agency fairly, comprehensively, and expeditiously as possible.

But in order to do so, we are going to need reciprocal cooperation from the administration.

In October, committee leaders wrote a bipartisan letter to President Bush based on our committee's work on the past on this issue. We urged the comprehensive threat and risk assessment of the Nation's vulnerabilities. Only by first conducting such an assessment we asserted could our government develop sound priorities and craft a coherent national strategy.

To this day, the administration has conducted no such assessment. When the President created Governor Ridge's position, the Executive order he issued directed the Governor to develop a national strategy. This strategy was supposed to guide the Nation in organizing itself to counter the various threats we face. The strategy was originally due in June, but now we are told it may not arrive until July or beyond.

It makes much greater sense for Governor Ridge to first complete his national strategy to ensure that this new department of homeland security fits within its goals. If the new department is a central component of a national strategy as the White House now asserts, wouldn't it make sense to at least propose the new department as part of that strategy.

The White House came out with the reorganization first and said we will do the strategy later. The underlying flaw with creating a new organization such as a cabinet level homeland security agency without having conducted a comprehensive threat and risk assessment is that it prevents resources from being allocated in a way that reflects priorities.

I want to say that we all want to be assured of the security of our Nation. We want to be do everything that we can to calm the fears of Americans, to protect our Nation and its people while ensuring that the Constitutional protections of our 226-year history are secured.

I hope that the conduct of these proceedings will include a discussion of causality as well as casualties, a discussion of the prevention through peaceful consensus building as much as a reaction of force to the failures of diplomacy.

In the past 4 months, we have heard about one alert after another, including a full scale alert when the Patriot Bill was brought to the floor of the House right after that. We have heard about the problems with the FBI and the CIA and September 11th, and then when that was being discussed in the Congress, we heard about the so-called dirty bomber alert. We still have questions that have not been resolved about anthrax, which affected this Capital in a way that nothing else has.

Biological weapons attack on this Nation. It is still a crisis of confidence, no matter what structural changes we make, until we get answers on what happened with that.

Finally, I want to say, Governor, on this July 4th, there will be people all over the country putting their hands over their hearts singing the Star Spangled Banner. It is worth remembering those words from Francis Scott Key when he wrote, "oh, say does that star spangled banner still wave, over the land of the free and the home of the brave."

In his work, Francis Scott Key linked freedom and bravery. We need to remember where we have come from as a Nation. That no matter the threats, that we will keep our freedoms by being brave. That is the American way, and that is our national anthem. Thank you.

Mr. BURTON. Thank you, Mr. Kucinich.

Mr. Schrock.

Mr. SCHROCK. Thank you, Mr. Chairman, and thank you, Governor Ridge, for being here today. I appreciate all of the hard work you have accomplished since assuming those awesome responsibilities. I also want to publicly thank the President for taking the lead and moving forward on creating the Department of Homeland Security.

In the Second Congressional District of Virginia that I represent, the greatest security threat we face is an attack on our seaport. The characteristics that make Hampton Roads an ideal seaport, an ideal location and an efficient intermodal transportation system, also make this area a prime target.

A ship sailing through Hampton Roads steams within a few hundred yards of the Norfolk Naval Base, home of the Atlantic fleet, the largest Naval base in the world, and Ft. Monroe, home of the U.S. Army Training and Doctrine Command. The detonation of ship-based weapon of mass destruction would have disastrous effects on our military and our economy.

Under the current framework, the Coast Guard, the Customs Service, the Immigration and Naturalization Service and the Animal and Plant Health Inspection Service, all have some jurisdiction over ships coming into the port of Hampton Roads. These agencies have different, often limited powers to search and inspect ships and cargo and lack a formal process for sharing information with one another.

In some cases, Federal laws even prevent the sharing of information between these Federal agencies. Those problems became clear at a workshop I held recently on port security. Putting those agencies under one umbrella will enable them to communicate more effectively and work together filling the security gaps that exist today.

Also, the new homeland security plan will help goods get to market more efficiently. Under the current system, a ship and its containers are stopped and searched several times by different agencies. This system unnecessarily impedes the flow of commerce.

I am confident that the President's proposal will ensure that security remains our top priority during the inspection of ships while also providing for a more efficient flow of goods to their ultimate destination through the reduction of duplication. I hope you will take a few minutes during your remarks today to address how the President's homeland security proposals will improve seaport security while ensuring the efficient flow of commerce.

Again thank you for joining us today. You and the President are doing a great job under very difficult and unique circumstances. Thank you.

Mr. BURTON. Thank you, Mr. Schrock.

[The prepared statement of Hon. Edward L. Schrock follows:]

News Release

Office of Congressman Ed Schrock

Virginia's Second Congressional District

Embargoed until delivery

Contact: Tom Gordy
(202) 225 ~ 4215

"Our seaports are highly vulnerable to terrorist attack ..."

Rep. Schrock presses the issue of Port Security at House hearing on Homeland Defense

Washington, DC – Congressman Ed Schrock (R-Va.) made the following remarks during opening statements at the House Government Reform Committee held today with witness Governor Tom Ridge, the Homeland Security Director, who briefed committee members on President George Bush's proposal to create a new Department of Homeland Security:

"In the Second Congressional District of Virginia, which I represent, the greatest security threat we face is an attack on our seaport. The characteristics that make Hampton Roads an ideal seaport—a great location and an efficient intermodal transportation system—also makes this area a prime target.

"Our seaports are highly vulnerable to terrorist attack and action has to be taken to make them secure.

"A ship sailing through Hampton Roads steams within a few hundred yards of the Norfolk Naval Base, home to the Atlantic Fleet and Fort Monroe, home of the US Army Training and Doctrine Command. The detonation of a ship-based weapon of mass destruction would have disastrous effects on our military and our economy.

"Under the current framework, the Coast Guard, the Customs Service, the Immigration and Naturalization Service, and the Animal and Plant Health Inspection Service all have some jurisdiction over ships coming into the Port of Hampton Roads.

(cont.)

"These agencies have different, often limited, powers to search and inspect ships and cargo and lack a formal process for sharing information with each other. In some cases, federal laws even prevent the sharing of information between these federal agencies.

"These problems became clear at a workshop I recently held on port security.

"Putting these agencies under one umbrella will enable them to communicate more effectively and work together, filling the security gaps that exist today.

"Also, the new homeland security plan will help goods get to market more efficiently. Under the current system, a ship and its containers are stopped and searched several times by different agencies. This system unnecessarily impedes the flow of commerce.

"I am confident the President's proposal will ensure security remains our top priority during the inspection of ships, while also providing for a more efficient flow of goods to their ultimate destination through the reduction of duplication.

"I hope you will take a few moments during your remarks today to address how the President's Homeland Security proposals will improve seaport security while ensuring the efficient flow of commerce.

"Thank you again for joining us today. You and the President are doing a magnificent job under difficult and unique circumstances."

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Mr. BURTON. Mr. Tierney.

Mr. TIERNEY. Thank you, Mr. Chairman. I would like to welcome the White House proposal to centralize responsibility for homeland defense in a single cabinet level department.

Many of us would have preferred that this action take place quite some months ago. But I am pleased that the President has responded to longstanding bipartisan advice that the various Federal agencies responsible for homeland security be brought together in a new department of homeland security.

I want to give a great deal of credit to my colleague, Chris Shays from Connecticut, who with his subcommittee, has been having hearings on this matter, I think some 19 or 20 of them before September 11th, dealing with every aspect of this and basically screaming into the wind.

And I congratulate him on being out there. I think he has done, with his committee, a lot of the work that precedes and makes the groundwork for what we are now looking forward to doing. As we consider the President's proposal today, we do it in a spirit of cooperation. We offer to and expect it from the administration, so that the end product is not a bureaucratic reshuffling, rather have a fundamental change in the way that we address terrorist threats to our country.

We in the Government Reform Committee whose job it is to identify the best practices and lessons learned in government operations have a special obligation to marshall our country's best ideas, resources and skills to coordinate our fight against terrorism. We need to do this for the families who lost loved ones on September 11th, and in the October anthrax attacks, for the American people whole expect us to protect them, and for our children so that future generations may grow up in a free and open society.

A month ago, Director Ridge was here to brief us. I spoke with you then, Director Ridge, and I will say it to you again today. This administration must prepare that comprehensive threat assessment that was ordered by the President last October. The private sector has done it. Both Brookings and Rand have performed the post September 11th assessment. And the White House must as well.

Otherwise, the American people have no practical context for the administration's reorganizational charts and dollar figures presented here today. I urge the administration to complete the comprehensive threat assessment, and if necessary, revise these charts and budget figures accordingly.

Last week we were told that there would be no fiscal year 2003 budget justification. That just simply is not credible. No small business owner ever changed names or address of personnel without some transitional cost. In fact, just last month, the House acted at the administration's request to bifurcate the INS.

And in doing so, it passed a law calling for a transition with costs and a process extending to 2005. We must create this new department in an open and fiscally responsible manner, through an amended White House budget proposal.

While we applaud the effort to consolidate resources, we do question certain choices. Three examples are intelligence, the Coast Guard and first responders.

As to intelligence, many of my constituents are rightfully asking, why weren't the FBI and CIA included in the department? How will they interact? Without the top analysts, how will the new agency receive intelligence from the FBI and CIA? If the FBI and CIA were loathe to communicate before September 11th, and are now casting blame at one another as we investigate September 11th, what makes anyone think that they will communicate with a new untested agency and with State and local first responders?

FBI whistleblower Coleen Rowley shared with the American people her bureaucratic horror story of having critical information that she passed vertically to superiors who stonewalled her efforts for FBI action, and chastised her for sharing it horizontally with the CIA.

If she were to uncover similar information today, are we now to expect that Ms. Rowley would send that information to her superiors and to the CIA and to this new agency all at once? If not, in what order and under what circumstances? Who will be screening personal information about a suspect as the intelligence is being processed inter or intra agency?

To whom is it sent? Up a stovepipe to the top and then over to a manager and then down another stovepipe to the line DHS agent or simultaneously out to a number of people? Who would control that? And if the FBI and CIA and DHS officials differed on the value of the information, who gets the veto power? When in all of these conversations would Ms. Rowley's suspicions make it to local law enforcement?

The Coast Guard issue arises from the fishing families in my district who are quite concerned that moving the entire Coast Guard to the new agency will undermine two core elements of their mission, fisheries management and search and rescue. Why move the entire agency? If the administration proposes to change the mission of the agencies that are moving to the new department, what is the training budget and procedure for the employees? What is the priority? Fisheries management? Search and rescue? Or counterterrorism, and in what order?

Where are the resources and what is the time line during which managers will communicate this to the line workers? These questions need the administration's answers.

Third, no matter how the department is constituted, we must maintain the Federal partnership with the local first responders. All acts of terrorism are local, and each of our communities must be fully prepared for crisis response, and consequence management. Our local first responders need to know how they will receive intelligence communications from the proposed information analysis and infrastructure protection division and what resources they will have to help them act on this information in order to protect the American people.

Last Monday I sent the President a letter cosigned by 70 Members of Congress from across the country, seeking to fully enfranchise local first responders in the Department of Homeland Security by giving them credit for the $1.5 billion they already spent defending America after September 11th. The President's proposal contemplates a total of $3.5 billion in terrorism preparedness, but only if local communities put up a 25 percent match for this Fed-

eral assistance. Many communities can't afford that match because of the enormous cost that they have already absorbed in overtime and added security since September 11th.

So my colleagues and I ask that these communities be able to count what they have already spent on counterterrorism since September 11th as a soft match toward that 25 percent.

Our letter to President Bush requested that he commit to a fast track disbursement of funds directly to local communities once the dollars have been appropriated. Initial briefings have indicated that Federal funding for local fire, police and other emergency operations would be funneled through State governments under the new system. That extra layer of politics and bureaucracy concerns me and many others who want our first line personnel to focus their energy and talents directly on effective community protection and emergency response.

Indeed, such a proposal would undercut the Fire Act, the COPS Program and other effective partnerships, and we should not let this happen. In all of this talk about reorganization, care must be taken to ensure that all affected departments now engaged in aspects of security not be distracted by the demands of reorienting their missions, priorities and personnel.

The temptation for personnel to become focused of turf and position protection highlights the risk of distraction form the moment's serious demands, and the plan must deal with those issues.

Finally, as with all cabinet agencies, this new department will be expected to empower its work force, balance its books, and award resources to grantees and contractors on a fair and competitive basis so as to maximize effectiveness and minimize exposure to waste, fraud and abuse of taxpayer dollars.

The American people deserve no less and, Mr. Director, we look forward to working with you to meet all of those concerns.

Mr. BURTON. Thank you, Mr. Tierney.

[The prepared statement of Hon. John F. Tierney follows:]

Congress of the United States
Washington, DC 20515

STATEMENT BY CONGRESSMAN JOHN F. TIERNEY (MA-06)

JUNE 20, 2002 GOVERNMENT REFORM COMMITTEE HEARING

REGARDING THE PROPOSED DEPARTMENT OF HOMELAND SECURITY

I welcome the White House proposal to centralize responsibility for homeland defense in a single cabinet-level department. Many of us would have preferred this action months ago, but I am pleased that the President has responded to long-standing bi-partisan advice that the various federal agencies responsible for homeland security be brought together in a new Department of Homeland Security.

As we consider the President's proposal today, we do so in the spirit of cooperation. We offer it to -- and expect it from – the Administration so that the end product is not a bureaucratic reshuffling, but a fundamental change in the way we address terrorist threats to our country. We on the Government Reform Committee – whose job it is to identify the best practices and lessons learned in government operations -- have a special obligation to marshal our country's best ideas, resources and skills to coordinate our fight against terrorism. We need to do this for the families who lost loved ones on September 11th and in the October anthrax attacks; for the American people who expect us to protect them; and for our children, so that future generations may grow up in a free and open society.

A month ago, Director Ridge was here to brief us. I told Director Ridge then, and I will say to him again today, the Administration must prepare the comprehensive threat assessment ordered by the President last October. The private sector has done it – Brookings and Rand have performed post-9/11 assessments – and the White House must as well. Otherwise, the American people have no practical context for the Administration's reorganizational charts and dollar figures presented here today. I urge the Administration to complete the comprehensive threat assessment and if necessary, revise these charts and budget figures accordingly.

Last week we were told that there would be no fiscal year 2003 budget justifications – this is not credible. No small business owner ever changed names, address or personnel without transition costs. In fact just last month the House acted at the Administration's request to bifurcate the INS, and passed a law calling for a transition with costs and a process extending to 2005. We must create this new Department in an open and fiscally responsible manner through an amended White House budget proposal.

While we applaud the effort to consolidate resources, we do question certain choices. Three examples are: intelligence, the Coast Guard and first responders.

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As to intelligence, many of my constituents are asking: why weren't the FBI and CIA included in the department? How will they interact? Without the top analysts, how will the new agency receive intelligence from the FBI and CIA? If the FBI and CIA were loathe to communicate before September 11th and are now casting blame at one another as we investigate 9/11, what makes anyone think they will communicate with a new untested agency and with state and local first responders?

FBI whistleblower Colleen Rowley shared with the American people her bureaucratic horror story of having critical information that she passed vertically to superiors who stonewalled her efforts for FBI action, and chastised her sharing it horizontally with the CIA. If she were to uncover similar information today, are we now to expect that Ms. Rowley would send that information to her superiors and to the CIA and to this new agency all at once? If not, in what order and under what circumstances? Who will be screening personal information about a suspect as the intelligence is being processed inter and intra-agency? To whom is it sent – up a stovepipe to the top and then over to a manager and down another stovepipe to a line DHS agent or simultaneously out to a number of people? Who would control that? If FBI and CIA and DHS officials differed on the value of the information, who gets the veto power? When in all these conversations do Ms. Rowley's suspicions make it to local law enforcement?

The Coast Guard issue arises from the fishing families in my district who are quite concerned that moving the entire Coast Guard to the new agency will undermine two core elements of the mission -- Fisheries Management and Search and Rescue. Why move the entire agency? If the Administration proposes to change the mission of agencies that are moving to the new Department of Homeland Security, what is the training budget and procedure for the employees? What is the priority – fisheries management, search and rescue or counter-terrorism? In what order? Where are the resources and what is the timeline during which managers will communicate this to the line workers? These questions need Administration answers.

Third, no matter how the department is constituted, we must maintain the federal partnership with local first responders. All acts of terrorism are local, and each of our communities must be fully prepared for crisis response and consequence management. Our local first responders need to know how they will receive intelligence communications from the proposed Information Analysis and Infrastructure Protection division [a clearinghouse for all reports and snippets of information about terrorist threats, culled from the CIA, the National Security Agency, the FBI, the Customs Service and other government agencies] and what resources they will have to help them act on this information in order to protect the American people.

Last Monday, I sent the President a letter co-signed by 70 Members of Congress from across the country seeking to fully enfranchise local first responders in the Department of Homeland Security by giving them credit for the 1.5 billion dollars already spent defending America after 9/11. The President's proposal contemplates a total of $3.5 billion in terrorism preparedness, but only if local communities put up 25% of the money by way of a local "match" prerequisite for federal assistance. Many communities cannot afford that match because of the enormous costs they have already absorbed in overtime and added security since 9/ll, so my colleagues and I asked that those communities be able to count what they have already spent on counter-terrorism since September 11 as a 'soft match' toward that 25%. Our letter to President Bush requests that he commit to a fast track disbursement of funds directly to local communities once the dollars have been appropriated.

Initial briefings have indicated that federal funding for local fire, police and other emergency operations would be funneled through state governments under the new system. That extra layer of politics and bureaucracy concerns me and many others who want our first-line people to focus their energies and talents directly on effective community protection and emergency response. Indeed, such a proposal would undercut the Fire Act, the COPS program, and other effective partnerships. This must not happen.

In all of this talk about reorganization, care must be taken to assure that all affected departments now engaged in aspects of security not be distracted by the demands of re-orienting missions, priorities or personnel. The temptation for personnel to become focused on "turf" and position protection highlights a risk of distraction from the moment's serious demands. Any plan must deal with such issues.

Finally, as with all cabinet agencies, this new department will be expected to empower its workforce, balance its books, and award resources to grantees and contractors on a fair and competitive basis, so as to maximize effectiveness and minimize exposure to waste, fraud and abuse of taxpayer dollars. The American people deserve no less.

Congress of the United States
Washington, DC 20515

June 17, 2002

President George W. Bush
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

We are writing to respectfully request that your proposed Department of Homeland Security allow maximum participation by America's heroic local first responders.

Your proposal to centralize responsibility for homeland defense is a welcome step in our ongoing efforts to protect the American people from terrorism and coordinate our federal response to any future attacks. While we work together to resolve significant programmatic details - from threat assessment to budget justification to workforce, procurement and grantmaking protocols - one essential element is undisputed: we MUST assist our local communities still reeling financially from spending $1.5 billion in taxpayer dollars in response to the September 11th bombings and the October anthrax attacks.

Your staff has indicated that federal funding for local police, fire and other emergency operations would be funneled through state governments under the new system. That extra layer of politics and bureaucracy concerns all of us - particularly Representatives from small and rural communities - who want our first-line people to focus their energies and talents directly on effective community protection and emergency response. Indeed, such a proposal would undercut the Fire Act, the COPS program, and other effective partnerships. We must not let this happen. Moreover, your proposal contemplates a total of $3.5 billion in local terrorism preparedness, but **only if** local communities put up 25% of the money by way of a local "match" prerequisite for federal assistance. Unfortunately, many cannot afford to do so due to the $1.5 billion already spent defending America after September 11th in crisis response and consequence management.

We have an historic opportunity to give local communities credit for what they have already done to defend America: by allowing taxpayer dollars already spent to defend America after 9/11 to count as a "soft match" toward this requirement; and by committing to a fast track distribution of funds directly to local communities. **Accordingly, we respectfully urge you to include in your legislative language for the proposed Department of Homeland Security the following assistance for local first responders:**

1. Count the 1.5 billion spent defending America after 9/11 in crisis response and consequence management as a ***"soft match"*** toward the 25% local match required for police, fire and emergency personnel; and

2. Commit to a fast track disbursement of these funds ***directly*** to local communities once the dollars have been appropriated.

We thank you for your consideration of our request.

Sincerely,

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Nancy Pelosi

Bill Pascrell

Bob Menendez

Barbara Lee

Marty Meehan

Jerry Nadler

Lucille Roybal-Allard

Bill Delahunt

06/02 letter to POTUS -- First Responder $$$ in DOHS

06/02 letter to POTUS -- First Responder $$$ in DOHS

Karen McCarthy

Dick Larsen

John W. Olver

Joe Heggie

Bob Filner

06/02 letter to POTUS – First Responder $$$ in DOHS

Mike Thompson

Jim Langevin

Sheila Jackson Lee

Michael M Honda

06/02 letter to POTUS -- First Responder $$$ in DOHS

MEMBERS OF CONGRESS URGING PRESIDENT BUSH TO PROVIDE DIRECT $$$ FOR LOCAL FIRST RESPONDERS IN THE DEPT OF HOMELAND SECURITY

John Baldacci	Tammy Baldwin	Xavier Becerra	Earl Blumenauer
Michael E. Capuano	Donna Christensen	Joe Crowley	Elijah Cummings
Jim Davis	Bill Delahunt	Rosa DeLauro	Lloyd Doggett
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Rick Larsen	John Larson	Barbara Lee	Sander M. Levin
John Lewis	Stephen Lynch	Karen McCarthy	Jim McGovern
Cynthia McKinney	Carolyn Maloney	Ed Markey	Jim Matheson
Marty Meehan	Bob Menendez	George Miller	Jerry Nadler
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Max Sandlin	Jan Schakowsky	Adam Schiff	Bobby Scott
Mike Thompson	John F. Tierney	Jim Turner	Tom Udall
Diane Watson	Anthony Weiner	David Wu	

Mr. BURTON. Let me just say that we are going to be try as lenient as possible with everybody, because we know how important your statements are, but we really need to get to questions of Governor Ridge. And so if you could limit your statements to 3 minutes we really appreciate it.

Mr. TOM DAVIS OF VIRGINIA. Mr. Chairman, I think it would be helpful to hold us to 3, because we have a lot of people, and the Governor has been sitting here already a long time.

Mr. BURTON. Well, I will do that. But I want everybody to know that I love you all, but we got to get through this thing. So Mr. Davis.

Mr. TOM DAVIS OF VIRGINIA. Thank you. I will try to be brief. First of all, Governor Ridge, thank you for your service. Thank you for being here today. I think that the congressional input and assent in this process is very important. There is a lot of historical knowledge that exists in this branch of government and we hope to have a good dialog with you on that. I think that we can add some elements that hopefully will make this a better package, when it emerges.

That being said, we have to remember it is ultimately up to the administration and the executive to administer and direct this new agency, and our trying to legislate an organizational structure that the administration isn't comfortable with or can't work with is not going to help, because ultimately, the executive branch is going to be accountable, it has to operate within a framework that is consistent with their mission, with their philosophy and with their culture.

So we hope to be a part of that process. But I think we need to understand that at the end of the day, you need to administer this. We don't want to give you a framework that you can't operate of feel comfortable operating under. One other issue is, I think, clearly the Federal employee issue is an issue that we have to hit head on. Federal employees who currently enjoy a protected status in the Civil Service shouldn't lose that status in a mix where they could lose their job and jeopardize everything if they are unwilling to do that.

For new hires, those kind of issues, a different issue arises. But this is clearly an issue that has been expressed by the other side. And I think from just a political perspective has to be addressed if this issue is going to clear the Congress. And I know you have given this some thought. I don't think we can hamstring your flexibility to govern, so we have to find that right balance. But again, thank you for being here. Look forward to working with you.

Mr. BURTON. Thank you, Mr. Davis.

Mr. Allen.

Mr. ALLEN. Thank you, Mr. Chairman. And thank you, Governor Ridge for appearing here and for all of your hard work these last few months. Homeland security is not a partisan issue. Every member of this committee, indeed every Member of Congress wants you to succeed and wants to get this reorganization effort right. We all share the common goal of improving the effectiveness of homeland security and emergency response operations that are currently disbursed among many agencies.

I support the creation of a department of homeland security. I do have questions about some of the details, particularly about the relationship between the new proposed department and State and local governments. I am going to mention now just to make sure that I get them in. First, State and local governments need sufficient resources to plan for and implement the many additional responsibilities this ongoing national emergency has imposed upon their already strained budgets.

Maine emergency planners and first responders tell me time and again of their need for more Federal aid as soon as possible. They say that Federal aid already appropriated is not getting released to States and municipalities fast enough. I worry in the natural upheaval that will come with this massive reorganization, the already lengthy process for distributing money to States and municipalities will get even more complicated and that the disbursal of these funds will take even more time.

Second, I am concerned that some of the institutional and cultural barriers that have prevented the sharing of information horizontally among agencies of the Federal Government also prevents the effective sharing of information vertically between the Federal Government and State and local governments. The new department will need policies and structures that facilitate such vertical communication. State and local agencies and officials with homeland security responsibilities must promptly receive the intelligence data they need to perform their duties. This will require that we overcome both technical and bureaucratic cultural obstacles which permeate the current system.

I look forward to working with you, Governor Ridge, and the rest of my colleagues on the committee to address these and other concerns so that we can create the best, most efficient department possible. We must do everything we can to get it right. This task is too important for us to fail. Thank you and welcome.

Mr. BURTON. Thank you.

Dr. Weldon.

Mr. WELDON. Thank you, Mr. Chairman. Mr. Chairman, this committee must examine very carefully the question of whether the Bureau of Consular Affairs which issues travel visas to foreigners should be transferred as a whole from the Department of State to the new Department of Homeland Security.

Common sense tells us that the best way to protect Americans from foreign terrorists is to prevent terrorists from entering the United States in the first place. A strong visa issuance program is essential to achieve that objective. We are all too aware of the fact that 15 of the 19 September 11th terrorists had obtained "appropriate" visas. Even more incredible is the fact that three of these men received their visas via the Visa Express Program in Saudi Arabia from a travel agent. And indeed, that program is still ongoing today.

Mr. Chairman, can the issuing of visas be a diplomatic function? It must be a security function with the proper scrutiny only a trained agent can apply. Diplomats are trained to be diplomatic. This isn't about speed of service with a smile. This is about close and careful examination of each and every visa applicant. And yet, Mr. Chairman, the President's proposal, I believe, takes a frag-

mented approach by transferring the authority to establish policy regarding the issuance of visas to the new security—or the new Secretary of Homeland Security, but leaves operational control with the State Department.

Many experts have identified this fragmented approach as a weakness in the President's proposal. After all, isn't the purpose of the Homeland Security Department to unify the fragmented homeland defense infrastructure we currently have today? Last night the President spoke to this very issue. He said, "there are over 100 different agencies that have something to do with homeland. And they are scattered everywhere which makes it very hard to align authority and responsibility." I could not agree with the President more.

The President went on to give the examples of the Coast Guard and the Customs Services as agencies whose primary focus should now be homeland defense, and how it is no longer appropriate to keep them in Transportation and Treasury, respectfully, because those departments don't have homeland security as their primary mission.

This certainly makes sense to me. Well, equally the Bureau of Consular Affairs must have homeland defense and the prevention of issuance of visas to terrorists as its No. 1 priority. The best way to do that is to move that bureau into the Department of Homeland Security. The Secretary of Homeland Security cannot effectively control the visa process unless he or she also has complete operational control over the process and the work force of Consular Affairs, the literal front lines of our battle against terrorists entering our country.

Mr. Chairman, our security begins abroad. I commend you for calling this hearing. And I am looking forward to the testimony of Governor Ridge.

Mr. BURTON. Thank you, Mr. Weldon, for sticking so close to the 3-minute rule.

[The prepared statement of Hon. Dave Weldon follows:]

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For Immediate Release:
June 20, 2002

Contact: Pamela Groover, (202) 225-3671
pamela.groover@mail.house.gov/pgroover@imcingular.com

Opening Statement
Hon. Dave Weldon, M.D.
Committee on Government Reform

"Thank you, Mr. Chairman, for calling this important hearing.

"I commend President Bush for submitting legislation to establish this new department. I look forward to working closely with the Administration, and you, Mr. Chairman, to improve and strengthen the President's bill.

"Mr. Chairman, this committee must examine very carefully the question of whether the Bureau of Consular Affairs, which issues travel visas to foreigners, should be transferred, as a whole, from the Department of State to the new Department of Homeland Security.

"Common sense tells us that the best way to protect Americans from foreign terrorists is to prevent terrorists from entering the United States in the first place. A strong visa issuance program is essential to achieve that objective. We are all too aware of the fact that 15 of the 19 Sept 11. Terrorists had obtained quote "-appropriate" unquote visas. Even more incredible is the fact that three of these men received their visa via the Visa Express program from a *travel agent* within Saudi Arabia. More on that in a moment. It's clear our visa issuance is much too lax and is in need of serous reform.

"No longer, Mr. Chairman, can the issuing of visas be a diplomatic function; it must be a security function with the proper scrutiny only a trained agent can apply. Diplomats are trained to be, well, diplomats. This isn't about speed and service with a smile. This is about close and careful examination of each and every visa applicant.

"And yet, Mr. Chairman, the President's proposal takes a fragmented approach by transferring the authority to establish policy regarding the issuance of visas to the new Secretary of Homeland Security, but leaving **operational control** with the State Department.

"Many experts have identified this fragmented approach as a major weakness in the President's proposal, and I agree. After all, Mr. Chairman, the purpose of the Homeland Security Department is to unify the fragments of our homeland defense into one department.

"Last night the President spoke to this very issue, he said, and I quote, "There are over 100 different agencies that have something to do with the homeland. And they're scattered everywhere, which makes it awfully hard to align authority and responsibility" end quote. I couldn't agree more.

"The President went on to give examples of the Coast Guard and the Customs Service as agencies whose primary focus will now be Homeland defense."

For more information or to schedule an interview with Rep. Weldon, please call Pamela Groover at 202-225-3671.

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Mr. BURTON. Mr. Lynch.

Mr. LYNCH. Good afternoon. Thank you, Mr. Chairman. Mr. Chairman, at the outset I would like to commend yourself and Mr. Waxman and Mr. Shays for your leadership on this issue. Governor Ridge, I also appreciate your willingness to come here today and to work with this committee. Today's hearing gives us the first opportunity to review and hopefully strengthen the President's proposal for a new department of homeland security.

As proposed, this new department's basic responsibility will be to fulfill a profound but very basic promise of our government. We should be recommended that in the first instance of establishing this Nation, in the Declaration of Independence itself, this Nation's founders set forth certain basic inalienable rights that should be guaranteed to its citizens.

They also, in the second breath, described what they felt and described as the foundation of our government's obligation to the people in securing those basic rights, namely, the government's promise to provide for their security.

Since September 11th, for all of us who are charged with that responsibility, and actually for all Americans, the rules of engagement have changed. We indeed are living in more dangerous times. As a people that prides itself on personal freedom in a country where civil liberties are the very currency of our daily lives, it is very difficult to accept that our enemies have targeted innocent civilians, children as well as senior citizens, as the objects of their hatred. So our task today and henceforth is to defend the defenseless.

But we must do it in a way that preserves the noble ideals from which our Nation was born. I think the President's actions, by and large, have tried to address this new reality.

However, I believe that the success of this department will be determined by its ability to gather information and to preempt attacks on our citizens. And that will require, of course, the structural and operational cooperation between the FBI, the CIA and this new agency. And that is a glaring flaw in this legislation as others have noted.

Notwithstanding the President's proposal, homeland security will continue to labor under a disadvantage because of the institutional resistance within the bureaucracies of the FBI and the CIA.

However, I also believe that in total, this is very, very important legislation, and an important first step to fulfilling our most basic responsibility to our citizens. I will leave the questions of cooperation and disclosure of the FBI and CIA to others. However, I must say that in earlier discussions with Secretary Rumsfeld, he did notice that, and he did remark that the most glaring vulnerability to the citizens in general existed in the delivery of the mail.

And we have seen in the anthrax attacks that followed September 11th that there is no other agency in this country whose employees go to every single home in this country. And I am rather surprised to go through this entire bill and not see any mention of any coordination or defense mechanism that incorporates working with the U.S. Postal Service.

And I look forward to working with you, Governor Ridge, on that matter. I would also like to say that as the Congressman respon-

sible for representing the Port of Boston, that as well, that I am unclear that at this point in the legislation to uncover how exactly that defense operation will go forward.

But, this is the very first step, and I understand there is a lot of work to be done. I want to just pledge to you, Governor, and to the members of this committee, that I am willing to dig in, roll up my sleeves and work with you. I think we all understand how important this is, because we all unquestionably understand the consequences to the American people if we fail. Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Mr. Lynch.

Mr. Sullivan.

Mr. SULLIVAN. Thank you, Mr. Chairman. I would like to thank you, Governor Ridge. I know you are busy, and I appreciate all of the hard work you are doing. After the events of September 11th, it became clear that the threat of terrorism is a real and permanent problem, and we must find new ways to protect the citizens of this country from those who seek to attack and murder Americans.

Today, there is no Federal agency that has homeland security as its primary mission. With over 100 different entities in our government that control some aspect of homeland security, the need to form a unified department is of the utmost importance. We need to make sure that the new department is the most efficient organizational structure possible, and that it has all of the resources it needs in order to keep the people of this country safe.

Several questions need to be asked and answered before we can make the most effective decisions regarding the new agency. For instance, what is going to be the role of the FBI and the CIA within the context of the new framework? How will these departments communicate in order to share information? When can we expect the new department to begin its work? I look forward to hearing from you, Governor Ridge, and working with my colleagues to ensure that the new Department of Homeland Security is established in the most effective and expeditious way possible. Thank you.

Mr. BURTON. Thank you very much.

Ms. Schakowsky.

Ms. SCHAKOWSKY. Thank you, Mr. Chairman. Welcome Governor Ridge. It is a pleasure to be able to talk with you finally in a public hearing. I appreciate that very much. There is unanimous agreement among Members of Congress that we must change the way that we conduct business, our business of national security in this country. As we begin the process of formally reviewing the President's proposal to create a department of homeland security, homeland defense, we have a duty to ask tough questions and demand satisfactory responses.

A fundamental question each of us must continue to ask as we flesh out each detail of this new department is, will it make us safer? It is not a given that simply creating a new department of homeland defense will create that crucial intelligence and analysis which will make its way to those who need it most or whether the new agency will simply add another layer to the top of an already dense bureaucracy.

So let me raise a couple of the concerns that I have. First, I am wondering how the administration can be so sure about a plan to improve security in this country, when a comprehensive threat assessment and a national strategy to address them, which was your primary mission to complete has not yet been completed.

I don't believe we can move forward with absolute certainty in the wisdom of our actions without them. The President has suggested that we transfer several existing agencies into one. Among those agencies are those which provide critical nonsecurity-related functions. Some have raised concerns that these critical functions may not receive the attention that they deserve from a cabinet secretary whose primary charge is to protect the homeland.

Moreover, some have questioned the wisdom of placing multiple and possibly competing missions within the same department. I am concerned, for example, of the service function of the Immigration and Naturalization Service. I represent an immigrant-rich district in which people who are here legally are embracing the promise of the American dream, want to contribute, and are already suffering under an inefficient and insensitive agency.

I hope that this will improve rather than exacerbate the problem. The President's plan does not include necessary protections for the rights of Federal employees to organize, be represented by unions and bargain collectively. Relaxed procurement standards the President has put forth do not suggest that an adequate level of financial accountability will be instilled in the new department or that existing statutes governing procurement will be followed.

And the attempt to exempt the new agency from requirements of the Freedom of Information and Federal Advisory Committee Acts are cause for concern for Members and the American public. We are talking about a new agency, a radical reorganization of the government, and a considerable amount of money. The public and the Congress should maintain their rightful oversight roles over this new agency. And attempts to limit those rights should immediately end.

These are just a few of my many questions and concerns, and I look forward to Governor Ridge to a worthwhile discussion on this critically important subject. Thank you for your work.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. First, I would like to thank Chairman Burton for his leadership in making sure that this committee had the proper jurisdiction and consideration on this, and I want to support this, and your support of our subcommittee on criminal justice and drug policy, as we have worked to review the impact of both this proposal and overall homeland security needs on drug interdiction in Federal law enforcement.

Some of the most prominent agencies involved in this reorganization are also among the most prominent agencies in drug interdiction. On Monday we held an extremely useful hearing in subcommittee to receive testimony from former Coast Guard Commandant Bob Kramek, former DEA Administrator, Donnie Marshall and a number of other former senior officials in the Treasury Department, the Customs Service and the Border Patrol.

That testimony will shortly be available on the subcommittee's Web site and I encourage all members of the full committee, inter-

ested members of the public to review it and see the potential tradeoffs we have here and how to work through it.

The witnesses told us there will be a number of clear synergies and benefits for customary law enforcement missions through the proposed reorganization. They also expressed serious concerns, however, that it is inevitable that an increased focus on homeland security will result in a reduction in intensity and resources to those customary missions.

As Governor Ridge well knows, from having represented Erie, PA, the Coast Guard has many missions beyond homeland security. We saw this immediately after September 11th. And the same principle is equally clear from the slated mission of the proposed new department which is defined solely in the terms of catastrophic terrorism.

Our hearing made it evident that any legislation to create this new department must define more broadly than just catastrophic terrorism and must include specific institutional and other protections to ensure that those missions will be vigorously continued. I look forward to working with this committee and the leadership of the Select Committee, as well as Governor Ridge, to ensure the inclusion of these protections in any final bill.

I would also like to take this opportunity to remind my colleagues and Governor Ridge that more than 4,000 Americans die each year from drug abuse, at least the equivalent of a major terrorist attack. Our ranking member, Mr. Cummings, has consistently pointed out we are already under chemical attack from international drug cartels, which also fund and are the sources of funding for catastrophic terrorism that this new department has created to counter. And we must make sure that this department fully addresses this potential conflict as we look forward to this.

I also want to support my colleagues' comments on the Department of Consular Affairs. This is predominately an agency to address border security for catastrophic terrorism. And if we don't have the visa clearance process under this department, it is unclear how we can make our borders safe.

So I look forward to working on this. I was an original cosponsor with this. I believe we can fix these things, but we need to work together and that is why we have a committee process to go through these hard decisions. I yield back.

Mr. BURTON. Thank you, Mr. Souder.

Mr. Clay.

Mr. CLAY. Mr. Chairman, I, too, would like to welcome the distinguished witness testifying before the committee, Governor Ridge. I would like to commend you on your courage for accepting this challenge and commend your team for the work that they have put into helping to develop this proposal.

I am concerned about the lack of information that has not been forthcoming from the administration to restructure the communication and coordination effort between the FBI and the CIA.

Without a doubt, I am certain that there was a collapse in the coordination effort between these two agencies before September 11, 2001. It now appears that the administration's proposal leaves the FBI virtually omitted from further discussion.

From further discussion, the lone possible exception might be the proposed transferrence of the Bureau's Office of National Domestic Preparedness and the Center for National Infrastructure Protection. Does this mean that the administration considers domestic intelligence reform addressed? If so, I suggest a return to the drawing board to revise the initial draft. It seems to me that it is only a starting point for further discussion. Much more thought and planning should go into addressing this part of the challenge. I believe that the intelligence component ultimately will be the cornerstone of the new department. I recently read that the proposal requests an office be created within the new department to synthesize information from these two agencies. However, I question who will determine what information will be shared if the agencies collect their own raw data.

Is there a check and balance system to address this issue. Let's not simply create another bureaucratic quagmire from which little anything, if anything will come. Let's make the proposed Department of Homeland Security something that the American people can be confident in and proud of. My hope is that there will never be an intelligence failure of the magnitude that we experienced last year. Finally, Congress has a Constitutional responsibility to the American people to fulfill its oversight responsibility. I ask that we not prematurely assume that our work will be done when this department is created. On the contrary, it has only just begun. Mr. Chairman, I ask unanimous consent to place my statement into the record.

Mr. BURTON. Without objection. So ordered.

[The prepared statement of Hon. Wm. Lacy Clay follows:]

Statement of the Honorable Wm. Lacy Clay
Before the
Government Reform Committee
Tuesday, June 20, 2002

"The Department of Homeland Security: An Overview of the President's Proposal"

Thank you for yielding, Mr. Chairman. I too would like to welcome the distinguished witness testifying before this committee. Governor Ridge, I would like to commend you on your courage for accepting the challenge, and commend your team for the work that they have put into helping to develop this proposal. It is good to have something in hand to begin to build on. Like my colleagues, I have high expectations for the responsibility that must be carried out within the next few months. While I am in favor of improving our homeland security posture, I do have certain reservations that I would briefly like to share.

I am concerned about the lack of information that has not been forthcoming from the Administration to restructure the communication and coordination effort between the FBI and CIA. Without a doubt, I am certain that there was a collapse in the coordination effort between these two agencies before September 11, 2001. It now appears that the Administration's proposal leaves the FBI virtually omitted from further discussion. The lone possible exception might be the proposed transference of the bureau's Office of National Domestic Preparedness and the Center for National Infrastructure Protection. Does this mean that the Administration considers domestic intelligence reform addressed? If so, I suggest a return to the drawing board to revise the initial draft. It seems to me that it is only a starting point for further discussion. Much more thought and planning

should go into addressing this part of the challenge. I believe that the intelligence component ultimately will be the cornerstone of the new department.

I recently read that the proposal requests an office be created within the new department to synthesize information from these two agencies. However, I question who will determine what information will be shared if the agencies collect their own raw data. Is there a check and balance system to address this issue?

I am also troubled about the absence of a comprehensive risk assessment plan. For months, this Committee has been asking for one, and we still do not have a clear reading on the methodology for this proposal. I am sure we all want to be reassured that the planning for this proposal was well thought out and not simply done to appease someone's public relations effort.

Let's not simply create another bureaucratic quagmire from which little, if anything will come let's make the proposed Department of Homeland Security something that the American people can be confident in and proud of. My hope is that there will never be an intelligence failure of the magnitude that we experienced last year.

Finally, Congress has a constitutional responsibility to the American people to fulfill its oversight responsibility. I ask that we not prematurely assume that our work will be done when this department is created. On the contrary, it has only just begun. Mr. Chairman, I ask unanimous consent to place my statement into the record.

Mr. BURTON. Mr. Miller.

Mr. MILLER. Governor Ridge, Mr. Chairman, I congratulate you for bringing the proposal to this stage for the 6 months of effort that's gone into it, and also for making it very bipartisan. I'm just delighted that on both sides of the aisle, both Houses, the Senate and the House, that it's moving forward. So I congratulate you on your effort and look forward to your statement and the opportunity to ask questions.

Mr. BURTON. Thank you Mr. Miller.

Mr. Cummings.

Mr. CUMMINGS. Thank you very much, Mr. Chairman. Welcome, Governor Ridge. I, along with many others in Congress have advocated for a separate department devoted to homeland security for many months. I am pleased that we can now all work on a bipartisan basis committed to protecting Americans, our Nation and the freedoms we all enjoy. Dozens of Federal agencies and programs spread throughout the government will be shifted to this new Department of Homeland Security. However, the war on terrorism must be waged in a way that does not compromise other vital missions that existing agencies carry out.

Yesterday the House passed a resolution to create a temporary select committee that will consolidate and prepare a bill for the floor. The Criminal Justice, National Security, and Civil Service Subcommittees have held hearings exploring the Lieberman/Thornberry legislative proposal and the impact that the homeland reorganization will have on law enforcement and drug interdiction.

Additionally, we have discussed the increased needs to protect our northern and southern borders, our coastal borders, and the Nation's ports and train systems. Although the creation of the Department of Homeland Security is needed, I believe a few issues need to be addressed as we review this legislative proposal.

What will be the budget justification for the new agency? Why is the entire intelligence community like the FBI, CIA NSA, DIA excluded from the new agency? Will Federal employees be transferred to this new agency? Will they lose the protections and benefits they currently enjoy? Why has administrations' proposal exempted the new department from the requirements of the Federal Advisory Committee Act and the Freedom of Information Act? What impact will the creation of a new agency have on the critical nonterrorism missions and functions of the merged agency?

The passage of this legislation is attainable, but we will encounter many obstacles along the way. But as we move forward on this massive undertaking to synergize the manpower and brain power of these agencies for the purposes of homeland security, I am concerned about the possible abrogation of civil rights. In particular, I am concerned about how this new department may undermine the progress made in this country on ending racial profiling. For example, through intensive airline passenger screening and through dragnet INS practices.

Last, I am concerned about the provisions in the bill that would exempt the new agencies from complying with the Freedom of Information Act and Federal Advisory Committee Act as this exemption for an agency of this size threatens to begin an era of government secrecy, which I know the American people want to avoid.

Creation of a new department will not make us immune from terrorism. But it will point us in the right direction. The American people want to see action from their elected officials to address real security threats. Congress, the administration and local law enforcement and elected officials must all work together to make the United States secure.

With that, Mr. Chairman I yield back.

Mr. BURTON. Thank you, Mr. Cummings.

Mr. Ose.

Mr. OSE. Thank you, Mr. Chairman. I won't repeat the greetings to Governor Ridge. He's been greeted 33 times. I won't repeat the questions about the President submitting this package. That's been repeated 31 times. I do want to express to Mr. Miller my appreciation for his brevity. I'll submit my statement for the record. I yield back.

Mr. BURTON. Hallelujah.

[The prepared statement of Hon. Doug Ose follows:]

Congressman Doug Ose

Thank you Mr. Chairman.

We have an opportunity today to begin considering how we believe our homeland security infrastructure should be constructed.

The President has forwarded to the Congress a proposal to create a Department of Homeland Security. Mr. Lieberman and Mr. Specter in the other Body and Mr. Thornberry in the House side have also laid a proposal down. I look forward to our debate and consideration of these proposals.

I am hopeful that our deliberations lead us toward aligning the homeland security infrastructure with the threats we face. I share the opinion of many in the Congress that our homeland security infrastructure must have at least three basic tiers. First, we must significantly increase our ability to identify and interdict emerging threats from offshore sources, whether they be conventional threats as manifested on December 7, 1941, or asymmetrical threats as arose on September 11, 2001. Over the past ten years, many in Congress have argued that our overseas presence was no longer necessary or desired. However, as recently as this morning, I have heard evidence that our inability to identify, analyze

and interdict threats to our homeland security remain woefully inadequate.

Second, we must recognize that the ports of entry into this country, whether it be by air or sea or land, remain the avenues by which any threat to our homeland security shall be carried out. We must significantly increase our presence along our coasts to interdict any threat, using our intelligence networks to identify when, where and how any threat may be delivered.

Finally, we have to recognize that some probability exists that an attack may be successful. In that circumstance, we must prepare our people and institutions to respond. If you consider the horrific threats that exist, you quickly recognize that in today's environment that are four general categories: Radiological ~~nuclear~~, chemical, biological, and technology/communication. We have more than fifty years of knowledge about the dire circumstances that result from nuclear explosions and the radiological impacts over long periods of time of exposure. Any chemical incident is essentially a hazardous material incident. Across this country we have invested significant resources to deal with hazardous materials incidents.

The two remaining areas of concern are biological and technology/communication. From a threat basis, I am not persuaded that we are prepared for any sort of biological attack. From the standpoint of technology/communications, our economy is dependent upon our innovative technology and our ability to communicate with each other in real time, and it is our economy which is the engine that makes all things possible.

As we consider the reorganization of our government agencies, I hope that we will consider these points. There is no reason to re-structure our protective umbrella to respond to circumstances for which we are already prepared. There is no reason to expect that our enemies will tell us when, where or how they intend to attack us, so we must have a significantly greater commitment to the gathering and analysis of intelligence. There is no reason to allow our enemies the opportunity to attack us before we act on good information, so we may need to reconsider certain statutory restrictions on pre-emptive actions. And finally, we need to recognize that our goal here is to achieve greater security. It is not necessarily true that achieving that goal requires a larger government bureaucracy.

I look forward to the testimony of our witness today.

Mr. BURTON. Mrs. Mink.

Mrs. MINK. Thank you Mr. Chairman. I too want to join in welcoming Governor Ridge to this very, very important meeting. I don't think there's anyone in the Congress that does not support the idea of the creation of a department of homeland security and the necessity to coordinate better the activities of the Federal Government that relate to homeland security. But there will be many questions as to the scope and depth of the transfers of various agencies and functions of agencies to this new department. And I hope that in your view, and in the administration's view, that this is not considered a criticism or a lack of support of the idea, because I think that it is the Congress's responsibility to look at all of the suggestions from our vantage point to see that there is sufficient justification for the transfers being made and that they are not being done wholesale for convenience purposes.

And I think that is what concerns me the most. The agency that comes to my mind is FEMA. I realize that it is an emergency agency, but from our vantage point out in the constituency, it is an agency that has mastered the technique of responding to natural disasters. And it did a phenomenal job several times in my State. And while that is an important function, it services the constituency. I can't see the necessity of transferring the entire agency over to Homeland Security. I think it would somehow compromise the work that it now does for the natural disaster management, which is so critical to all of us, floods, fires and so forth.

So I hope that the administration will carefully look at that area and discuss that proposal with us in a much more intense way. Looking at some of these functions that we question as to why they are needed to be transferred, what comes to mind is the overall exemptions that you are suggesting be made with reference to laws like the Freedom of Information. If there are functions like FEMA that have nothing to do with homeland security, and have to do with natural disasters, why do we want to exempt that agency from the Freedom of Information?

This year we're celebrating the 30 years since Watergate and it is since Watergate that Freedom of Information Act has been perfected. And it has safeguarded the rights of the public to information that had been hidden in archives and in files and other places. So I would hate to see the Freedom of Information cast away merely because these departments have been transferred together under the homeland security concept. I think that the Freedom of Information Act currently already sets forth at least a dozen areas for exemption, which the head of the agency is free to exercise.

If a citizen asks for some documents and the agency had said this has to do with national security, there is an exemption so that the information does not need to be transmitted. I certainly don't want to see the Civil Service protections also jeopardized. My time has come to an end. I ask unanimous consent that my entire statement be inserted in the record, Mr. Chairman.

[The prepared statement of Hon. Patsy T. Mink follows:]

MINORITY WHIP-AT-LARGE

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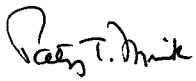

Statement by
CONGRESSWOMAN PATSY T. MINK OF HAWAII

Before the Government Reform Committee
On the President's Department of Homeland Security Proposal

June 20, 2002

Mr. Chairman,

Following the terrorist attacks in New York, Pennsylvania, and against the Pentagon, every citizen of our nation wanted to find a way to prevent future attacks.

Since its establishment on October 8, 2001, the Office of Homeland Security led by Governor Tom Ridge has tried to coordinate the federal effort to protect our nation from terrorists. The 186 federal employees who were selected to work for the Office of Homeland Security faced overwhelming challenges. As many as 100 different federal organizations are responsible for some aspects of homeland security. Responding to the September 11th terrorist attacks required the careful coordination of more than 40 federal agencies, as well as state and local governments.

Congress and the President have battled over the exact role of Governor Ridge's Office of Homeland Security. Some in Congress were worried that without budgetary power the Office of Homeland Security could not force agencies to cooperate. Many were worried that Governor Ridge's position as a "Presidential Adviser" limited the ability of the Office of Homeland Security to serve as the lead federal agency for protecting our nation.

I am pleased that the President responded to Congress's calls to develop a more comprehensive solution. I look forward to working with the President to establish a comprehensive plan to do a better job of protecting our nation from terrorism.

The proposed Department of Homeland Security (DHS) will affect nearly 170,000 employees from 9 separate federal department.

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Congress has an obligation to ensure that the rush to protect our nation does not lead to the creation of an ineffective bureaucracy. The proposal should not diminish the capabilities of existing agencies, cast aside traditional protections offered to federal employees, or negate the ability of citizens to monitor the actions of their government.

I have strong reservations about the transfer of some of the agencies to the DHS. For example, the Federal Emergency Management Agency (FEMA) was established to help people after a natural disaster. It helped the State of Hawaii provide emergency supplies and rebuild houses after Hurricane Iniki struck Kauai. Because the agency now focuses on helping people respond to floods, fires, hurricanes, earthquakes and other natural disasters, the transfer of these functions must be done without sacrificing this important role.

The President's proposal to transfer the Coast Guard to the DHS could create similar problems. Since 1790 the Coast Guard has been responsible for maritime security. However, this is only a small portion of its responsibilities. The Coast Guard conducts search and rescue operations along our coasts. It educates the public about boating safety. It regulates rogue fishing in our waters. It enforces shipping regulations, and the Coast Guard is the lead federal agency for maritime drug interdiction. It even runs the International Ice Patrol that protects ships in the North Atlantic from icebergs. The Coast Guard's diverse mission makes its entire inclusion in the DHS highly problematic.

I am deeply concerned about the President's proposal to exempt the DHS from the Federal Advisory Committee Act (FACA) and the Freedom of Information Act (FOIA). The FACA is designed to prevent special interest groups from providing onesided viewpoints to federal officials. FOIA is designed to prevent the government from hiding information that the public has a right to know. The FOIA already exempts national security matters. The need to protect sensitive information should not supercede the need to have a transparent government. Excessive government secrecy will obstruct oversight by public citizens who have a vested interest in homeland security.

Congress must work with the Administration to resolve a series of provisions included in the proposal that will make the DHS unlike any other federal department. The proposal does not include protections for federal employees' collective bargaining agreements. It includes exemptions from normal competitive procurement procedures that are designed to prevent wasteful spending and fraud. We cannot cast aside the established federal employment and procurement systems as we undertake one of the largest reorganizations in the history of the federal government.

With reports of ongoing Al Qaeda operations throughout the globe and possible plans to attack major US cities, everyone in Congress understands the need to strengthen our homeland security. Everyone in the federal government wants to improve the coordination between the agencies and departments that are responsible for homeland security.

The American people expect the Congress and the President to work together to develop the best possible proposal. Congress must move swiftly while at the same time carefully reviewing every provision to make sure we do not cause more harm than good.

I look forward to working with my colleagues as we address the issues that must be resolved before creating the new DHS.

Mr. BURTON. Without objection, so ordered. We will go to Mr. Platts next, but before we do that, let me tell Governor Ridge and everybody that we have three votes on the floor. I apologize for the break, but we're going to have to take it. We should be back in about 25 minutes.

Mr. RIDGE. Mr. Chairman, I might add, having been on the other side of the desk for 12 years, I appreciate the sequence of votes and I will be happy to wait until you return.

Mr. BURTON. Thank you, Governor Ridge. It's nice to have a previous member here. One of my compatriots.

Mr. Platts, and those of you that want to go vote, go ahead, and we'll let Mr. Platts conclude and then we'll go on over there. Well, if you want to stay, fine.

Mr. Platts.

Mr. PLATTS. Thank you, Mr. Chairman. I'll be brief and just want to first thank you and Subcommittee Chairman Shays, for your great work and leadership on the issues of homeland security since and also prior to September 11th.

Governor Ridge, it's a delight to, as a fellow Pennsylvanian, to have you here. And while we were in Pennsylvania, saddened to lose you 8 months ago as our Governor, we certainly were heartened to know that the safety and security of all Americans was going to be and now has been greatly enhanced because of your leadership as Director of the Office of Homeland Security, and I commend you on the thorough nature of the administration's proposal and the new Department of Homeland Security and look forward to working with you and the entire administration as we move it through the legislative process.

One area that I don't know if you'll touch on today, but if your office could followup with me on, is in the critical infrastructure. You're certainly familiar with our nuclear power plants with two of them adjoining, abutting my district, I've asked a question to the White House Legislative Affairs Office regarding the Critical Infrastructure Assurance Office and how the transfer of that office would relate to the Nuclear Regulatory Commission authority over the security of the power plants, and as we move forward, if we can get some more specifics on that aspect of the critical infrastructure.

But I do commend you and you and President Bush and the entire administration for a very well thought-out proposal, and as I say, look forward to working with you as it moves forward. Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Mr. Platts.

Ms. Norton, you're next. Do you want to go ahead and do yours? We have time if you so choose.

Ms. NORTON. Thank you, Mr. Chairman. And Governor Ridge, I appreciate the enormous challenge that confronts you. You're asked to make essentially both structural and functional transformation. That would be a major challenge even if we weren't talking about the defense of the homeland. I believe that function will follow form. Form of course is the easy part. Of course, in the bill that is not always apparent. It's certainly not self-evident. But I believe that the President's proposal is rational and so I begin with a presumption in its favor.

And for me, the overriding question of these—of this process we are beginning is, is it functional? Is it going to be functional and that we can only appreciate as more comes out. Let me say to you, Governor, how much I appreciate that our own mayor, Mayor Tony Williams, has been asked by the President to join the President's newly created Homeland Security Commission that advises him.

I think what the President has done is to recognize the role of the District of Columbia as first responder. And we appreciate that understanding. If something happens to this place or the White House or, God forbid, the Supreme Court or any place else, the first to get there, the first charged with getting there will be agencies of the District of Columbia, and they are being prepared for that role as I speak.

One of the committees on which I serve actually drew a bill that will not be the bill that comes forward, but that bill contains a specific provision for the Mayor or his designee to be at the table of Homeland Security. And I will hope to insert such a provision in the President's bill as well.

The Justice Department, for example, has already included a District of Columbia's designee on its own terrorism task force. Again, the point is if you're going to be a first responder you have got to have all the tools to do that job.

Governor Ridge, I would like to raise two issues briefly, one in the bill and one that I understand is under discussion both of which I regard as needless barriers. One has to do with the merit system. The merit system has been the best guarantee against racial and other forms of discrimination and favoritism for 100 years now.

The President's bill actually strips all labor and Civil Service protections from all the employees of these agencies unless two political appointees say so. That is a kind of throwback that would make it impossible for many people on both sides of the aisle to support the bill itself. Now, the mantra, when this issue was raised for the Transportation Security Administration was trust us, we need the bill. Go do it. We'll come back to it. What happened? Those employees were stripped of their protections, so I don't think this can be delayed here.

Another reason why I think you will want to get rid of it altogether is that there is a huge brain drain going on in the Civil Service today. Reorganization itself will send many employees out. If they think they're going to be stripped of any of their protections, all of the most experienced employees will flee the ship. Got to take that out now because it is going to hasten early retirements. 50 percent of the Federal work force could leave today. I'm almost through.

Mr. BURTON. Ms. Norton, we want to get one more person in. Mrs. Morella, would like to make her statement, so could you submit the rest of that or ask that when we get to the question period?

Ms. NORTON. If I could just say one thing. Some senior administration official was quoted as saying under discussion is moving this agency outside of the District of Columbia. That flies in the face of decades of Executive orders. I have an idea for you, 180 acres at the Old St. Elizabeth's Hospital. Let's discuss that one, Governor Ridge.

Mr. BURTON. OK. OK.

Mrs. Morella.

Mrs. MORELLA. This is a good opportunity for me to give my statement, Mr. Chairman. The creation of the new Department of Homeland Security is the most significant transformation of U.S. Government in over half a century, and I think it is necessary because of the current confusing patchwork of government activities in this area. The current system is a labyrinth spread among more than 100 government entities, none of which has homeland security as its primary mission.

The new department would move almost all agencies that handle domestic security into a single department, whose primary mission is to protect our homeland. It's essential that we have a more unified homeland security structure that enhances protection against today's threats while also being flexible enough to help meet the unknown threats of the future. I don't know yet who is going to head the new department, but I do endorse Governor Ridge for the job.

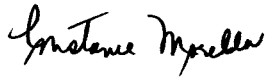
I'm sure that the last several months have been an enjoyable primer for him on the issue. I know that he has the necessary skills to successfully lead the new agency and he has my support. But one thing I don't know or understand is why the administration's plan seeks to grant the new Secretary so much unprecedented managerial flexibility, which would include the power to remove existing Federal personnel rules and regulations, including the current pay structure, labor management rules and performance appraisal system.

The administration has stated publicly that they don't know of any one cabinet official who has all the flexibility the homeland secretary would possess under this new plan. Given the battle that was waged over Federalizing airport screeners, given the fact that there is little chance the Senate would agree to this, and given the fact that both Democrats and Republicans in the House testified last week in front of this committee that they do not feel radical changes to personnel rules are necessary, why fight this fight?

One of the many lessons of September 11th was the demonstrated strength and resolve and patriotism of our Civil Service. The great majority of Federal employees were at work on September 12th. Law enforcement personnel responded without complaint to the significant increase in their workday and workweek. And all Federal personnel accepted the new restrictions on many of their liberties.

So why insinuate that Federal personnel cannot be trusted to willingly protect our homeland when they so willingly have? Sweeping aside 25 years of Civil Service law will not enhance the performance of the new agency. It will only exacerbate it. So I look forward, Governor Ridge, to your testimony and any answers you can provide and I yield back the balance of my time. Thank you.

[The prepared statement of Hon. Constance A. Morella follows:]



Ridge Hearing Remarks

The creation of a new Department of Homeland Security, the most significant transformation of the U.S. government in over a half-century, is necessary because of the current confusing patchwork of government activities in this area. The current system is a labyrinth spread among more than 100 government entities, none of which has homeland security as its primary mission. The new department would move almost all agencies that handle domestic security into a single department whose primary mission is to protect our homeland. It is essential that we have a more unified homeland security structure that enhances protection against today's threats while also being flexible enough to help meet the unknown threats of the future.

I do not know yet who will head the new Department but I do endorse Governor Ridge for the job. I am sure the last several months have been an *enjoyable* primer for him on the issue and I know that he has the necessary skills to successfully lead the new agency.

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One of the many lessons of September 11 was the demonstrated strength and resolve and patriotism of our civil service. The great majority of Federal employees were at work on September 12, law enforcement personnel responded without complaint to the significant increase in their workday and workweek, and all federal personnel accepted the new restrictions on many of their liberties.

Why insinuate that federal personnel cannot be trusted to willingly protect our homeland when they so willingly have?

Sweeping aside 25 years of civil service law will not enhance the performance of the new agency, it will only exacerbate it.

I look forward to your testimony today and any answers you can provide and I yield back the balance of my time.

Mr. BURTON. The gentlelady yields back the balance of her time. I want you to know you have to put our tennis shoes on. We have 2 minutes and 50 seconds to get to the floor for a vote. With that, we stand in recess until the fall of the gavel.

[Recess.]

Mr. BURTON. Well, the illustrious Governor, my old golfing buddy is back, so we'll resume our hearing. Next on the schedule is Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman. Governor, thank you for your leadership in this very difficult time. I don't know that we can really say that enough to you even though you have heard it over and over again. And I think that all of us on both sides of the aisle want to work with you as a partner to get this job done and to get it done very quickly. And I'm confident that will be the result of the efforts we're now embarking upon.

I know that you share the concern that we all have, and that is, in our haste to reorganize, that we may find that our schedule creates a new organizational chart with 169,000 employees of what now is about 10 different Federal agencies being issued a new business card, and begin to wonder what else we've accomplished. But I do believe that this reorganization will set the framework for accomplishing the mission of protecting the homeland, even though the organizational chart alone is not really what will accomplish it.

So we embark upon an effort that obviously is going to require a great deal of effort within the administration to make it successful. I shared with you a thought last week when you spoke to the entire House in our Chamber that I want to mention again, because I think it's very important that we take advantage of the opportunity of reorganization to take a good close look at all of these agencies that you're bringing together, to see if there are ways that we can save money in the process.

I know in your statement that you have shared with us, it says the creation of the Department of Homeland Security will not grow government. And I know that we all understand the importance of trying to hold down the cost of this new requirement that we're all faced with of protecting the homeland. But the truth is, if we're going to be honest with the American people, we'll have to tell them that we've already incurred a whole lot of additional expenses after September 11th, and in order to keep a pledge not to grow government, it's going to require some finding some ways to save money within those existing agencies.

And I shared with you last week, I hope you will urge the managers in all of these departments, to come up with some suggestions for both you and this Congress, of things that may not be quite as important to be doing in government as the task at hand, and perhaps we could actually realize the goal that you have set out of not growing government in the process. We all know that this is going to be a difficult task. But I do think that we ought to use it as a historic opportunity. After all, we haven't seen a reorganization of government on this scale in decades.

And any time, I know at the State level, and you, of course have had the same experience, when we seek to reorganize agencies, we utilize the sunset process. That is the time when we really require those agency managers to justify what they are doing. To tell us

what performance objectives they have and to set in place the performance measures necessary to determine whether they have accomplished what they said they were going to set out to do.

So I hope we can do that in this process. Again, we thank you and we'll be a partner with you to get it done.

Mr. RIDGE. Thank you.

Mr. BURTON. Thank you, Mr. Turner.

Our vice chairman, who served as the U.S. Attorney, and I think spent what, 8 years with the CIA, I think is going to be very helpful to us in this endeavor, and we'll now yield to him.

Mr. BARR. Thank you Mr. Chairman I thank you very much, Mr. Governor, for being with us today. I was thinking several days ago I was down at the District that prior to September 11th, if somebody had mentioned the term "homeland security" at one of our town hall meetings, most people would have thought they were talking about a savings and loan association. The term, of course, takes on a much different and the most serious of connotations now as it should. I think all of us realize that there will be future terrorist attacks attempted against this country. We can't guarantee that won't happen. We expect it'll happen.

But in large measure, what you all are proposing what the President and yourself and others in the administration are proposing, and which will be taken up here on the Hill, that is your legislation, which I am proud to serve as the original cosponsor for, will help in larger measure determine whether or not we can prevent and will prevent those future terrorist attacks from being successful, and I think that the approach that you're taking maybe it's not perfect yet, maybe it is, I don't know. But as we work for this process up here, I think what you sent up to us to begin with is a very thoughtful, very comprehensive piece of legislation that preserves some of the important elements inherent in the need for objective and independence in our intelligence business, both foreign and counterintelligence that is the domestic side.

One realizes, of course, as you do, even though you're not a bureaucrat, and that's one of your greatest strengths is you're not. I remember on one of the first trips you made to the Hill here after your appointment as the President's top advisor and Director for Homeland Security, one of our colleagues asked what you needed. And you said look, I'm not coming up here to ask for a bunch of money or a bunch of positions yet. Let's see, you know, let me get into this thing, study it and then come back to you and tell you if we need new authority, if we need money. That's a very refreshing approach.

Well, you have come back to us now after several months of very, very careful study and what you're proposing, I think, is a very good solid piece of legislation from which to start. Similar, though, to prior pieces of government reorganization legislations such as the 1994 CIA Act that established the CIA as the central repository for objective and independent foreign intelligence and provided specific authorities for the exercise and the success of those missions, it wasn't an immediate overnight success. It still is a constant battle to assure that independence and that objectivity.

So this is really the start of a very long process to be honest, a never-ending process of trying to make sure that we meet the ever-

changing threats out there within a framework that respects our constitution, respects principles of federalism, yet provides the necessary, the essential framework within which to do this.

So I think that we have before us a very, very solid start, Governor, and whether you're the eventual Secretary of Homeland Security or somebody else is, I hope it's somebody that has the qualities that you bring to the equation and that is, nonbureaucratic strength and insight and flexibility and a tremendous patriotism.

So I appreciate what you're doing here today. I appreciate what the administration is doing and share—as the chairman says, we look forward to working with you to take this piece of legislation and make it the very, very best vehicle to accomplish these goals for the American people.

Mr. BURTON. Thank you, Mr. Barr.

Mrs. Maloney.

Mrs. MALONEY. Thank you Mr. Chairman, and thank you, Governor Ridge for your service to the Nation. We just received the administration's proposal, which looks very promising on paper. But I would say that the main question remains, and what New Yorkers really want to know is how will this organizational flow chart make our country safer? And will the reshuffling of paper boxes, will it make individuals safer?

Last night I was told that the White House was evacuated. There was a bomb scare at the Federal Reserve, and Governor Ridge, as you have said before, "even under the best of circumstances, a new attack by al Qaeda or another terrorist group is inevitable." And since you've said that attack may be at some point inevitable, I think we all need to look and spend a lot of time at the response and recovery efforts and in the aftermath of attacks, especially attack in an urban center.

And New Yorkers, I can say, know better than anyone at this point that we have to do a better job with coordination and response after an attack. The problems New York has had with FEMA, with coordinating the response on air quality, the process, the New York delegation had to go through to get the promised aid and the ongoing difficulty that we've had in getting this aid to the people who need it, there's been very much of a gulf between what has been said and what has been done. And FEMA may do a very good job in helping recover from a flood, but it has not done all that it could to help New Yorkers recover. Too often we've been denied aid because of rigid standards or excessive standards for evaluating who should or should not get aid.

And as a response, we've had to fight for our schools that had to close down, our hospitals, utilities, for not for profits and for victims themselves. While the aid has been authorized, it's been difficult to get it released and we still have many unpaid bills and unmet needs. So we've been told that this is progress, and we've been told that it's good news. And I look forward to hearing from you. I can tell you that New Yorkers, more than anyone in this country or probably everyone in this country, wants to hear more

about your plan and how we're going to work together to protect our citizens and to make our country safer. Thank you very much for your efforts and congratulations. We're glad you're here.

Mr. BURTON. Thank you, Mrs. Maloney.

[The prepared statement of Hon. Carolyn B. Maloney follows:]

14th District • New York

Congresswoman

Carolyn **Maloney**

Reports

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PREPARED STATEMENT OF CONGRESSWOMAN CAROLYN B. MALONEY

Committee on Government Reform
Full Committee Hearing

"The Department of Homeland Security: An Overview of the President's Proposal"

June 20, 2002

Thank you Mr. Chairman and Ranking Member Waxman.

Thank you Governor Ridge for being here today and for focusing your efforts over the last nine months on strategies to make our country safer from terrorism.

The Administration has proposed an initiative to coordinate homeland security, and it looks promising on paper –

but I would say the main question still remains . . .and what New Yorkers will want to know is, will this organizational flow chart save us from future attacks.

Will the reshuffling of boxes we see here make the country safer?

I hope and believe that the final plan we agree on will first and foremost improve the country's security and I believe that working together we can improve our security.

But Gov. Ridge as you have said before and I quote "even under the best of circumstances, a new attack by al Qaeda or another terrorist group is inevitable." (Pittsburgh Post-Gazette, 5/20)

The ability to achieve absolute certainty in preventing all future terrorist attempts is clearly impossible, but we all agree that we can be more informed, more coordinated, more attentive, and in the end more secure from the threat of terrorism –

but since you have said that an attack may be at some point inevitable, I think we also need to look at response and recovery efforts in the aftermath of an attack, especially an attack on an urban center.

New Yorkers know better than most at this point that we have to do better job at dealing with the aftermath of an attack.

The New York Federal Reserve did a study, at my request, that said that New York's recovery and rebuilding efforts must be expedited and that increased safety measures must be fully implemented – to ensure that people and businesses feel confident that the City's economy will recover.

The problems New York has had with FEMA, with coordinating the response on air quality and hazardous materials that our rescue workers have breathed in, the process the New York delegation had to go through to get the promised aid, and the ongoing difficulty we've had in getting this aid to people who need it most – all this can be handled in a better, more consistent, and more efficient way.

FEMA may do a good job helping a town recover from a flood, but it is not doing all it should to help New York recover from a terrorist attack. After months of objection, FEMA has so far done nothing to change the excessive and rigid standards it chose for evaluating who should get aid in New York and who should be denied.

We've had to fight for help to schools, hospitals, utilities, and for non-profits in the city. While aid has been authorized and is ready for use, many of New York's needs are still unmet because of bureaucracy and red tape, and this has to change. While I appreciate the efforts of the President and the Administration along with the Congress I think we will need to focus on this as well, since New York and Washington are regrettably high on the list of targets of our enemies.

Again, Governor Ridge - I thank you for your efforts.

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Mr. BURTON. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman, and thank you, Governor, for your patience for sitting through all of this and for your leadership, most important. As a former colleague, we value your being in this important post. And I want to thank Chairman Burton for conducting this important hearing and for your continued leadership of our Government Reform Committee. As we oversee the monumental task of reforming our national security infrastructure, as President Bush recently stated, the barbaric events of September 11 represented a pivotal moment in our Nation's history.

And while our dedicated men and women in uniform as well as the concerned citizens all acted valiantly on September 11th, in the months that followed, it was obvious that our existing governmental infrastructure was inadequately designed to prevent or respond to the scale of those attacks.

Accordingly, we're pleased to welcome you Governor Ridge, to testify before our committee regarding the proposal by the President to establish a new Department of Homeland Security, the creation of which represents, I understand, the most significant change in our government since the National Security Act of 1947 which restructured—constructed and formalized our Nation's military command and structure.

Moreover it will clarify and centralize the kind of security responsibility that's needed under a cabinet level secretary accountable to the Congress, and we hope you'll be filling that post in the near future. As history has demonstrated, authority with accountability is the best means to more effective government. Accordingly, in the interest of our Nation's security, support our move forward and moving forward expeditiously on this measure and I look forward to working with you, and we look forward to your testimony today, Governor Ridge, and we hope that you'll soon be conducting the executive authority in that post. Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Mr. Gilman.

Ms. Watson.

Ms. WATSON. By now, Governor Ridge, I know your eyes have glazed over and your ears are filled to the stoppage point. I just want to make three points and let you get on with your testimony. The first point is the cost of such an agency, and we would want to know something about that. The second point is a need to do an analysis of the different offices that are slated to be in this new department, because many of these agencies have varied responsibilities. Some relate to homeland security. Some have other responsibilities that don't naturally relate.

And let me give you a for instance, and that is, the Department of Homeland Security will be preventing agriculture terrorism. But we need to insure that other duties like protecting America's agriculture and protecting consumers do not get lost along the way. So I don't know what you're going to do there. You might speak to it.

And the other has been mentioned time and again. And that is, where the FBI and the CIA fit, their functions fit under this de-

partment. Good luck. I hope that you continue the kind of patient attitude I have observed and God bless. I would like to submit the rest of my statement for the record Mr. Chairman.

Mr. BURTON. Without objection. Thank you, Ms. Watson.

[The prepared statement of Hon. Diane E. Watson follows:]

Cong. Diane E. Watson

Mr. Chairman, thank you for holding this hearing. I would like to welcome Governor Ridge to our committee. Governor, we have waited a long time to hear from you. Some might say we have been too patient in waiting for the President to permit you to testify. But I believe our patience has now paid off, as the President has belatedly come around to our position—that Homeland Security is too important a task to not be treated with full seriousness.

In order to safeguard our nation and its people, this President will need to work with Congress. And creating the new Department of Homeland Security

will be no small task. The President has presented us with a proposal that will serve as a good starting point for our discussions. But there are still some very large issues that the president's proposal fails to address.

First of all, the President seems to be in denial about the cost of creating a Department of Homeland Security. The White House still has not issued a cost estimate, and White House officials downplay any discussion of cost.

This clearly flies in the face of reality. Realistic estimates say it would cost at least a billion dollars

over five years to make this new department run effectively. I'm sure that Governor Ridge would agree that Homeland Security is too important to try to do it on the cheap. I understand the President is nervous about explaining such an expansion of the federal government to his conservative base. But I would argue that if there ever were a reason why had a federal government, it is exactly for this reason. To safeguard our nation, our citizens, our way of life.

My second concern is about the need for a functional analysis of the different offices that the President has slated to combine into this new

department. Many of these agencies have varied responsibilities, some related to Homeland Security, some related to other important national needs. For instance, when we task the new Department of Homeland Security with preventing agricultural terrorism, we need to ensure that the other duties of protecting American Agriculture, and of protecting American consumers, do not get lost along the way.

I am particularly concerned about the lack of thinking about how the FBI and CIA will fit into this picture. The FBI has demonstrated over several decades that it is unable to even carry out its key law

enforcement responsibilities. We should have serious reservations about giving the FBI such a tremendous responsibility for Homeland Security when they have shown time and time again—even before September 11th—that they cannot deliver results.

Governor Ridge, thank you once again for appearing here today. What you have learned as our first Director of Homeland Security will be extraordinarily valuable to us as we go about crafting this new Cabinet Department. Thank you Chairman Burton.

Mr. BURTON. Mr. Putnam.

Mr. PUTNAM. Thank you, Mr. Chairman. And I also appreciate the toughness of the Governor, the Governor's patience and his ability to withstand all these opening statements 3 minutes at a time.

Between 1980 and 2000, the FBI recorded 335 incidents of or suspected incidents of terrorism, 247 of which were considered domestic. And so as we get into this reorganization of the government, I think a fair case can be made that we have been vulnerable to terrorism for over 2 decades. But our lack of an adequate response actually made us more vulnerable to future attacks. This is not just a reaction to September 11th. This has been brewing for some time now. And I appreciate the approach that you and the President bring to think boldly and to attack this not just at the periphery but at the core.

And I will say that to that end, we marked up in this committee a postal reform bill this morning that was 120 pages and the biggest reorganization in 50 years is 35 pages. I make that point only to say that while we're off to a great start, the details matter. We need to get it right the first time. We need to be thoughtful about this. There's a tremendous amount of congressional resources that have been working on this issue for years. Chairman Shays is one of them on the Subcommittee on National Security who, 2 years ago, was holding hearings on creating an office or a department of homeland security.

I would encourage you, as we move through this process, to tap into the knowledge and resources of the congressional leadership and the folks who have been toiling in this vineyard for sometime. There are a number of concerns that I have. While I believe that we're moving in the right direction, some have been mentioned.

CDC, one of them, that the equivalent of our FEMA in a bioterror event, is not playing as active a role in this as they should. I have some concerns about distractions in the Department of Homeland Security on non-homeland-security-related issues. But all of these we can get to in questions. And thank you for your patience and for your leadership.

Mr. BURTON. Thank you, Mr. Putnam.

[The prepared statement of Hon. Adam H. Putnam follows:]

Congress of the United States
House of Representatives
Washington, DC 20515

Congressman Adam Putnam, 12th District, Florida

For Immediate Release
Thursday, June 20, 2002

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Opening Statement of Congressman Adam Putnam, Vice Chairman
Subcommittee on National Security, Veterans Affairs and International Relations
House Committee on Government Reform, Homeland Security Hearing
June 20, 2002

Thank you Chairman Burton for promptly scheduling this hearing on the President's proposal to create a new Department of Homeland Security and thank you Governor Ridge for coming before this Committee for the second time. This is the first hearing before a full Committee of the House on President Bush's proposal to establish a cabinet-level federal Department of Homeland Security.

Between 1980 and 2000, the FBI recorded 335 incidents or suspected incidents of terrorism in the United States. Of these, 247 were attributed to domestic terrorists, while 88 were determined to be international in nature. I think a fair case can be made that we remained vulnerable to terrorism over two decades because we failed to aggressively apply the lessons learned from these attacks -- and this vulnerability encouraged further attacks.

A new Department of Homeland Security may not be able to prevent every terrorist attack, but the power to enact a bill to create the new Department and make our country less vulnerable lies in our hands. We should set aside partisan bickering and turf wars and seize the opportunity to work with the President to enact legislation to create the new Department of Homeland Security as expeditiously as possible.

I applaud President Bush for having the courage to think big in making this proposal. However, this morning we marked-up a Postal Reform bill that was 120 pages long, this legislation attempts the largest reorganization of the federal government in 50 years in a mere 35 pages: the details of this reorganization are important and we must get them right the first time. Now that we have a draft bill I look forward to working with the President and my colleagues to improve upon the proposal and perfect it in detail.

After reviewing the White House draft I have identified five areas where I think refinements in the bill would more effectively accomplish the goal of creating a single agency focused on Homeland Security. Specifically, I have concerns about how the food safety-related responsibilities of the federal government are handled. While routine food inspections may not be appropriate for Homeland Security, now might be the time to consolidate federal food safety functions; I believe that the bill's reorganization of Port Security responsibilities is basically sound, but that specific Congressional direction regarding increasing the number and scope of inspections would improve the bill; I am concerned that the focus of the new Department will be diffused by the transfer of a variety of non-Homeland Security responsibilities of the agencies being moved to the new Department. In this regard I am particularly concerned about transferring the non-Homeland Security related responsibilities of the Animal and Plant Health Inspection Service (APHIS) to the new Department. I urge that those missions that do not require the same core competencies as the Homeland Security mission stay where they are, they will only prove to be distractions if moved to the new Department. I am also concerned that Homeland Security-related functions of the Bureau of Alcohol, Tobacco and Firearms are not being transferred to the new Department. According to FEMA, before the September 11, 2001 attacks in New York and the Pentagon, most terrorist incidents in the United States were bombing attacks, which would appear to make the expertise of the ATF critical to the success of the new Department. Finally, as we create this new Department we should be mindful of the potential for abuse of its domestic intelligence gathering mission and capabilities. I believe we should consider whether it would be useful to establish an Ombudsman in the new Department to provide the Secretary of Homeland Security with advice on the civil rights implications of domestic intelligence gathering activities. Such an office could provide the Secretary with a much needed "reality check" as decisions with civil rights and privacy implications are made.

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Mr. BURTON. Mr. Danny Davis.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Chairman, and first of all, I want to thank you and Ranking Member Waxman for scheduling this extremely important hearing. I also want to welcome you, Governor, and express appreciation for the enormous task that you have assumed. As the ranking member of the Civil Service, Census and Agency Organization Subcommittee, I'm very concerned about provisions in the proposal that would grant the Secretary of the Department of Homeland Security and the director of Personnel Management blanket authority to set pay and other conditions of employment without regard to existing rules and protections, whistleblower protection, health care, retirement, anti-discrimination rules, the right to join a union, and merit system rules that prohibit political patronage could be modified or eliminated at a whim.

Last week, the Security, Veterans Affairs and International Relations Subcommittee held a hearing on H.R. 460, the National Homeland Security and Combatting Terrorism Act of 2002. The act, much like the proposal being considered today created a Homeland Security agency. A bipartisan group of members testified, among them was Congresswoman Tauscher who stated, "I am certainly not for abrogating or rolling back any of the civil employee rights for either collective bargaining or anything under the rubric of flexibility."

In addition, Congresswoman Harman stated, "this Member does not want to interfere with long-standing principles like collective bargaining." These and all of the other Members clearly opposed stripping the new department's employees of the Civil Service protections they have heretofore enjoyed. I strongly agree with them, and I look forward to your testimony as we delve into these matters with the hope and the understanding that as we establish this new agency, that we not use it as an opportunity to erode any of the rights and/or protections that employees have been able to gain over the years. I thank you for your being here, for your leadership. I thank you, Mr. Chairman, and yield back the balance of my time.

[The prepared statement of Hon. Danny K. Davis follows:]

STATEMENT OF CONGRESSMAN DANNY K. DAVIS AT

A GOVERNMENT REFORM COMMITTEE HEARING

ON "THE DEPARTMENT OF HOMELAND SECURITY:

AN OVERVIEW OF THE PRESIDENT'S PROPOSAL"

Thursday, June 20, 2002

Chairman Burton and Ranking Member Waxman, thank you for scheduling this extremely important hearing on the Homeland Security Act of 2002

As Ranking Member of the Civil Service, Census, and Agency Organization Subcommittee, I am very concerned about provisions in the proposal that would grant the Secretary of the Department of Homeland Security and the Director of Personnel Management blanket authority to set pay and other conditions of employment without regard to existing rules and

protections.

Whistleblower protection, health care, retirement, anti-discrimination rules, the right to join a union and merit system rules that prohibit political patronage could be modified, or eliminated at a whim.

Last week, the Security, Veterans Affairs, and International Relations Subcommittee held a hearing on H.R. 4660, the "National Homeland Security and Combating Terrorism Act of 2002. The Act, much like the proposal being considered today, created a Homeland Security Agency.

A bipartisan group of Members testified, among them was Congresswoman Tauscher who stated "I am certainly

not for abrogating or rolling back any of the civil employee rights for either collective bargaining or anything under the rubric of flexibility."

In addition, Congresswoman Harman, a member of the Majority, stated "...this Member does not want to interfere with longstanding principles like collective bargaining."

These and all of the other Members clearly opposed stripping the new Departments employees of the civil service protections they have heretofore enjoyed.

I strongly agree with my colleagues. However, I look forward to the testimony of today's witnesses and to hearing their justifications for the radical changes that

have been proposed.

Thank you.

Mr. BURTON. Thank you, Mr. Davis. My very good friend, Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Chairman. Governor, welcome. I am on borrowed time with the chairman here today, so I will be quick. I want to thank you for being here today. I also want to thank you for the briefing that you gave the Members of Congress last week. As you know from your service here, that this can be a very bipartisan place when everybody has the information. And I think your coming up to Capitol Hill and briefing Members of both parties prior to the submission is a wonderful thing, and I thank you for that.

A couple of things. One of my other assignments is over in the Transportation Committee, and I chair the Subcommittee on Public Buildings and Emergency Management. I made the comment the other day that the President's proposal to take the Federal Protective Service and FEMA and put it in this new Homeland Security Agency has left me with jurisdiction only over the Kennedy Center. I am grateful that they left something behind. But, I think that the President is exactly right to focus on FEMA as the lead agency, because of their abilities, their capabilities, and they have been proven time and time again to coordinate effectively all of the Federal responses to many, many crises, man-made and also made by Mother Nature.

One thing that I did want to bring up in my short time is an issue that we have seen with the Federal Protective Service, which is one of the agencies proposed to be transferred to this new cabinet level position. And, according to Administrator Perry, when we started all of this, there were 600 Federal Protective Service officers. Their goal was to get it up to 1,000 to protect our Federal buildings and the Federal structures. They are now down to 200.

The reason is that there is a $10,000—just as an example—there is a $10,000-a-year starting salary differential between what a Capitol Hill police officer can make and what a Federal Protective Service officer makes.

You then have, as I was walking in this building today, one of the Capitol Police officers grabs me and says they are losing all of their folks because there is a pay differential to the new TSA and the Transportation Department. So I would hope, and one of the things that excites me very much about the proposal, among other things, is that we treat all of the men and women in law enforcement, if they are in law enforcement, people protecting either our borders or our persons, that we treat them all the same, with the same pay, the benefits, the same health care and the same pension.

I think that the President's proposal and your proposal has a chance to go a long way toward doing that. Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Mr. LaTourette.

Let me just say briefly that idea that you have is a good one. We ought to pursue legislation to make sure there is party.

Mr. Duncan.

Mr. DUNCAN. Thank you, Mr. Chairman. And I think certainly you have been the most active chairman this committee has ever had. I appreciate your leadership. I think this proposed department is going to pass by a very large majority. But, I do have some con-

cerns. William Snyder, in the June 15th National Journal, wrote it would, "simply add another layer of bureaucracy." Will adding a layer of government at the top make a great deal of difference? Not if the problem is at the bottom. And the most senior Member of this House was quoted in the Congress Daily yesterday as saying, "reorganization doesn't always get you the results that you want. Sometimes it gets you more confusion, more expense, more people, and less work."

The New Republic Magazine last week said, buried in the final pages of the report itself is language that grudgingly admits that the plan creates new currently unfunded bureaucracies, such as the threat analysis unit. The report also acknowledges that increased resources and government growth may be necessary.

My staff has looked over the creation of every new department for the last 30 years. And every one of those departments, their spending has gone up at many times the rate of inflation since the mid 1960's. And so while I do believe this department is going to be created in very rapid order, I do think that we need to be concerned about this, because all of those departments were created with words saying that they were going to increase efficiency, and do away with overlapping and duplication of services and so forth. Some of the same things we are hearing now.

In addition, I am concerned that there seems to be a public relations rush to create this department by September 11th. And I think there is going to be enough—there is going to be many efforts or things being done to commemorate the tragic events of September 11th. I noticed last week in the Washington Post, Jeffrey Smith wrote a column entitled "Haste and the Homeland Plan."

And he said that all of this is a very tall order. It cannot be done quickly or casually. Congress must act only after it is certain that it is solving the right problems and not creating new ones. I think most people know that I have been a very strong supporter of the President and Governor Ridge. And I hope to be on this. But I do hope that we will not rush into this, and that we will do everything possible to make sure that we don't create more problems than we solve, and that we don't grow government unnecessarily. I know when we created the Transportation Security Administration, they told us that they needed—we have 27,000 to 28,000 screeners. They told us we needed 33,000. Then after we passed the bill, they told us 40,000. Then last month they came to the Appropriations Subcommittee and said that they need 72,000 employees in that short a time. So these are concerns of mine.

But I appreciate, Mr. Chairman, you calling this hearing. And I look forward to hearing from the Governor about these concerns.

[The prepared statement of Hon. John J. Duncan, Jr., follows:]

Hon. John J. Duncan, Jr.
Opening Statement, Government Reform Committee
Hearing on the Department of Homeland Security
June 20, 2002

Mr. Chairman:

First, I want to thank you for holding this very important hearing. I also want to thank Governor Ridge for being here today. I'm very pleased to see the Administration taking the lead on this significant issue.

I think almost everyone agrees that something needs to be done to strengthen Homeland Security, and I hope, as a result of this hearing, Members will have an opportunity

to express their ideas on what will make this new Department effective and efficient.

I believe that national defense is one of the most legitimate functions of the federal government. However, I also realize that the most ineffective, least-efficient way to do things is to let the federal government do them. I am very skeptical of creating more and more government.

History has shown that when federal departments and agencies are created, they only grow larger. For example, the Department of Transportation began in 1966 with a budget of

$6.2 billion. Last year, its budget was over $67 billion, more than 10 times the amount it started with. At the same time, the number of Department of Transportation employees has increased by almost 20%.

With our Country over 6 trillion dollars in debt, it is more important than ever to spend taxpayer money wisely.

An article about the President's plan in <u>The New Republic</u> magazine says:

> **Buried in the final pages of the report itself is language that grudgingly admits**

that the Bush plan creates new – currently unfunded – bureaucracies, such as a "threat analysis unit" to analyze intelligence from the FBI, CIA, NSA, and other sources. The report also acknowledges that "increased resources" and government "growth" may be necessary.

Mr. Chairman, I hope this will not be the case.

I think we should do everything we possibly can to protect our Homeland, but I hope we can do it in a smart and efficient way. We need to make sure that we do not create more bureaucracy that will only grow larger with time.

I look forward to discussing this critical issue today, and I hope that the new Department can be created in a way that gets the job done most effectively, and spends taxpayer money most efficiently.

Mr. BURTON. You are not going to believe this, Governor Ridge. But it is now time for you. So I am going to ask Mr. Platts, who is one of your former colleagues to introduce you.

Mr. PLATTS. Thank you, Mr. Chairman. It is certainly a distinct honor to introduce formally our Director of the Office of Homeland Security. For most Americans, he is probably known as director of that office or his service for 7 years as Governor for the State of Pennsylvania.

But he also brings a wealth of experience beyond those two positions to this effort to protect Americans. Former prosecutor, a decorated combat veteran. A Member of the House of Representatives for 12 years, true public servant who has really given his entire adult life to the good of his fellow citizens. And it is a real pleasure and honor to have you here with us, Governor.

Again, I thank you for your great work on behalf of all Americans. Thank you.

Mr. BURTON. Well, I concur. And you are on.

STATEMENT OF TOM RIDGE, DIRECTOR, OFFICE OF HOMELAND SECURITY

Mr. RIDGE. Mr. Chairman, first of all, I want to share with some of my former colleagues that we are all colleagues in public service. There are no apologies needed for the length and the content and the duration of the opening statements.

This is a historic time, an unprecedented threat to this country. And we need leadership in both the executive and legislative branches in order to combat this new enemy. And I can well recognize and understand and appreciate why Members want to be on the record as to, one, their overall support of this kind of initiative, but also registering, and obviously I took quite a few notes, doing a little intelligence gathering myself, the legitimate concerns that people may have about the structure and the combination of departments and agencies that we, that the President has aggregated in his proposal.

I also want to assure my colleagues in public service that the differences of opinion have nothing to do with patriotism. We are all patriots. They may have everything to do about principle. In a democratic society, a transparent world in which we live in, the kind of interaction that Taliban and Al Qaeda and terrorists groups can't relate to, frankly never promote, it is an anathema to everything that they stand for. That is part of the process.

And the mere fact that we are here discussing this in the daylight of public scrutiny with Republicans and Democrats generally committed to the journey and to the task ahead, but maybe having differences of opinion as to how do we achieve this mutual goal, that is just one more signal to those who would terrorize us and cause the horror and destruction of September 11th that we are serious about the business of defeating them in long term, and together, that is exactly what we are going to do.

So I thank you very much for the chance to spend some time with you this afternoon. I am here in keeping with the President's very specific directive to me to present his proposal to you. Earlier today, the President created a transition planning office which will be housed in the Office of Management and Budget, which I will

be in charge, to deal with the Congress of the United States as we vet the President's initiative, as we talk about the features of this new department and work with you to achieve this common goal. And it is in that capacity that I have been directed by the President to appear before you.

I have submitted much lengthier testimony for the record, but I do have a few thoughts that I would like to share with you. The proposal was the result of a very exhaustive and deliberative planning process I would say to my colleagues. It actually began with the Vice President in May 2001, was accelerated with the creation of the Office of Homeland Security within the White House on October 8, 2001 as well.

I want to assure the committee that my staff and I and others within the executive branch have literally met with thousands, thousands of public servants at the Federal, State and local level. Private citizens, companies. The outreach has been substantive. Because by the very nature of the President's directive to design and implement a national strategy, and I will address that question. National means that the Federal Government is very much a part of dealing with the threat on terrorism, but we need other partnerships. They need to be strong partnerships. They need to be partnerships with the Governors and partnerships with the mayors and partnerships with law enforcement and partnerships with the private sector, and partnerships with the academic community.

The war on terrorism can only be conducted if we are all engaged as troops in that effort. So the outreach was substantial. We looked at the reports from the blue ribbon commissions, the Hart-Rudman, Bremer, the Gilmore Commissions. We took a look at the work some of the Members of Congress have done. We took a look at what Senator Lieberman had done, and Arlen Specter and Bob Graham had done, and Representatives Mack Thornberry and Jane Harmon, and Saxby Chambliss, Ellen Tauscher and Jim Gibbons. A lot or work.

Someone earlier referred to the fact that there is a lot of expertise and a lot of work had been done on the Hill. We took a look at that as well, very appropriately so. Because, before we made a recommendation for the most historic, most significant transformation in the U.S. Government since 1947, we wanted to be assured that we reviewed all of the best thinking and the best way ahead that others had proposed over the past several years.

The creation of this department would transform the current, rather confusing patchwork of government activities related to homeland security into a single department, whose primary agency, primary focus, primary mission is protect Americans and the way of life. It is one the President considers to be his most important job. I believe that is one that Congress considers to be their most important job as well.

Responsibility for homeland security has been discussed by some of the Members is currently dispersed among more than 100 different government organizations. And we need one, a single department whose primary focus is homeland security. A single department to secure our borders, a single department to give strategic focus to the research and development aspects of homeland security. A single department that builds and creates actually a new ca-

pacity, both to analyze information, but also a new means by which we take that information and apply it to the vulnerabilities that we have within this country, and then working with the requisite Federal agencies or State agencies, give advice, give counsel, give direction. This is the threat. This is the vulnerability. Make it actionability and then recommend the kind of action that people, communities or companies should take.

The proposal to create a department of homeland security is one more key step in the President's national strategy for homeland security. Now, I would say to all of you that the centerpiece of the national strategy is embodied in this proposal. But you, if you take a look at the President's budget submitted earlier this year, the 2003 budget, you will see a significant glimpse of the pieces of the national strategy emerging there. So the national strategy that will be presented later will form the intellectual underpinning to the guide, the decisionmaking of planners and budgeteers and policymakers for years to come.

There are not going to be any real surprises in that national strategy. We will be talking about missions and responsibilities, but by and large, it is centered about this reorganization of the Federal Government, not only to reorganize itself, in and of itself that is a good reason, although someone once said, good organization doesn't necessarily guarantee success, but a flawed organization does guarantee failure.

So just the fact that we are reorganizing doesn't guarantee success, but the way we are presently organized, evidence of the past several months, have guaranteed failure. But it is not just the organization, it is some of the capacity that we build within that organization that I think will be further amplification in the national strategy that will be released here in the near future.

I would like to turn to a couple of the details of the President's plan if I might. Preventing future terrorist attacks is our No. 1 priority. Because terrorism is a global threat, we must have complete control over who and what enters the United States. We must prevent foreign terrorists from entering and bringing instruments of terror, while at the same time, facilitate the legal flow of people and goods on which our economy depends. It is pretty clear after September 11th, if you went to the border of Canada and Mexico, we had enhanced security dramatically.

If you were a Governor or mayor, Congressman or Senator from those States, that abut our neighbors to the north and the south, you will find that the enhancement of security, without appropriate recognition that we also need to make sure that we have a continuous flow of goods and services and people across their borders wasn't the long-term solution. We had to do something dramatically. We did. But again this border reorganization and consolidation, the President believes achieves two objectives. We significantly enhance the security of our borders, but we will also facilitate the flow of goods and services across the borders as well.

The new department unifies authority of the Coast Guard, Customs Service, Immigration and Naturalization Service and Border Patrol, the Animal and Plant Health Inspection Service of the Department of Agriculture and the recently created Transportation Security Administration.

All aspects of border control, including the issuing of visas, would be perfected, actually would be improved by a central information sharing clearinghouse and compatible data bases. Preventing terrorists from using our transportation systems to deliver their attacks is very closely related to border security. That is the reason behind the fusion of the TSA into this new department.

Our international airports and our seaports, our land borders and transportation are absolutely inseparable. The new department would unify government's efforts to secure our borders and the transportation systems that move people from our borders to anywhere in this country in a matter of hours.

Although our top priority is preventing future attacks, we cannot assume that we will always succeed. The President believes this is an enduring vulnerability. It is a permanent condition, and that we need to obviously prevent the threat, reduce our vulnerability, but we also have an obligation to work with cities and States and the private sector to prepare and enhance our ability to respond to an attack that occurs.

Clearly at the centerpiece of this initiative is the Federal Emergency Management Agency, because the Department of Homeland Security would build on this agency as one of its key components. As someone who is very familiar with the work of the agency and has worked with Senator Stafford in the 1980's on the Stafford Act, which basically provides the rules and the regulations around which FEMA presently operates, I believe it makes good sense to build on its core competencies, and the relationship that FEMA has built up over the past 20-plus years with first responders.

We are often not the first people to respond to a national incident, whether it is an earthquake or hurricane. You get your firemen out there, you get your EMT personnel out there. You get law enforcement out there. Again, the same people that are going to respond initially back home in the home town if a terrorist incident occurs.

So there is some core competencies. There is relationship that preexists this new department of homeland security. I think we ought to build on it. The President believes that we add value to its historic mission. We beef it up to respond to a terrorist attack, at the same time, it will be even better equipped and better prepared to respond to a natural disaster as well.

As the President made clear in his State of the Union Address, the war against terrorism is also a war against the most deadly weapons known to mankind, chemical, biological, radiological and nuclear. If our enemies acquire these weapons, I don't believe there is any doubt in anyone's mind in the Congress of the United States that if they have them, they will use them.

And obviously if they do, potentially the consequences are far more devastating than those we suffered on September 11th. Currently, efforts to counter the threat of these weapons are too few and too fragmented. And we must launch a systematic national effort against these weapons that is equal in size to the threat they pose. The President's proposal does just that.

The new department would implement a national strategy to prepare for and respond to the full range of terrorist threats involving weapons of mass destruction. It would provide direction and estab-

lish priorities for national research and development for related tests and evaluations and for the development and procurement of new technology and equipment.

Then finally, it was alluded to in just about everyone's remarks, and that is the need to improve our ability to gather information, analyze information, and apply it in such a way that it reduces the possibility of attacks on this country.

Preventing future terrorist attacks requires good information in advance. The President's proposal recognizes this. The President's proposal would develop a new organization with the authority and the new capacity to generate and provide that critical information. The new department would take information and intelligence pertaining to threats to the homeland from the CIA and FBI, but from the other intelligence gathering agencies and departments of the Federal Government. It would also comprehensively evaluate the vulnerabilities of America's critical infrastructure. And take those threat assessments and map them against the vulnerabilities, and if need be, if the circumstances require, then give prescriptive direction to whomever would be the potential target based on the threat.

Now, I have had this capacity in one place before. Let's assess the threat. If it is real and credible and immediate, assess the vulnerability of the target of the threat, if the vulnerabilities exists, we have to take prescriptive action and the Federal needs to work with whomever the target may be to ensure that it is done.

The individuals who work for the organizations tapped by the President for their Department of Homeland Security are clearly some of the most capable individuals in the Federal Government, and no one doubts their patriotism. We are proud of what they do. We are proud of their efforts long before September 11th when people focused on homeland security, those of you who oversee these departments and agencies know that we have literally had thousands of Federal Civil Service workers working on homeland security issues for a long, long time. They have just come to the fore because of the events of September 11th.

We need to call upon them and continue their crucial work while the new department is created. The consolidation of the government's homeland security efforts can achieve greater efficiencies, we believe, free up additional resources for the fight against terrorism. These fine men and women should rest assured their efforts will only be improved by the government reorganization proposed by the President.

To achieve these efficiencies, the new secretary will be given considerable flexibility in procurement, integration of information technology systems, and personnel issues. Now, even with the new Department of Homeland Security, there remains a very strong need in the White House for an Office of Homeland Security. Homeland security will remain a multidepartment issue that will continue to require interagency collaboration. It will be a little bit easier for the assistant to the President for homeland security, certainly my tasks over the past several months would be easier if we had compressed a number of agencies that we had to deal with and put them into one. So it will be value added and actually improve the ability of the assistant to the President for homeland security

to fulfill his or her responsibility, not only this administration, but future administrations.

Therefore, the President's proposal intends for the Office of Homeland Security to maintain a very strong role. It will be critical to the future success of the new department. Finally, my colleagues in public service, during the transition period, the Office of Homeland Security will maintain vigilance and continue to coordinate the other Federal agencies involved in homeland security. The President appreciates the enthusiastic response from Congress and is certainly gratified via the expressions of optimism about how quick this bill might be passed.

The President also understands that our job is to work with the congressional timetable, whatever the Congress decides the timetable should be. He is ready to work together with you in partnership. Until the Department of Homeland Security becomes fully operational, the proposed department's designated components will continue their mandate to help ensure the security of the United States.

During his June 6th address to the Nation, the President asked Congress to join him in establishing a single permanent department with an overriding and urgent mission, securing the homeland of America and protecting the American people.

Extraordinary times, unprecedented times call for extraordinary measures, sometimes unprecedented measures. We know the threats are real. And we know the need is urgent. We must together succeed in this endeavor. President Truman did not live to see the end of the cold war. But the war did end. And historians agree that his proposal to consolidate Federal resources was critical to our ultimate success.

Ladies and gentlemen, we too have that opportunity to develop—to provide the leadership and provide the legacy that assures our success as well. And I certainly look forward to working with this committee and other committees in both the House and the Senate to achieve this mutual goal. Thank you, Mr. Chairman.

Mr. BURTON. Well, thank you, Governor Ridge.

[The prepared statement of Mr. Ridge follows:]

Written Statement of Governor Tom Ridge

June 20, 2002

"The Department of Homeland Security: Making Americans Safer"

Introduction

Chairman Burton, Congressman Waxman, Committee Members, I very much appreciate the opportunity to testify today in support of the President's historic proposal to create a new Department of Homeland Security. I am here to convey personally the President's deep desire to work with Congress on making Americans safer through this government reorganization. I look forward to responding to your questions after providing a short statement on the proposed legislation and how it would make Americans safer.

Recently, the President signed an Executive Order appointing me as Director of the Transition Planning Office for the Department of Homeland Security. This new office will reside within the Office of Management and Budget. While I will still retain the title of Assistant to the President and Homeland Security Advisor, my testimony today will be given as the Director of this new entity.

The President's Proposal

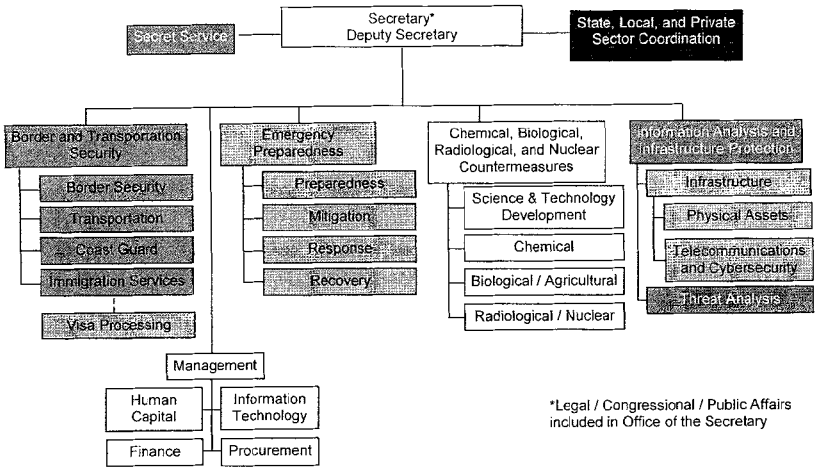
On June 6, 2002, President Bush addressed the nation and put forth his vision to create a permanent Cabinet-level Department of Homeland Security. Two days ago, on June 18, 2002, I delivered to the Congress the President's proposed legislation for establishing the new Department. This is an historic proposal. It would be the most significant transformation of the U.S. government in over a half-century. It would transform and largely realign the government's confusing patchwork of homeland security activities into a single department whose primary mission is to protect our homeland. The proposal to create a Department of Homeland Security is one more key step in the President's national strategy for homeland security.

It is crucial that we take this historic step. At the beginning of the Cold War, President Truman recognized the need to reorganize our national security institutions to meet the Soviet threat. We emerged victorious from that dangerous period thanks in part to President Truman's initiative. Today we are fighting a new war against a new enemy. President Bush recognizes that the threat we face from terrorism requires a reorganization of government similar in scale and urgency to the unification of the Defense Department and creation of the CIA and NSC.

Currently, no federal government department has homeland security as its primary mission. In fact, responsibilities for homeland security are dispersed among more than 100 different government organizations. Creating a unified homeland security structure will align the efforts of many of these organizations and ensure that this crucial mission – protecting our homeland – is the top priority and responsibility of one department and one Cabinet secretary.

Immediately after last fall's attack, the President took decisive steps to protect America – from hardening cockpits and stockpiling vaccines to tightening our borders. The President used his legal authority to establish the White House Office of Homeland Security and the Homeland Security Council to ensure that our federal response and protection efforts were coordinated and effective. The President also directed me, as Homeland Security Advisor, to study the federal government as a whole to determine if the current structure allows us to meet the threats of today while anticipating the unknown threats of tomorrow. After careful study of the current structure – coupled with the experience gained since September 11 and new information we have learned about our enemies while fighting a war – the President concluded that our nation needs a more unified homeland security structure.

The Department of Homeland Security
Proposed Organization



The Department of Homeland Security

The creation of the Department of Homeland Security would empower a single Cabinet official whose primary mission is to protect the American homeland from terrorism. The mission of the Department would be to:

- Prevent terrorist attacks within the United States;
- Reduce America's vulnerability to terrorism; and
- Minimize the damage and recover from attacks that do occur.

The Department of Homeland Security would mobilize and focus the resources of the federal government, state and local governments, the private sector, and the American people to accomplish its mission. It would have a clear, efficient organizational structure with four divisions.

- Information Analysis and Infrastructure Protection
- Chemical, Biological, Radiological, and Nuclear Countermeasures
- Border and Transportation Security
- Emergency Preparedness and Response

Information Analysis and Infrastructure Protection

The Information Analysis and Infrastructure Protection section of the Department of Homeland Security would complement the reforms on intelligence and information-sharing already underway at the FBI and the CIA. The Department would analyze information and intelligence for the purpose of understanding the terrorist threat to the American homeland and foreseeing potential terrorist threats against the homeland.

Furthermore, the Department would comprehensively assess the vulnerability of America's key assets and critical infrastructures, including food and water systems, agriculture, health systems and emergency services, information and telecommunications, banking and finance, energy (electrical, nuclear, gas and oil, dams), transportation (air, road, rail, ports, waterways), the chemical and defense industries, postal and shipping entities, and national monuments and icons. Critically, the Department would integrate its own and others' threat analyses with its comprehensive vulnerability assessment for the purpose of identifying protective priorities and supporting protective steps to be taken by the Department, other federal departments and agencies, state and local agencies, and the private sector. Working closely with state and local officials, other federal agencies, and the private sector, the Department would help ensure that proper steps are taken to protect high-risk potential targets.

In short, the Department would for the first time merge under one roof the capability to identify and assess threats to the homeland, map those threats against our vulnerabilities, issue timely warnings, and organize preventive or protective action to secure the homeland.

Chemical, Biological, Radiological and Nuclear Countermeasures

The war against terrorism is also a war against the most deadly weapons known to mankind – chemical, biological, radiological and nuclear weapons. If the terrorists acquire these weapons, they will use them with consequences that could be far more devastating than those we suffered on September 11th. Currently, our efforts to counter the threat of these weapons to the homeland are too few and too fragmented. We must launch a systematic national effort against these weapons that is equal to the threat they pose.

The President's proposed legislation would accomplish this goal. It would authorize the Department of Homeland Security to lead the federal government's efforts in preparing for and

responding to the full range of terrorist threats involving weapons of mass destruction. To do this, the Department would set national policy and establish guidelines for state and local governments. It would direct exercises and drills for federal, state, and local chemical, biological, radiological, and nuclear (CBRN) attack response teams and plans. The result of this effort would be to consolidate and synchronize the disparate efforts of multiple federal agencies currently scattered across several departments. This would create a single office whose primary mission is the critical task of protecting the United States from catastrophic terrorism.

The Department would serve as a focal point for America's premier centers of excellence in the field. It would manage national efforts to develop diagnostics, vaccines, antibodies, antidotes, and other countermeasures. It would consolidate and prioritize the disparate homeland security related research and development programs currently scattered throughout the Executive Branch. It would also assist state and local public safety agencies by evaluating equipment and setting standards.

Border and Transportation Security

Our number one priority is preventing future terrorist attacks. Because terrorism is a global threat, we must attain complete control over whom and what enters the United States in order to achieve this priority. We must prevent foreign terrorists from entering our country and bringing in instruments of terror. At the same time, we must expedite the legal flow of people and goods on which our economy depends.

Protecting our borders and controlling entry to the United States has always been the responsibility of the Federal government. Yet, this responsibility is currently dispersed among more than five major government organizations in five different departments. Therefore, under the President's proposed legislation, the Department of Homeland Security would for the first time unify authority over major federal security operations related to our borders, territorial waters, and transportation systems.

The Department would assume responsibility for operational assets of the United States Coast Guard, the United States Customs Service, the Immigration and Naturalization Service (including the Border Patrol), the Animal and Plant Health Inspection Service, and the Transportation Security Administration. The Secretary of Homeland Security would have the authority to administer and enforce all immigration and nationality laws, including, through the Secretary of State, the visa issuance functions of consular officers. As a result, the Department would have sole responsibility for managing entry into the United States and protecting our transportation infrastructure. It would ensure that all aspects of border control, including the issuing of visas, are informed by a central information-sharing clearinghouse and compatible databases.

Emergency Preparedness and Response

Although our top priority is preventing future attacks, we cannot assume that we will always succeed. Therefore, we must also prepare to minimize the damage and recover from attacks that do occur. The President's proposed legislation would require the Department of Homeland

Security to ensure the preparedness of our nation's emergency response professionals, provide the federal government's emergency response to terrorist attacks and natural disasters, and aid America's recovery.

To fulfill these missions, the Department would oversee federal government assistance in the domestic disaster preparedness training of first responders and would coordinate the government's disaster response efforts. The Federal Emergency Management Agency (FEMA) would become a central component of the Department of Homeland Security, and the new Department would administer the grant programs for firefighters, police, emergency personnel, and citizen volunteers currently managed by FEMA, the Department of Justice, and the Department of Health and Human Services. The Department would manage certain crucial elements of the federal government's emergency response assets, such as the Strategic National Stockpile. In the case of an actual or threatened terrorist attack, major disaster, or other emergency, the Secretary of Homeland Security would have the authority to call on other response assets, including Energy's and the EPA's Nuclear Incident Response teams, as organizational units of the Department. Finally, the Department would integrate the federal interagency emergency response plans into a single, comprehensive, government-wide plan, and ensure that all response personnel have the equipment and capability to communicate with each other as necessary.

State/Local Government & Private Sector Coordination

The Department of Homeland Security would consolidate and streamline relations on homeland security issues with the federal government for America's state and local governments, as well as the private sector. It would contain an intergovernmental affairs office to coordinate federal homeland security programs with state and local officials. It would give state and local officials one primary contact instead of many when it comes to matters related to training, equipment, planning, and other critical needs such as emergency response.

Secret Service

The Department of Homeland Security would incorporate the Secret Service, which would report directly to the Secretary. The Secret Service would remain intact and its primary mission will remain the protection of the President and other government leaders. The Secret Service would also continue to provide security for designated national events, as it did for the recent Olympics and the Super Bowl.

Non-Homeland Security Functions

The Department of Homeland Security would have a number of functions that are not directly related to securing the homeland against terrorism. For instance, through FEMA, it would be responsible for mitigating the effects of natural disasters. Through the Coast Guard, it would be responsible for search and rescue, navigation, and other maritime functions. Several other border functions, such as drug interdiction operations and naturalization, and would also be performed by the new Department.

White House Office of Homeland Security and Homeland Security Council

The President intends for the White House Office of Homeland Security and the Homeland Security Council to continue to play a key role, advising the President and coordinating a vastly simplified interagency process.

Making Americans Safer

The Department of Homeland Security would make Americans safer because our nation would have:

- One department whose primary mission is to protect the American homeland;
- One department to secure our borders, transportation sector, ports, and critical infrastructure;
- One department to integrate threat analyses and vulnerability assessments;
- One department to coordinate communications with state and local governments, private industry, and the American people about threats and preparedness;
- One department to coordinate our efforts to protect the American people against bioterrorism and other weapons of mass destruction;
- One department to help train and equip for first responders;
- One department to manage federal emergency response activities; and
- More security officers in the field working to stop terrorists and fewer resources in Washington managing duplicative and redundant activities that drain critical homeland security resources.

The New Department Would Improve Security Without Growing Government

The Department of Homeland Security must be an agile, fast-paced, and responsive organization that takes advantage of 21st-century technology and management techniques to meet a 21st-century threat.

The creation of a Department of Homeland Security would not "grow" government. The new Department would be funded within the total monies requested by the President in his FY 2003 budget already before Congress for the existing components. In fact, the President's FY 2003 budget will increase the resources for the component parts by $14 billion over the FY 2002 budget. We expect that the cost of the new elements (such as the threat analysis unit and the state, local, and private sector coordination functions), as well as department-wide management and administration units, can be funded from savings achieved by eliminating redundancies inherent in the current structure.

In order to respond to rapidly changing conditions, the Secretary would need to have great latitude in re-deploying resources, both human and financial. The Secretary should have broad reorganizational authority in order to enhance operational effectiveness, as needed. Moreover, the President will request for the Department significant flexibility in hiring processes, compensation systems and practices, and performance management to recruit, retain, and develop a motivated, high-performance and accountable workforce. Finally, the new Department should have flexible procurement policies to encourage innovation and rapid

development and operation of critical technologies vital to securing the homeland.

Working Together to Create the Department of Homeland Security

President Bush recognizes that only the Congress can create a new department of government. During his June 6th address to the nation, the President asked Congress to join him in establishing a single, permanent department with an overriding and urgent mission: securing the homeland of America, and protecting the American people. I am here to ask, as the President did, that we move quickly. The need is urgent. Therefore, the President has asked Congress to pass his proposal this year, before the end of the congressional session.

Preliminary planning for the new Department has already begun. The formal transition would begin once Congress acts on the President's proposed legislation and the President signs it into law. Under the President's plan, the new Department would be established by January 1, 2003, with integration of some components occurring over a longer period of time. To avoid gaps in leadership coverage, the President's proposal contemplates that appointees who have already been confirmed by the Senate would be able to transfer to new positions without a second confirmation process.

During this transition period, the Office of Homeland Security will maintain vigilance and continue to coordinate the other federal agencies involved in homeland security. Until the Department of Homeland Security becomes fully operational, the proposed Department's designated components will continue to operate under existing chains of command.

Mr. BURTON. And you may rest assured that we will move as expeditiously as possible to get a product out of the House that will achieve the goals that you set here today.

Let me start the questioning by mentioning that Dr. Weldon mentioned that there were travel agents in Saudi Arabia who were able to grant visas instead of having them go through the normal process. And he also suggested that maybe it would be better to have the visas in an agency that would be dealing with national security rather than where they are today.

I hope that will be one of the things that you take a look at and that we look at as we go through this process. And I would like to talk to you about some length later on.

Now, the FBI and CIA has been a real concern of this committee, and many of the people on this committee and other Members of Congress for some time. And we have felt like there was a lack of coordination between the two of them, especially after some of the briefings we have had.

Will the new department promote better performance at the FBI and a CIA, and if so, how will that happen?

Mr. RIDGE. First of all, Mr. Chairman, I believe that both Director Tenet and Director Mueller have begun internal reorganization efforts consistent with not only their own individual assessments of what additional things need to be done, but obviously in light of September 11th and experiences related thereto have made some adjustments. I think Director Mueller has been up here talking to you about changing the organization of the FBI, creating a center for intelligence. I think both are trying to gear up and enhance their analytical capacity.

But you raise a question that is very much on the minds of, I think, most Members of the House and Senate, it seems to be the primary focus of their concern with regard to this new agency. The President strongly believes that the CIA, the primary source of foreign intelligence information, should remain directly accountable to one person in the executive branch of government, and that is to the President of the United States. There is a clear line of authority, direct line of authority to the President of the United States.

The President also believes that the FBI should continue to remain an integral part, the chief law enforcement agency of this country, under the auspices of the Attorney General, but again, there is a direct line of communication and accountability to the President of the United States.

The improvements and the changes that they are seeking to effect within those organizations will add value to the work product that they would send to the new Department of Homeland Security. But I would like to be very clear at the outset that the statute would direct the CIA and the FBI to send and to share with the new Department of Homeland Security. This is an affirmative obligation in the statute for the CIA and the FBI to send to the new agency the reports, the assessments, and the analytical work that they do based on the raw data and the information that they receive. That is an affirmative obligation.

There will be, under certain circumstances, an opportunity for the secretary of the new department to go back and even make inquiry and get access to some of that raw data. But, be very clear.

An affirmative obligation in the statute to give this new department the reports, the assessments and the analytical work product.

Mr. BURTON. Well, let me just elaborate a little bit on this issue. In the event that there was an imminent attack on the United States or some area of the United States, it seems it would be imperative for the FBI, CIA and homeland security to have that information all together at one time so that the President could get the whole picture just like that.

Mr. RIDGE. Yes, sir.

Mr. BURTON. It concerns me and it concerns some of my colleagues that if you have the FBI coming here, the CIA coming here, and Homeland Security coming here, that the information may not be coordinated in such a way that the President gets that immediately. And I guess my question to you is, are you confident that this can be done, and will be done in such a way that there will be immediate access by the President to this information so that if there was an imminent terrorist attack, he has all of the information at his disposal so that he can move quickly?

Mr. RIDGE. Yes. Mr. Chairman, I cannot speak to the protocol and procedures followed by previous Presidents. But I know this President, on a daily basis, brings the leaders, brings the Director of CIA, the Director of the FBI, the Attorney General, and the assistant to the President for Homeland Security, meets with him on a daily basis as commander-in-chief. We meet with the President of the United States whenever he instructs us to meet with him.

But, that fusion, that personal fusion and sharing of intelligence information often goes on in the presence of the President, who often goes back and tasks those involved in the conversation, to do additional things in furtherance of his commitment, his goal, which he considers to be job one, enhancing the security of America and protecting citizens.

Mr. BURTON. Well, that is good to know, because we had some occasions, some of the briefings we had in the past where many of us felt like that coordination was not there. And so I am glad to hear that is one of the major things.

Mr. RIDGE. You raise a very important question, Mr. Chairman. Again, my frame of reference is October 8 forward. But my sense has been that over the past couple of months the CIA, maybe over the past several years, but the CIA and the FBI have begun to collocate agents and analysts together. I would presume that is an option or something that the new secretary of Homeland Security would want to engage in as well. So that, at the CIA and at the FBI, and at the new Department of Homeland Security, in that integration and the analysis unit, you actually have some CIA, FBI and some homeland security analysts working together in the three independent agencies.

Mr. BURTON. Thank you, sir.

Mr. Kucinich.

Mr. KUCINICH. I thank the Chair. There is a couple of things that I think it is important in terms of where you are going with this strategy that you talk about that is already evident, based on the record of the past few months.

And I think that a Member of Congress would be remiss not to try to get a direct answer out of you about what in the world has

happened with this anthrax investigation. And why don't the American people know the answers, as far as where it came from, who is responsible, and what has been done to pursue those who are responsible?

Mr. RIDGE. Well, Congressman, there has been quite a bit of praise heaped upon the men and women who are involved in homeland security issues. And I think very appropriately so. Among those men and women who have been justifiably praised by this committee and other committees are the folks at the CDC, at the NIH, the men and women that work for the FBI and other law enforcement department or agencies around the Federal Government. And literally hundreds if not thousands of people continue to work this issue.

Everyone has moved as aggressively and as appropriately as they possible can. The continued work that they are doing on the science of these anthrax spores, trying to determine from the unique qualities of these spores, whether there is information, can be gleaned from the very cumbersome and complex process that they have to go through scientifically looking at these spores.

The only thing I can tell you, Congressman, is that every single day, hundreds of the men and women that everybody in this—on this committee has been praising, justifiably so, go to work every day trying to get answers.

Mr. KUCINICH. May I say, Governor, with all due respect——

Mr. RIDGE. That always makes me nervous.

Mr. KUCINICH. It should. Because our way of life on Capitol Hill was changed. Now, I understand from——

Mr. RIDGE. The way of life in people in the communities in New York, New Jersey and——

Mr. KUCINICH. But we don't even get mail without it going through irradiation. And it is very serious. When people cannot communicate with Members of Congress expeditiously as they are used to. Now, I am asking you directly. There have been published reports that suggest that the anthrax came from Ft. Dietrich out of a controlled and secured area. That there is only a very few people who could have had access to that.

Now, there has never been any public hearings that have pinned this down. I am asking you, what about this? Is it connected to anyone who worked for the government, who was under contract to the government, and when are you going to give an accounting to the people of this country and to this Congress on this? If we are going to turn our homeland security over to one umbrella department, how can we be assured of having any confidence in that if given the present structure with all of the thousands of people that you talk about that are working on this, that we don't have an answer to a biological attack on this Congress and on this country.

Mr. RIDGE. Well, as you pointed out, Congressman, it is not just the Congress that has endured both the emotional and the physical challenge of dealing with anthrax, but there are five families who have suffered a personal loss, and there have been untold members of families that were sick and perhaps even some men and women that worked for the Congress of the United States affected by it.

Congressman, the only thing I can tell you is that the FBI and the law enforcement community has followed and continues to follow every single lead that they possible can.

I can only tell you that they have also had to followup on some bad information and some misinformation and obviously some hoaxes out there. That Director Mueller, that the agencies involved in the scientific research, continue to keep this as a very high priority, and as such time as that the human or the scientific leads take them to final resolution, they will continue to work as aggressively as they possibly can to find out the source and bring the perpetrators to justice.

Mr. KUCINICH. I understand the limitations of your testimony. I just want to make one more comment, and that is that you said in your testimony, that this structure responds to what you believe is a permanent condition. I think that we really need to reflect on that. To ask why it is a permanent condition, and why it is that the people of this country should continue to be in fear. We need to explore that a little bit more while we are going into these structural issues as well. And I thank the Governor for his presence here. I truly do.

Mr. BURTON. Thank you, Mr. Kucinich.

Mr. Shays.

Mr. SHAYS. Thank you. I think the answer to the question of why it is a permanent condition is that terrorists have weapons of mass destruction. We know there is no red line. We know that they are willing to cross it. And we need to be able to respond in this race with terrorists to shut them down before they use these weapons, chemical, biological, radioactive or nuclear.

But, related to his point, Mr. Kucinich's point, and who has been a very hard working member of our subcommittee and a very thoughtful one, I would love you to explain—we basically are taking the reorganization before we fully heard, as Mr. Kucinich pointed out in his statement, what the threat analysis is and what the strategy is. Will we, before we adopt this legislation, have a fairly delineated explanation of the threat assessment and the strategy?

Mr. RIDGE. As I mentioned, Congressman, there will be no surprises in the national strategy. You see basically the infrastructure around which the strategy, or upon which the strategy would be based in the President's initiative. The threat assessment is fairly straightforward, and I think most Americans understand it.

There are literally thousands of terrorists in the Al Qaeda organization that—the cells in dozens and dozens of countries around the world, who have as their primary target, undermining our way of life, and who do not distinguish between combatants and civilians, who deploy strategy and tactics in their asymmetrical efforts to undermine us, the likes of which we have never confronted before and who choose to turn our cities into battlefields. The threat is there. We know that the—I am sure in your committee hearings you understand that it is, hopefully you would agree, Congressman, that it is advisable as we set up the agency for the next secretary to base the organization and the focus on the notion that once we bring bin Ladin to justice, and ultimately we will, there will be a follow-on, and that we are going to continue to have this challenge for a long, long time.

The vulnerability assessment is also an important feature of and component of the new agencies. We all understand that about 90 percent of the critical infrastructure in this country is owned by the private sector. And it is securing information with regard to that vulnerability, some of which we would like to protect from a very limited exemption of the Freedom of Information Act, so that when we get credible threat information, and made an assessment with regard to its timing and direction and target and what have you, that we can take a look at whether or not it is potential target, was vulnerable, and then in a capacity that this country has never had, because of the rather historic way we are going to use this information, then recommend very specific protective measures to be deployed.

So I think the threat assessment, those who have dealt with a—probably can talk to Congressman Barr a little bit about this, but I know you have dealt with it in the committees and in private briefings. There is an assessment that goes on a day-to-day basis, trying to sort through literally millions of pieces of information on a weekly basis.

But we know ultimately where the threat is coming from, and we know the form that it would take, and we know the strategy and tactics are different. That is, we need in response to a 21st century threat, a 21st century agency to deal with it.

Mr. SHAYS. The most chilling testimony we had before our subcommittee was a doctor of a noted medical journal who concluded by saying, his biggest concern, that is a small group of scientists who will create an altered biological agent that when released, will literally cause the destruction of humanity as we know it, which clearly justifies our holding the countries accountable for the actions that take place in a country.

And so the question I ask you is, is that a form of strategy, in other words, holding the countries accountable for the actions that take place? Is that a threat assessment, or is that a strategy response?

Mr. RIDGE. Well, I think you get much better clarification from the Secretary of State on that issue. But it is pretty clear to the administration that there are—state-sponsored support of terrorists is a reality that we have to deal with.

And in terms of identifying the support, we know, in fact, that we would have reason to believe that the threat associated with Al Qaeda, the chemical, the biological, the radiological and the nuclear threat, whether or not it is related to directly to a state-sponsored effort or not, we also know that there is a potential of a radiological, chemical, nuclear or biological threat from state-sponsored terrorists.

So whether the terrorism is sponsored by a state or sponsored by a terrorist organization that does not receive support from a sovereign, it is immaterial. We have to be prepared for any eventuality, whether it comes directly from a sovereign or indirectly through a terrorist agent, or from a terrorist organization acting independently itself.

Mr. SHAYS. Thank you. Thank you, Mr. Chairman.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. Thank you very much, Mr. Chairman. Governor Ridge, all of us agree that we need to streamline government and increase coordination. In your written testimony, you addressed this point saying that the new department would improve security without growing government. I want to ask you about this. The objective is not to grow government, but the bill you have proposed includes 21 deputy, under, and assistant secretaries. This is more than double the number of deputy and assistant secretaries in Health and Human Services, which administers a budget that is 3 times bigger than the budget we expect for this agency.

If the objective is not to grow government, why does the new department need so many deputy and assistant secretaries?

Mr. RIDGE. One of the challenges we have, Congressman, is to make sure that we organize this in the most effective way possible. And I think in developing a mission-driven, performance-driven organization, and we believe that with your support, we can get one of those set up down the road, that we can fill these positions conceivably from among the 170,000 people that would become a part of this organization.

But we are going to need some internal leadership. We may need to make some changes, and at least those positions give the new secretary some flexibility as to where to deploy them. It has been admitted, and I think acknowledged by many of the Members of Congress, that some of those agencies are in need of reform and of change, and maybe perhaps additional leadership. And that would at least—those few members in comparison to the 170,000 would at least give the new secretary the opportunity to implement some significant changes if he or she see fits.

Mr. WAXMAN. Here is my concern. I think the reason that so much bureaucracy must be created is that the new department doesn't consider, have a clear enough focus. You say the mission is to protect homeland security. But the proposal would transfer into this new department many agencies that eradicate boll weevils from cotton crops, that issue flood insurance to home owners that live along the Mississippi River and clean up oil spills from our waterway.

I want a new homeland security agency, but I want it focused on our homeland security needs. Let me ask you about that. On October 8th when President Bush created your position, he issued an Executive order. And Section 1 of that order established your office. And then Section 2 said, that your core mission was to develop and implement the coordination of a comprehensive national strategy to secure the United States from terrorist threats or attacks.

Now, according to President Bush, developing this national strategy is your No. 1 job. But, Congress hasn't received it yet. Why not?

Mr. RIDGE. Well, you also, since you are familiar with the Executive order, you know that there was no timeframe specifically directed by the President. And I volunteered publicly some time ago that I would like to get that strategy before the President by mid year, sometime in July.

Mr. WAXMAN. Isn't this backward, though? We are going to get the strategy after we reorganize? It seems to me that if you don't have a strategy, we don't have the priorities set forth in a clear

way and we can't gauge whether the reorganization proposals best serve the Nation's security.

As you know, several esteemed commissions have looked at the whole idea of homeland security, and they have said that we should start with the strategy, and then let that drive reorganization decisions, not the other way around. In the June 15th edition of the National Journal, John R. Brinkerhoff, who is the Civil Defense Director at FEMA under President Reagan, said, "the Bush Administration is doing the wrong thing for the wrong reasons. What worries me is that we put the cart before the horse. We are organizing, then we are going to figure out what to do."

I wouldn't go as far as Dr. Brickerhoff went. Because I think reorganization is needed. But I think it is vital for Congress to review your national strategy at the same time as we consider how to reorganize the government. Setting forth a strategy that lays out clear and specific goals, objectives, definitions and performance measures, is an important part of how we are going to plan reorganization.

Mr. RIDGE. Congressman, the question would imply, although I realize it is not your implication, that we have just started to work on the strategy subsequent to the President's announcement of the Department—of his proposal for homeland security.

Mr. WAXMAN. I didn't mean that. But Congress is being asked to reorganize without receiving your strategy report.

Mr. RIDGE. But, in fact, the strategy and pieces of the strategy have been emerging, have been shared with Congress, not in a complete document, which we are in the process of completing, but ever since the President sent up his 2003 budget initiative, and the centerpiece of that strategy, as I reiterate is the Department of Homeland Security, that has very clear missions.

The first mission is to create a new capacity, not to deal with information, to integrate all of the information from the intelligence community, map it against the vulnerabilities out there, and give specific definition to the particular target. We have never had it before. That comes under the category of prevention, which is at the heart of the strategy.

Intelligence fusion and sharing is very much a part of the strategy, and it is also reflected in part of the budget proposal that the President made when he submitted it in 2003, so you can track that. Clearly pushing our borders out. If you are interested in a homeland strategy and homeland security, you know that you want to interdict either the terrorists or weapons of terror before they enter the United States.

Again, border consolidation. This was a piece of the President's 2003 budget. You see that seam, moves into the President's initiative here, and you will see the underpinnings in the national strategy as we develop it here in the next couple of weeks. Clearly, from prevention to reducing vulnerabilities, Congressman, we also say that we need to have stronger relationships with the public and private sector. That was part of the Executive order, part of the strategy.

And that is why you see the requests in the supplemental as well as in the President's 2003 budget to create a much stronger, most robust direct relationship with the States and the locals and the

first responders. And so I think I can take you through the President's budget proposal in 2003, and show you how it ties into this, the reorganization which is very much part of the strategy.

So it is in pieces of the strategy, the underpinnings have been out there. We will give it in a more complete document in a couple of weeks.

But you see the strategy, it is to prevent in the new agency working with a reformed CIA and the FBI, taking the threat assessment, matching it against vulnerabilities, then doing something actionable is very much a part of it. Securing our borders, pushing that perimeter out as we want to do, is very much a part of it, and go through the rest of the litany. But you can see, sir, that in the President's budget, and in the reorganization, I think you have a pretty good idea of what the strategy is.

Mr. BURTON. Mr. Horn.

Mr. HORN. Thank you, Mr. Chairman. I would like to pursue a little bit the function aspects. I think you have got an excellent theme through there where have you got deputy, under secretaries. Because, when you look at this tremendous amount of data that are going from the agencies, and a lot of them are going to say, gee, I want to bring teacher a real thing, so they sort of huff it on their desk and wait and wait and wait.

And I wonder the thinking you have given to an emergency desk run by the deputy secretary overall. Because, the secretary, whether it is you or anybody else, we all know they have to go around the Nation and meet various groups, such as the health departments and all of the enforcement of law and so forth. And all of that gets clogged up and clogged up as we get through the data. And the CIA's role originally was pull all of the intelligence in the whole executive branch and report to the President of the United States.

That hasn't worked that way. And we have here a number of things that go directly to the Defense Department. And that is the reconnaissance group, that office, the NSA, a number of them.

And it might be worthwhile to at least cleanse that out so the secretary, although he has got plenty to do, and the question with all of these Embassies, we have got FBI, CIA, Commerce, everybody has got an attache there. And a lot of that will trickle through. And the question is, how do you get what is really needed where you and your people know to make a decision and a recommendation to the President?

Mr. RIDGE. Congressman, with your support, with congressional support of this legislation, by statute, the CIA and the FBI will be compelled by statute to provide their reports and their assessments and their analytical work products to the Department of Homeland Security, which will have the opportunity to review it, make their own independent judgments. They may agree or disagree with the analysis, and they may, in fact, seek additional information and go back to the President and request that they even have access to the raw data upon which either one of the other agencies drew their conclusions.

So what we are developing here is not only a new capacity to match the threats with vulnerabilities and then direct protective measures, but we are also developing another analytical point

where other trained professionals can review the same information and determine—and see whether or not they reach the same conclusions, which I think enhances our ability as a country to protect ourselves.

Mr. HORN. And I am glad you, the IG, in your necessarily special group. That really runs the city, in terms of the department. And I think I have found over the years here that could be a good hand for the secretary.

Mr. RIDGE. I wanted to make one other point if I might, Congressman. The collection process, the President feels very strongly, and I can't reiterate this enough, that the two agencies that would be providing information to the new Department of Homeland Security have made internal reforms which he supports, now collaborating and cooperating, I think, in an unprecedented fashion.

Clearly, one of the challenges is to make sure over the long term it is not only between the principals that do it on a day-to-day basis, and the agencies that are doing it now, but to make sure that it is done in the future. I know there continue to be concerns about the CIA and the FBI.

And if there are to be reforms of those organizations, depending on the conclusions that are reached after the hearings are concluded, that would certainly be within the province of the Congress of the United States to make those recommendations and legislate those proposals.

But whatever they did to improve the capacity of those agencies would improve the work product that would be available to the Department of Homeland Security. But the President feels very strongly FBI needs to be maintained as an integral part of the Office of the Attorney General, the chief law enforcement official in this country, and very strongly that D.C. should report to one member of the executive branch, and that is the commander-in-chief, the President of the United States.

Mr. HORN. Thank you.

Mr. BURTON. The gentleman from Massachusetts, Mr. Tierney is recognized for 5 minutes.

Mr. TIERNEY. Governor, I want to revisit an issue with you, just because I think we may be talking past each other here on the panel. When we talk about your having a threat and risk assessment, I think generally everybody understands that homeland security is a need, and that we have threats out there.

But the idea of having a threat risk assessment is to identify with specificity what are the threats, identify them, which one is more severe, where are we going to allocate our resources. As we break into these different departments, who is going to get more money than another? Who is going to get more people than another? You know, is a chemical threat more than a biological threat? Is something coming in by ship greater than coming in by plane. That kind of threat assessment is the one that the Hart-Rudman report indicated was a necessary first step, that the Gilmore report very strongly indicated was a first step, Rand and Brookings have each done an assessment on that and identified the threats and prioritized them, shape them up once against the other and put them in there. That helps us make the policy.

I don't think that you probably could have gotten as far as you have gone and made this proposal, the President making his proposal without having had that done somewhere. We'd certainly be expected to act on this, as policymakers and people that provide for the resources without having that. So would you revisit that a moment for me. Tell me where are you on that kind of a threat and risk assessment, and are we going to have that before we are in a position of making decisions as to who is going in what department and what their resources are going to be in terms of allocation?

Mr. RIDGE. Congressman, again, I want to distinguish between the overall threat assessment, which I believe we all appreciate and understand.

Mr. TIERNEY. Excuse me for a second. That is very broad. We can't have everybody taking the worst case scenario and doing our planning on that. Because we don't have those kind of resources, even if we wanted to have them.

Mr. RIDGE. I am going to try to get to that in a minute because you are right. The predicate is that terrorists could use biological, chemical, radiological or nuclear weapons. That the terrorists could take a look at vulnerabilities in this country, and turn them into targets and cause and inflict enormous catastrophic damage, both personal and economic.

So we know generally what the threat is. Depending on how discrete the information is, and how clear it is with regard to a particular threat, if we set up this new Department of Homeland Security with a kind of flexibility that is—I think the President believes is necessary to create a capacity to respond to a discrete threat, but we don't have that capacity yet to do so, to match a threat with a vulnerability and to respond immediately. RPTS SMITH DCMN NORMAN

I mean that goes at the very heart, the ability to identify a particular threat and to respond to it.

Mr. TIERNEY. But I still think you are missing the point here. All of these other reports have indicated, quite clearly, that we certainly should have the ability now to make an assessment of what are the more likely of those threats and what are the more likely ways in which they are to be carried out. And in Rudman-Hart we thought that was important, Gilmore thought it was important, if the GAO thinks it is important and if, in fact, Brookings and Rand can do it, isn't that what we should be doing first, so that we can put this other umbrella thing together, we have at least a specificity of how many people are needed or resources are needed in a particular part of that, and then identify them to go right at the ones that have the highest priority, the ones that are most likely to occur?

Mr. RIDGE. Well, Senator, I don't think that any—excuse me. I got you promoted.

Mr. TIERNEY. I appreciate the promotion. I know a couple guys in Massachusetts might not.

Mr. RIDGE. I don't know if that's an aspiration of yours or not. The Department of Homeland Security is designed to deal with both the general and the specifics. The information analysis piece, depending on the information you get in, can help us direct re-

sources to deal with an immediate threat. The consolidation of the borders, we know that we want to keep terrorists out and terrorist weapons out. With regard to FEMA, we know that in the broad range of potential threats they come in a finite number of categories. And there are ways that you go about preparing for a nonspecific biological threat and a chemical threat and a radiological threat and a nuclear threat, so this is set up to deal with threats generally.

Then depending on discrete information that we have about specific threats, you then have the capacity to go out and begin research immediately, because one of the units in the President's proposal gives us the ability to direct resources to research perhaps antidotes or vaccines for a specific kind of biological weapon that we believe is imminent, and can be used, will be used in the near future. So——

Mr. TIERNEY. I appreciate that. But I think by way of—I know my time is out here. So I just—Coast Guard is one good example of that. Like how much of the Coast Guard should we put in this division? It has so many other responsibilities. And it would be helpful to know whether or not what we plan on using the Coast Guard for was a matter of the ultimate priority or somewhere further down the list, or a low priority, you know, as we determine; because they have so much to do with search and rescue, with fisheries management, with drug interdiction and with this. You know, how much money do we have to put in the Coast Guard? How big are we going to grow it, and where are we going to put these priorities in amongst themselves and then find out where in this chain of what you are talking about? I think that really would be helpful to us to have now, as opposed to after we do this legislation.

Mr. BARR [presiding]. The time of the gentleman has expired. The gentleman from New York, Mr. Gilman, is recognized for 5 minutes.

Mr. GILMAN. Thank you, Mr. Chairman.

Governor Ridge, at least one half of the foreign terrorist organizations have some links to the distribution of illicit drugs and the finances that they gain from them. These are terrorists organizations. What will the new Department do to ensure the DEA and other drug-related intelligence people will be incorporated into your system?

Mr. RIDGE. Congressman, I didn't hear the first part of your question. I apologize.

Mr. GILMAN. Sure. There are about one half the foreign terrorist organizations have some links to illicit drug distribution and the financing of their organizations from drugs. Can you tell us what the organization will do to try to bring DEA and some of that intelligence on drug-related transactions into your system?

Mr. RIDGE. Well, No. 1, Congressman, we recognize that this agency has its own source of information gathering. It does its own analytical work and is in the law enforcement business itself. And so gaining their records and their analysis into the Department of Homeland Security is, by statute, going to make us a partner from the get-go.

Second, if we consolidate the agencies at the borders, INS, Customs, and the Coast Guard, and others that work with the DEA

often on interdiction, it would be I think, frankly, a much stronger partnership if the DEA can work with one agency where there's a unitary command that says this is the relationship all of you must have, or we must develop a partnership with the DEA.

So I think it really will improve significantly over time, the interaction and the collaboration, now that we have consolidated the agencies that they have dealt with perhaps on an ad hoc basis into one department.

Mr. GILMAN. That is encouraging. Governor Ridge, the Indian Point Nuclear Power Plant is located in my area. It is along the shores of the Hudson River. It is less than 30 miles outside of Metropolitan New York City. It is in the heart of almost 20 million people.

Following the brutal attacks of September 11th, a number of questions and concerns have been raised by our people about the safety, the emergency preparedness, and the security of that plant. And in our efforts to assure the public of the safety of that facility and to increase measures defending the plant and to ensure emergency preparedness, to protect the public, we have been confronted with some resistance and unanswered questions from FEMA and from the Nuclear Regulatory Commission.

With FEMA being brought into your new Department, what role would the new Department of Homeland Security play in emergency preparedness around our nuclear facilities? And would any of FEMA's policies be changed as a result of that? The Nuclear Regulatory Commission is responsible for determining the physical protection requirements of nuclear power plants, and in response to September 11th the NRC established a new Office of Nuclear Security and Incident Response. Will this responsibility for defending our nuclear power plants and this new office be transferred to your new Department of Homeland Security?

Mr. RIDGE. Interestingly enough, Congressman, you identify a point of vulnerability that has been much on the minds of Members and Senators who have nuclear facilities in their jurisdictions. And depending on what aspect of security prevention involved with a nuclear power plant, you might have the Department of Energy, you might have FEMA, you might have the Nuclear Regulatory Commission, or in fact you might even have the State involved.

And it is pretty clear that under the new Department of Homeland Security, the continued responsibility of the Nuclear Regulatory Commission to oversee the physical requirements, the licensing requirements of the nuclear facility, will continue to exist and should continue to exist. But I think that the confusion that might otherwise arise as to who does what at the time of an incident or prior to an incident, whether it is FEMA, whether it is the NRC or it is the Department of Energy, will be resolved. You have one place that will coordinate with the appropriate roles of all the agencies, but the continued licensing and oversight of the security will be with the Nuclear Regulatory Commission, but at this instance, in conjunction with the Department of Homeland Security.

Because, again, they have the responsibility to deal with not only threats but critical infrastructure, and obviously the nuclear power plants are an integral part of the critical infrastructure. And so the

relationship will be much more direct; and I think, I would hope, I believe, much more effective.

Mr. GILMAN. So you will be coordinating that kind of security.

Mr. RIDGE. The new Secretary in the new Cabinet position, will have both the responsibility to do it and, frankly, be in a better position to do it; because, again, part of the task of the new Department is to assess critical vulnerabilities, look at the critical infrastructure. The energy component of our economy is clearly in that category, and they will be responsible for matching threats that—we have heard a lot about threats potentially to our nuclear facilities with that vulnerability, and then working with the NRC or the community or whomever to deal with that threat.

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

Mr. BARR. The time of the gentleman has expired. The gentleman from Maine, Mr. Allen, is recognized for 5 minutes.

Mr. ALLEN. Thank you. Thank you, Mr. Chairman, and thank you, Governor Ridge, for spending so much time with us this afternoon.

In my opening statement, I mentioned the issue of making sure that information flowed vertically between the new Department of Homeland Security and State and local officials, that those lines of communication worked well. And I want to ask you to elaborate on that.

I want to mention one other thing in that context. The experience over the last few months from people in Maine is that when funds flow through an established channel, as they do through FEMA, that works very well. When they flow through a new channel, the Department of Justice, there are more and more issues and problems, and certainly the people in the Maine Emergency Management Agency prefer that FEMA channel. They think that FEMA really knows how to work with State and local officials in a productive way.

And so I just wanted to make that point, and then really ask two things. How do you envision the lines of communication between the new Department and State and local officials working? I mean, I know we are all going to talk about consultation and collaboration and so on.

And the second question is—particularly smaller rural States are faced with developing plans for the kinds of catastrophes that we didn't really expect before. And so the second question is: Will there be in this new Department a group who can provide the kinds of technical assistance to smaller States to develop response plans for these catastrophes, really, that haven't been certainly right on the front of the planning agenda in the past?

Mr. RIDGE. First of all, the point about vertical sharing of information I think is critical to our national effort to secure the homeland. We have 650,000 to 700,000 State and local police and law enforcement. They want to be engaged. They are engaged from time to time as members of the FBI joint terrorism task forces. But at some point in time, as we develop the capacity to share sensitive information under appropriate circumstances with them, they become additional soldiers in our effort. And I think that is certainly the direction that both the Congress and the President, under the right circumstances, want us to move.

I notice that your colleagues Saxby Chambliss, and Jane Harman have an information sharing initiative that takes the information we get in the Federal Government, under appropriate circumstances, shares it with local and State law enforcement, and I think that is—I think the administration has been working with them and supportive of that proposal.

With regard to FEMA, in my capacity as Assistant to the President on Homeland Security, we have set up fairly routine phone calls with Governors and mayors, because again it is a national effort, and we have to engage and develop partnerships with the States and local communities. And if I heard it once in these phone calls or when I have attended their events, I have heard it dozens of times: We would like to go to one place to access dollars to help with preparedness planning, to help us with the acquisition of equipment, to help pay for training and exercises.

And one of the reasons that we have put FEMA into—the President has put FEMA into the new agency is to make it a one-stop shop. We take the grants from the Department of Justice, the grants from Health and Human Services, the grants from FEMA, we would aggregate them into one.

Director Albaugh informed me the other day that he received nearly 700 responses to an inquiry that he made with the States and the local governments as to what you would expect the kind of technical assistance, how do you want us to help you frame your planning for a terrorist event?

I would tell you that in the supplemental, there is $175 million that the President has requested to give to the States and the local governments so they can begin doing the kind of planning that you are talking about, the small and rural communities and States, to develop mutual aid PACs, to develop national capacity. And that $175 million is to be expended for planning in anticipation of some significant level of support from Congress of the President's initiative in his 2003 budget where there is $3.5 billion for first responders.

It would be nice to distribute it according to plans, statewide plans that involve mutual aid, exercises and drills, and the like. So, again, the notion of a one-stop shop is embodied in the President's initiative. Mayors and others would like to go to one government agency to get the kind of technical support and financial support that you are talking about. The President provides that in his plan.

Mr. BARR. The time of the gentleman is expired. The gentleman from Virginia, Mr. Schrock, is recognized for 5 minutes.

Mr. SCHROCK. Thank you, Mr. Chairman. Governor, as I alluded to earlier, in April I sponsored a seaport security and force protection workshop, in conjunction with the U.S. Navy, and I have found that recurring problems they faced in providing port security were the problems of information sharing.

Other than organizational structures and the Federal laws preventing information sharing, one other major obstacle to the timely transfer of information between agencies was the lack of interoperability of the data bases, communications networks, and information gathering systems between the agencies. Reorganization, I don't think, will solve this problem of interoperability. What do you foresee in the near term as a possible solution to the lack of inter-

operability, and what would you recommend would be a long-term solution?

Mr. RIDGE. Congressman, the heart of much of what the President seeks to accomplish with his initiative is based upon the ability of the appropriate agencies to share information, not just the CIA and the FBI with the Department of Homeland Security, but INS and Customs and Coast Guard and DEA and everybody else, to share it with each other.

We noted with an initial look at the information technology budgets of the agencies that would be fused at the borders, that there is an anticipation of well in excess of $1 billion that is out there potentially to be invested in IT.

It is my sense and my understanding that what has happened in many of these agencies over the years is they get more money for information technology, but they layer the systems, but they don't connect them. And by giving the new Cabinet Secretary some flexibility with regard to procurement and the transfer of funds, I would suspect that the new Secretary would want to make this one of the highest priorities, because it has also been one of the Congress's highest priorities, and it hasn't been done.

I mean, Congress asked 6 years ago, it directed the INS to come up with an exit monitoring system, and the President wants an entry-exit monitoring system, and the only way we are going to be able to do that is to integrate the data bases and deploy some IT more effectively than it is been deployed before.

So I think the new Cabinet Secretary has got a lot of work to do, not only to meet congressional mandates which are longstanding, but also to improve the information flow between the consolidated agencies or among the consolidated agencies.

Mr. SCHROCK. Well, if this thing is going to work, those barriers simply have to be broken down. And we understand there are laws that prevent some agencies from sharing. And I guess we are going to have to do something about that.

Mr. RIDGE. Well, I am glad you raised that issue because there are some legal obstacles to that sharing, and there is some concern and criticism of stovepipes; that, in fact, one of the reasons that some of the stovepipes exist is because there are impediments, legal impediments to the sharing of certain kinds of information. So, again, we have to be careful under what circumstance is it done, but obviously the new Secretary would look to the Congress to try to make it easier to share information.

Mr. SCHROCK. Sure. Let me go back to port security for a minute. How do you foresee this new agency working with State agencies to ensure port security?

Mr. RIDGE. It is been my experience, working with the Coast Guard with regard to issues of port security, that under Admiral Loy, and now under Admiral Collins, that there had been extraordinary outreach to the State and local authorities that had responsibility for port security. And my best guess, and I think very appropriate, the new Secretary would build on that foundation that the Coast Guard has already established.

Again, you get back to the even more basic issue, the multitasking of the Coast Guard, as we do other agencies. Forty were multitasked before the President's initiative brought them under

the Department of Homeland Security. The Coast Guard was tasked with many things before under the Department of Transportation. Admittedly there is an enhanced responsibility for port security, but in recognition of that enhanced responsibility, the President in the 2003 budget has given the Coast Guard the largest increase they have ever received so they can attract new personnel and acquire more equipment.

Mr. SCHROCK. You are absolutely right. They have been overburdened with what they have to deal with, and I think Admiral Loy was the first Commandant to finally say, "Stop. Enough is enough." And I think what the President has done in increasing the budget is good. But I think that is a start and they are probably going to take on a more critical role than they have had before, and we need to understand that and start pouring more resources into the Coast Guard.

Mr. RIDGE. Well, you know—and I am glad you raised that, because I visited with the Coast Guard for an afternoon down in New Orleans. And it is not just the port, but obviously there are certain areas of this country that you have got chemical facilities and energy facilities. I mean, the ports are vulnerable not just because it is an ingress and egress for people and cargo, but more often than not around our ports in this country, we have critical infrastructure that are potentially vulnerable. And we need the Coast Guard to be involved there with the assessment of the vulnerability and helping them determine what kind of protective measures they need to take. So they are very engaged at the port for a variety of reasons.

Mr. SCHROCK. Thank you, Governor. Thank you, Mr. Chairman.

Mr. BARR. The gentlelady from Illinois, Ms. Schakowsky, is recognized for 5 minutes.

Ms. SCHAKOWSKY. Thank you, Mr. Chairman.

Governor, the Nuclear Regulatory Commission made an offer to provide potassium iodide pills free of charge to States with—for people within a certain range around nuclear facilities. Under the NRC proposal, States can obtain enough potassium iodide to provide pills to each person within 10 miles of a nuclear reactor. Many States, I think it is now 16 States, have taken the NRC up on that that offer.

What I am asking is if in your opinion as Director of the White House Office of Homeland Security, do you agree with the President of the United States that it is in the best interest of those living within 10 or 20 miles of nuclear energy facilities to have potassium iodide readily available for use in case of a nuclear emergency?

Mr. RIDGE. I think the decision was made, very appropriately, by the Nuclear Regulatory Commission to work with the States to make it available for distribution to the States. We have got to work in partnership with the States.

You raise an interesting question. The NRC has a responsibility so distribute it around nuclear power facilities. The Department of Energy has technically the responsibility to distribute and work with the States if it is a nuclear weapons facility or storage facility. FEMA has the responsibility to distribute it outside the 10-mile

limit, and we have got to bring some rationalization to that process.

But, again, the notion of prevention and working with the States, as we said, as we define protective measures and make available——

Ms. SCHAKOWSKY. So do you think it is a good idea for States, in one way or another, to make the potassium iodide available to——

Mr. RIDGE. Well, there has been so much—there have been so many public expressions of concern about nuclear facilities, and I think there is a consensus that making it available to the States for distribution will hopefully eliminate some of the concern. Again, we had the discussion with Congressman Tierney about threat and risk. I mean, some are low probability, high consequence. Some are high probability, low consequence. And it is a very complicated pattern and matrix that you have to work through.

But whether it is low or high probability, making these available—and we think it is a low probability—but making this potassium iodide available, it is a good way to begin partnering with the State and local governments to give a little more assurance and provide some protection to citizens.

Ms. SCHAKOWSKY. All right. Let me ask you a question on another subject. Given this new Department, will that centralize the spokesperson role in terms of articulating threat? We just had a situation where Jose Padilla, who apparently was from my State, at one point anyway, was depicted by the Attorney General as—it seemed as if—on the verge of releasing a dirty bomb in the United States.

And what I am wondering is, will threat assessments and warnings, etc., be centralized in a way that can give people assurance that there will be some accuracy, one, and consistency two? You know, when the Attorney General made his statements, which seem to have been trimmed back, the stock market fell, there were all kinds of repercussions to that statement, and I am wondering if we will have a more orderly procedure and a single spokesperson making those kinds of announcements.

Mr. RIDGE. The Attorney General will continue to be the administration's spokesperson with regard to his law enforcement responsibilities. But the new Secretary of the Department of Homeland Security will have the responsibility transferred from the Attorney General to the new Department to monitor and make announcements with regard to the national threat advisory system that has been deployed, and so you will have that transfer of responsibility.

You recall a couple of months ago, it was announced that we were having—there was a color-coded threat advisory system which was the subject of quite a few political cartoonists. And I happen to think that humor is a good way to, from time to time, to get the message out that it is a serious threat and we need to keep America informed generally as to what is the opinion of the Intelligence Community as to the level of threat.

What was often lost in that discussion of the color-coded threat advisory was that we were calling on organizations and companies and States to come up with accompanying protective measures, so that if the threat is at a certain level, then the protective or pre-

cautionary measures you take are at a certain level. So that whole process will be transferred from the Attorney General's office to the new Department of Homeland Security.

Mr. BARR. The time of the gentlelady has expired. The gentleman from Florida, Dr. Weldon is recognized for 5 minutes.

Mr. WELDON. Governor Ridge, I thank you for your endurance. I understand you were over at the Senate all morning, and I realize the afternoon is getting late. But I did want to hear your comments regarding my concerns about the Office of Consular Affairs.

Could you please enlighten me a little bit as to why the decision was made to leave that function within the Department of State? I feel very strongly that Consular Affairs should be under the purview of the Secretary of Homeland Security. I consider this a first-line defense, keeping terrorists out of the United States. I am anxious to hear your thoughts on this issue.

We are considering having a subcommittee hearing to investigate this further. So, assuming we will not be able to fully discuss it just under the 5-minute rule here, please go ahead and give me your thoughts.

Mr. RIDGE. Dr. Weldon, we obviously took a look at that possibility and felt that the best way to deal with the issue of converting the priorities from the diplomatic function in the role that they play, to the security function, was to put the controlling legal authority with regard to visa policy in the new Department of Homeland Security. As you well know——

Mr. WELDON. What if they are not getting the job done, Governor? You can't fire them if you are the Secretary of Homeland Security. You have to appeal to the Secretary of State to do something about the problems you are having in the Consular Affairs Office. I personally think control is your most effective tool for getting the job done.

Mr. RIDGE. Well, the language has been structured that the authority—and it is a controlling authority—goes from the Department of Homeland Security through the Secretary of State, mindful of the fact that these men and women, in addition to providing consular services that include issuance of visas but also serve the Secretary of State and perform other valuable functions as well. There was also a concern at this time that as the consular officers are configured in the personnel of the Department of State, this is a career path. This is something that they do as they continue to work with and through the Department of State, and for the time being, in order to take control of the visa issuing authority, it was determined that this is the best approach.

Mr. WELDON. Well, I respectfully differ with the administration on this position. We are not about the business of protecting bureaucracies or—you know, this is about protecting the American people.

And considering that, just to cite as an example, this visa express program is still ongoing in Saudia Arabia, which I find to be somewhat troubling that somebody can get a visa to come into the United States through a travel agent in Saudi Arabia. And I am actually disturbed to learn that the State Department actually uses the Consular Affairs Office as an entry-level position. I personally

think that should be like a trained police officer or a trained investigator's position. I don't mean to keep interrupting.

Mr. RIDGE. I assure you the primary concern wasn't to protect a career path. The primary concern was, one, to divest controlling authority within the Department of Homeland Security. I mean ultimately to your question of accountability, if the service, if the performance was unacceptable, if we gave not only the authority to issue visas but controlled the logistics of how they were issued and whether or not the individuals were interviewed and under what circumstances they were extended a visa. But if there was a failure of performance, I guess ultimately the Secretary of the Department of Homeland Security could revoke the authority of the consulars to even issue the visas.

So ultimately, there is a rather radical means with which we could deal with their inferior performance, and that would be it.

Mr. WELDON. I am about to run out of time. There are a lot of other people who want to ask questions.

Mr. RIDGE. I would like to continue the discussion with you because it was something that we obviously discussed.

Mr. WELDON. I think I am out of time.

Mr. RIDGE. So maybe we can do that privately.

Mr. WELDON. Yes, I think we may actually have a subcommittee hearing to get into this issue in a little bit more detail. Again, thank you very much for your input and the work you are doing for the American people.

Mr. RIDGE. Thank you.

Mr. BURTON [presiding]. Mr. Clay.

Mr. CLAY. Thank you, Mr.—I thank the Chair.

Governor Ridge, the central mission of the new Department of Homeland Security is to protect the American public from terrorism, to keep terrorists out of our borders. Will the Office of Homeland Security have the responsibility for classifying nations and/or individuals as terrorist threats? Just how will they?

Mr. RIDGE. That would not fall within the purview of the Department of Homeland Security.

Mr. CLAY. That will not come under the purview?

Mr. RIDGE. No, sir.

Mr. CLAY. So you won't have any recommendations to share with the State Department about that, or——

Mr. RIDGE. That is a unique function of the Department of State. The President's National Security Adviser is involved in that, Dr. Rice; potentially, the Secretary of Defense. But that designation historically is vested in other places, and certainly not to be invested in the Department of Homeland Security.

Mr. CLAY. And you believe that it should not come under your purview.

Mr. RIDGE. That is correct.

Mr. CLAY. Homeland Security.

Mr. RIDGE. The President believes it ought to stay where it is.

Mr. CLAY. OK. Would you—well, would you be able to make recommendations such as military action or other action as far as suspected terrorist nations or terrorists themselves? I mean, what role will you play in that scenario, or will you have a role; I mean, who-

ever the head of or Director of the Department of Homeland Security is?

Mr. RIDGE. The only conceivable input—because I believe the President very appropriately believes that this critical mission is delegated to other departments within the Federal Government—the only conceivable input might be that the Secretary would have might be as a member of the National Security Council, if the opinion was asked.

The direct line of responsibility would not—and I would argue and agree with the President—should not in any way involve the new Department of Homeland Security.

Mr. CLAY. All right, thank you for that. I know you have had a long day and have been here about 4 hours, so I appreciate your coming.

Mr. RIDGE. You wait a long time to get your 5 minutes; you might want to try to use it.

Mr. CLAY. I appreciate your coming. Thank you very much.

Mr. BURTON. Your demeanor is amazing after all the saddle sores you must have today.

Mr. Souder.

Mr. SOUDER. Thank you very much. Governor, first I want to thank you for your driving effort to consolidate the technology, because clearly that is something that as been fairly chaotic, and that this agency can take a strong lead in.

Mr. RIDGE. I had a very good experience doing that as Governor of Pennsylvania. We spent a lot of time doing it. It took a while to get done. But if you have unitary command and if somebody is in charge, as the new Secretary of Homeland Security will be in charge, there won't be any collaboration or coordination necessary. The new Secretary and Under Secretary can say this is the architecture that we are going to employ, these are the data bases we are going to share, and you have got X amount of time to get it done. Next question.

You know, that is something that I think that unitary command is really critical to the fusion of the information that is needed in this new agency, and I am sure the Secretary will use it.

Mr. SOUDER. And that is what we have to have if we are going to find the contraband, if we are going to find the terrorists.

I also wanted to make a brief comment, before a couple of questions, to followup on Congressman Weldon's point, again, that I found that the State Department objections to consolidation of the visa clearance process to be somewhere between lame and embarrassing. The same arguments that can be made on behalf of not consolidating that could also have been made on Treasury and regarding Customs and could be made by Transportation with regard to Coast Guard.

In other words, you could be the final arbiter, but the people could still stay in their departments, and we can't let one agency have that waiver and not other agencies or we are going to have chaos in this Department.

This predominantly is border security for catastrophic issues. You said clearly this agency needs to have the "who," and I agree with that. And you can be assured that many of us in this committee are going to make a strong effort, which I assume will probably

pass, to have this consolidated in this agency. The arguments that it would weaken Ambassadorial control, that it would be—are just silly. We have all been in different Embassies. We know there are DEA agents and others who work under the Ambassador, that there can be a unity of a command in the Embassy. But the Border Patrol, the Customs people and other people at the border have no reaction or ability to control who is coming through if the visa has been cleared on a foreign policy basis rather than an internal security basis. And to do that, there needs to be line control. And I understand that it wasn't in the administration's proposal, and that you have had those internal battles.

But be assured that battle is going to occur here in the House again, and probably in the Senate, because those of us who have worked with border issues and overseas issues realize this is very vital.

And let me ask the questions, and then if you want to respond to that with the other. I chair the Anti-Narcotics Committee and we are concerned, but I am an original cosponsor of this bill and I definitely support the unitary command. But I am concerned that there hasn't been much reference to the narcotics question in your statement or in the bill, and the Coast Guard is absolutely critical here because, as you know, from—as a former Governor of a Great Lakes State, the Coast Guard has search and rescue roles, fisheries roles, drug interdiction roles, and indeed with the chemical plants on the Great Lakes and in Philadelphia and in other places around the United States, they have become the border perimeter.

But when we pull those boats into the border, that means they aren't down in the eastern Pacific where they have been. The critical drug interdiction place, the Caribbean Sea, becomes open water for narcotics traffic if we don't have that. And partly what you said in response to the DEA question is there would be one place to go. But unless we have an Assistant Secretary who consolidates and watches that inside this Department for Coast Guard and Customs, in fact there isn't one place to go, there are still multiple places.

Inside the primary mission of the person in charge of this agency will be, properly, catastrophic terrorism; not the secondary terrorism that is on the streets every day with narcotics. And we need to make sure that this function isn't lost inside both, by giving adequate resources and by people clearly understanding that there needs to be a coordinated mission.

And one other thing is the JIATF interagency task forces, east and west, have been very critical, have been managed by the Coast Guard, and I wondered whether you support them being in this agency as well.

Mr. RIDGE. I didn't hear the last part.

Mr. SOUDER. The last part is the interagency task forces, where we pool the resources, have been under the Coast Guard on narcotics. And I wondered whether you support them being under the Homeland Security Department as well.

So my questions are: How do you see the drug question, how do you see JIATF, and if you wanted to respond to consular affairs?

Mr. RIDGE. Let me see if I can. First of all, I hope you would agree that the fact that the President has vested in the Department of Homeland Security the legal authority to set these policies,

that in and of itself has said that the emphasis for the Consular's Office has gone from a diplomatic mission to a security mission, because it will be the Department of Homeland Security that is setting the visa policy and everything associated with it, obviously effective through the Secretary of State and a couple of hundred consular offices out there. But by the very fact that the President is now saying this policy will be determined in the Department of Homeland Security means that the priorities have been converted.

There has been a lot of criticism that it was diplomacy first, security second. But the President and you and everybody else feels that you have got to be concerned about both. But the priority is homeland security.

Second, with regard to narcotics and the involvement of the DEA, I don't know if it was you that said earlier in one of the opening remarks that we have been under a chemical warfare attack for quite some time, and that is in the drug war. And unfortunately, we have had thousands of casualties because of it. And that is why your concern about making sure that the DEA has an opportunity to work in closer partnership with the new agency is critical to the success of both the DEA and the new agency, because as we are trying to interdict terrorists and weapons of terror—and as we know that one of the funding sources of terrorist activity happens to be the drug trade—the tremendous synergies and the mutual responsibilities of these new agencies working with DEA I think can advance working together.

How the new Secretary would effect that coordination within the new Department, I just need—would be interesting, from our point of view, from someone that has been assigned by the President to work with the Congress to get this done. I just want to continue that conversation with you down the road, because clearly the consolidation makes it a better partner with the DEA. You want to make sure that it is done effectively. And I think we need to continue that conversation.

Finally, the arrangement—you talked to the joint task forces—that they work on that is very much a part of what the Coast Guard does now. If I understand what you are talking about, a couple of your colleagues—Hal Rogers gave me a call the other day and said, you ought to see what they are doing down in Key West. They are doing a phenomenal job down there, and he is bringing some folks to talk to me about it next week.

So I would think since it is part of the ongoing work of the Coast Guard, it continues to be part of their effort, even if they are in the new Department of Homeland Security. It is a good model, good practice. Apparently everybody that looked at it says it is very effective. Maybe our challenge is to replicate it elsewhere.

Mr. SOUDER. OK, thank you very much.

Mr. BURTON. Ms. Norton.

Ms. NORTON. Thank you, Mr. Chairman.

Governor, I think I should congratulate you on what must be setting a new record for nonstop testimony to the House and the Senate. I don't know when you began.

Mr. RIDGE. There are records that I used to aspire to as a young person. I am not sure that was one. But I am happy to be setting a record of any kind, I guess.

Ms. NORTON. Well, you are a clear Marathon Man. Governor Ridge, there has been some emphasis put by the Congress and by the President on getting this done quickly. We are enslaved by symbols, so September 11th has been raised. But clearly, everybody wants to get it done without delay.

We have a bill over here, the Lieberman-Thornberry bill, and one might imagine that one could simply—we are told, and you have said, that this bill is very similar to the President's bill, so one might imagine that we could tweak that bill or amend that bill and get our work done fairly quickly.

I would like you to describe what you see as the chief differences between the Lieberman-Thornberry bill and the President's bill.

Mr. RIDGE. Well, first of all, you do notice quite a few of the components of that bill in the President's initiative. We do not have—it does not include in terms of the border consolidation piece, the Transportation Security Administration. That would need to be grafted.

Ms. NORTON. Because that wasn't in effect at the time.

Mr. RIDGE. Correct. That could be done. Candidly, I cannot tell you. I know FEMA is included in that measure, but whether or not it is the sole—whether it has been given primacy over preparedness and response. I do not know whether it is the single place where the States and the local governments can go to access the technical assistance and the resources to prepare for a terrorist attack. But that could be amended if it is not included.

It does not contain, I think, the weapons of mass destruction countermeasures piece, as configured in the President's proposal, giving strategic direction to the research dollars, and the cyber security piece that is included in the President's—and it does not have the new capacity that the President would create within the new office, and that is the threats/intelligence action piece where the CIA and the FBI report, share their work product with the new agency, and then it uses it to identify potential targets and make recommendations as to what measures they need to take to protect themselves. But the key components, the fusion of some of the border agencies the inclusion of the Coast Guard and FEMA, very much like the Hart-Rudman proposal as well, are part of that.

Ms. NORTON. So it looks like it is a question of add-ons.

Mr. RIDGE. I think it is. And the other—obviously it does not have some of the management prerogatives that are in the President's initiative with regard to procurement and personnel.

Ms. NORTON. Well let's move to management prerogatives.

Mr. RIDGE. I always thought if I finally finished my remark, that you would probably begin the next question with it. I knew we were going to get there sooner or later.

Ms. NORTON. You are about moving people, not boxes.

Mr. RIDGE. Right.

Ms. NORTON. I mentioned a number of concerns, but I think chief among those would be the extraordinary flight from the Federal Government—we are seeing part of it—is age-related; that in the 1990's, of course, there was a real devolution of the government downward, and many people, indeed almost half of Federal employees, could leave now on early retirement or retire.

I have indicated that when you stand on these protections, when you reorganize the government, the first thing people think about is this is the time to get out of the government. If we were having—well, let me put it this way. This committee was so concerned about this that there were joint meetings, and there was a joint hearing about this problem, the fact that so many of the people with the most experience in government and in whom we have invested most can now get out the government, start a new career, take their pension and go.

I can't think of anything that would be more harmful to the consolidation than to have the people who know most about the agency leave, although I recognize that we will want many new people in some of these functions. So I am asking you whether you would be willing to work with us to clarify the protections that civil servants will have, or whether you don't consider this a serious problem.

Mr. RIDGE. Oh, I think we have a governmentwide problem. It is not just unique to a potential Department of Homeland Security. You have highlighted a problem that several Members of the House and Senate have been talking about for a couple of years now, and one that I just got a smattering when I was here as a Member of Congress and was on the Post Office and Civil Service Committee, because you could see the trend lines as to when a rather substantial portion of the men and women in the Federal Government were going to retire.

And we know in the next 3 to 5 years we may lose anywhere from 30 to 40 percent, potentially, and to affect the Department of Homeland Security, and of course you want—they are good people, they work hard. You want to keep the experience there.

And I would just say that the President's proposal doesn't mandate any change. It is looking for some flexibility, frankly, to give the new Secretary new authority or new ability to retain some of these people who may not——

Ms. NORTON. Mr. Ridge——

Mr. BURTON. The gentlelady's time has expired.

Mr. RIDGE. So I know it is very important to you and many of your constituents who work for these departments and agencies, and they have been working on Homeland Security issues for a long time.

The first objective and the responsibility of the new Secretary is to protect the homeland, to defend America and its citizens. That is what a lot of these men and women have been doing as part of their day-to-day job as well. They come over with collective bargaining, as a collective bargaining unit. They come over with the protections. There is nothing proscriptive in the President's initiative, but it is an unprecedented threat, unprecedented time, and if you are putting up a new agency, I believe the President wants some flexibility to deal with personnel. And, of course, I would be willing to have that discussion with you.

Mr. BURTON. Mr. Barr.

Mr. BARR. Thank you, Mr. Chairman. I would like to just for a moment pick up where you just left off, Governor, talking about flexibility and also, concomitantly, accountability. And I am a lot more interested in Homeland Security than job security, to be honest with you.

We held a hearing, for example, down in Atlanta about 2 months ago, and it was precipitated by an undercover GAO investigation of the state of security in Federal buildings in Atlanta, which has, as you know, one of the largest presences of Federal facilities and employees outside of the Washington, DC area.

And over the course of a few days, these three undercover investigators—I think all three of them, if I am not mistaken, are former Secret Service. They were able to secure basically full access at any time of the day or night to every Federal building in Atlanta that they attempted to gain access to. In not one instance were the stories that they gave checked out. Had they been checked out one time, they would have been proved quickly and immediately to be false. Not one time were they required to go through a metal detector. Not one time were their bags checked. Not one time were they questioned. As a matter of fact, individual officers down there, when they saw them playing around with the keyboard, volunteered their security codes so that they could get in. I mean, just rampant insecurity.

The point I think that struck Mr. LaTourette, who was at the hearing with me down in Atlanta, was we can spend all the money we want, all the money the taxpayers allow us to spend. We can have all of these elaborate security measures, but if the people on the ground don't care about what they are doing and they are not held accountable, i.e., fired if they allow something like this to happen, I think we are going to continue to have problems.

One thing I would just urge you to do and your staff to do is look at that report that GAO issued. It just came out just a couple of months ago. The chairman and I are following up with GAO on that report.

But I think we need to have some mechanism in place to make sure that there is accountability and that the President and the Secretary and those under him or her have the flexibility to make sure that the people on the ground are moved out of jobs very quickly if there is a security problem.

The other question that I have for you—and again I would just urge you to look at that because we are going to be doing some followup also on that, I know it is a concern to you—has to do with Atlanta also, but from a more positive standpoint. And that is CDC. I know there are a lot of pieces of this mechanism that you all are still working on. Can you give us some idea—and I know you understand, as the President does, he has been down there to Atlanta to visit with CDC—the importance of CDC's role in maintaining and developing an overall public response to and a health response to an emergency situations.

What is the role that you envision for CDC in the new Homeland Security Department structure?

Mr. RIDGE. Historically, the Center for Disease Control has really been at the heart of the national effort to deal with public disease, public health, and disease surveillance. And it will continue that mission. But with the strategic focus of the Department of Homeland Security and access to research dollars, I suspect that this infrastructure at the CDC will now be tasked to do research relative to biochemical weapons and the impact on human beings as well.

So I think it is a piece of dual infrastructure. It has got a traditional mission dealing with public health. Secretary Thompson and the CDC have worked very hard over the past couple of years to set up a national disease surveillance network. But their laboratories and the expertise they have will be made available to the people of this country and have access to dollars under the new Department of Homeland Security.

We set a strategic research and development program, and I suspect we are going to use the good people and the resources and the laboratories at CDC to expend those dollars to help us with terrorist-related research.

Mr. BARR. Thank you. So would it be fair to say that the importance of these issues with which CDC has been dealing, particularly the emerging bioterrorism threats, for example, will be given very high priority, including CDC's role therein in the new departmental structure?

Mr. RIDGE. Congressman, that is a very fair statement. The new Department of Homeland Security and the President's initiative is not going to be about the business of building new laboratories and educating new scientists. There is a terrific infrastructure that we have across this country. You can start with CDC and NIH and some of the other federally directed programs, and the goal would be to task them with a specific direction based on a national strategy that is based on threat assessments. And so they would become part of the Homeland Security effort as it presently exists.

Mr. BARR. Thank you, Governor.

Mr. BURTON. Mrs. Maloney.

Mrs. MALONEY. Thank you, Mr. Chairman, and Governor.

In New York we had trouble with agencies coordinating among their fellow agencies. And to give one example which was written about in the Wall Street Journal recently, the Environmental Protection Agency—it is called buck passing—delayed EPA clean up in September 11th. It was 8 months after the disaster that it was determined by EPA that they indeed had the authority to test the air quality to clean up asbestos and to clean up the surrounding homes and buildings.

First they said they didn't have the authority, that it was the city's authority. The city then said they didn't have the authority, it was the individual buildings and their residents. It was their responsibility to clean up. And then they finally decided, 8 months later, that in fact EPA had the authority to test the air quality and to work to clean up asbestos and the soot and everything in the surrounding areas. And I would like to put this article in the record.

[The information referred to follows:]

WSJ 4/24

Buck-Passing Delayed EPA In 9/11 Cleanup

By Jim Carlton

WHAT TOOK THE Environmental Protection Agency eight months to assume responsibility for potential asbestos problems in homes in lower Manhattan from the Sept. 11 attacks?

The answer lies in a tale of bureaucratic buck-passing among federal agencies, New York City and landlords. The result: a haphazard cleanup of apartment buildings and reliance on crude testing methods, as many area residents were left on their own to determine whether their homes were contaminated by asbestos and other toxic materials released by the World Trade Center's collapse.

Since last fall, angry residents have demanded that the nation's premier environmental regulator pay more attention to indoor hazards in the wake of such a monumental disaster. Under escalating pressure from activists and politicians, officials with the EPA's regional office in New York announced yesterday the agency will take over the cleaning and testing of homes south of Canal Street in Manhattan for asbestos contamination, if residents request it. About 30,000 people live on that southern tip of the island.

The controversy harks back to a decision by the Federal Emergency Management Agency in the days after Sept. 11. FEMA assigned the EPA the task of cleaning up and testing for toxic chemicals in outdoor areas around ground zero. EPA then gave New York City control over indoor areas, including apartments. The city, in turn, delegated to building owners and residents the job of doing the actual cleanup and testing.

Almost immediately, some residents, local officials and EPA staff scientists argued that the agency had more asbestos expertise than any local body and should therefore oversee all of the cleaning. "It has been totally willy-nilly as far as cleanup down there," Cate Jenkins, a veteran environmental chemist at the EPA's Washington headquarters, said in an interview. "A lot of asbestos fell through the cracks."

Asbestos, used in a fire retardant in part of the Twin Towers, was the substance of greatest concern to many health officials because it can cause lung damage and cancer. Public health experts have said generally that residents face a relatively small risk of asbestos-related illness if cleanups are done properly.

But the cleanup guidelines New York issued to building owners and residents were widely criti-

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Christoph Niemann

Buck-Passing Delayed EPA in Manhattan Cleanup

Continued From Page B1

cized as inadequate. The city recommended, for example, wiping down surfaces with a wet rag. But it didn't specify what protective gear should be worn during the cleaning or how to tell if potential hazards had been eliminated.

Christopher Ward, commissioner of the New York City Department of Environmental Protection, said at yesterday's announcement that "an appropriate cleanup program has happened very quickly." The period since Sept. 11 "may seem long," he added, "but the risk of exposure that we are looking to protect against is decades." City officials have previously acknowledged that New York City failed to make sure that building and apartment owners were following through with cleanups.

Regional EPA Administrator Jane M. Kenny said the new cleanup program didn't represent a turnaround by her agency. "We have been working with New York City," she said. "We have said from the very beginning that apartments need to be professionally cleaned. This has been a very dynamic response to a cataclysmic event."

But Ms. Jenkins and other critics of her agency's performance have said that one of the EPA's failings was its unwillingness to urge New York to use the most-up-to-date method of asbestos testing—a method employing electron microscopes that the EPA has used elsewhere. The city instead advised building owners to use only an older technique, in which testers search for contaminants using polarized-light microscopes that work much like ones used in high-school chemistry labs. Electron microscopes, used with computers, can detect asbestos fibers that light scopes don't reveal.

The EPA's experience with its own New York building illustrated the distinction. Just days after Sept. 11, EPA officials in lower Manhattan had their building lobby at 290 Broadway decontaminated after tests using an electron scope turned up particles of asbestos. Tests by a light scope had failed to turn up anything.

EPA spokeswoman Bonnie Bellow said in an interview that the agency's testing of its lobby is irrelevant. Officials decided to do a thorough cleanup regardless of test results because they feared rescue workers had tracked in asbestos-laden dust, she added.

Owners of many large commercial buildings have done thorough cleanups followed by state-of-the-art testing, according to outside firms doing much of this work. But owners of many smaller buildings have cut corners, according to the environmental firms. Tests with electron microscopes, for example, cost as much as $100 per sample, with potentially hundreds of samples necessary in a typical building. The light-scope tests cost as little as $10 a sample.

Dow Jones & Co., which publishes The Wall Street Journal, said it has relied heavily on electron scopes in testing the seven floors of the World Financial Center building it leases across the street from the disaster site. The most recent testing found a "small spot" of asbestos contamination in a light fixture on the 11th floor, Dow Jones spokesman Steven Goldstein said. That area is being recleaned. The company, which evacuated its offices Sept. 11, plans to return to the building in late July or early August, Mr. Goldstein added.

In contrast, many residential buildings have relied on the light scopes, which the New York City Department of Environmental Protection recommended in a Sept. 14 memo to building owners. "I've had several apartment landlords tell me, 'Just go with the memo,' " says Steve Vanderwoude, vice president of Applied Technology Services Inc., a testing firm in New Rochelle, N.Y.

Some residents who have arranged for their own tests using electron scopes have found asbestos missed by light testing. At 150 Franklin St., a seven-story cooperatively owned building several blocks north of the disaster site, residents each vacuumed and wiped down their apartments, following the city's guidelines. They also swept the roof and other common areas.

Still, electron-scope testing last month found asbestos levels of between 1.2% and 1.8% of sampled material. One sample was taken from a third-floor elevator shaft, near a day-care center. Similar levels were found at two locations on the building's roof. Medical experts say there isn't a "safe" level of the substance, but the federal government requires asbestos removal from work sites if the level exceeds 1%.

After receiving the test results on April 15, the New York Environmental Law and Justice Project, a tenants-rights group assisting residents at 150 Franklin St., notified city authorities. The city found no asbestos when it tested the building using light scopes.

But EPA officials agreed, in this case, to retest the city's samples. Using an electron scope, the federal agency said it found asbestos exceeding 1%.

"I think one of the catalysts in EPA finally taking over the cleanup was when they did step in at 150 Franklin and found asbestos," said Joel Kupferman, executive director of the law project. The EPA said new testing will use electron scopes.

FEMA's acting regional director, Joseph F. Picciano, said the federal government would foot the entire bill for the newly announced cleanup, but he declined to estimate the total cost. "There is no cap set on this," he said. New York's Mr. Ward estimated that the average cost for a two-bedroom apartment would be $3,000 to $5,000. He said the process would take two to three days.

The EPA's Ms. Kenny said her agency would also clean off rooftops, window ledges, terraces and building lobbies. She said that she believed the methods employed by the city-certified contractors that will do the work would also remove other contaminants, such as lead and mercury. But she acknowledged that there might have to be additional cleanups of these toxins later on.

—Motoko Rich contributed to this article.

Mrs. MALONEY. So my question is: What plans do you have to have a better coordination between the agencies? And very related to the experience that we had in New York was the inability of the city to respond to the tremendous need that victims and people had, the lack of resources and really the ability to respond. And FEMA did many wonderful things, but they were very slow in responding. Nine months after the disaster, after many reports came out from the city and independent sources, it was determined that mental health problems were indeed a huge problem in the public school system. They did give us a grant, but this was 9 months later. It would have been much more effective to have had it immediately thereafter.

And most recently, FEMA will say, well, we are really concerned, we really want to reimburse the loss of instructional time for public education, but our guidelines are so restrictive we just really can't respond. And FEMA may be very appropriate for a natural disaster, but in many ways the way their guidelines are written, many of the unmet needs and unpaid bills have been disallowed for the September 11th experience in New York.

And will you be reviewing FEMA's guidelines? They did respond to lost instructional time in other areas of the country, but denied it in New York because it was, "too restrictive."

And what will you be doing in the Federal Government to be more responsive to the needs of victims and to really respond quicker and faster to the needs of the victims and the coordination of the agencies?

Mr. RIDGE. My conversations with Director Albaugh I believe is probably not—there aren't too many other people, with the exception of the congressional delegation in Washington, that have spent more time in New York trying to respond to that horrible tragedy. Director Albaugh I think was up there within hours. I think he has been there 50 or 60 times, and I mean for days at a time. FEMA set up within 24 hours its initial operation.

Mrs. MALONEY. Well, FEMA was there, and Director Albaugh met with us literally the next day. But I guess my question is about the EPA, if it took them 8 months to determine that they indeed had the authority to test the air quality to clean up asbestos. That is one example.

Mr. RIDGE. Under a new Department of Homeland Security, whose primary mission goes all the way from prevention to response, we hope and it would be our prayer that all the prevention efforts would be perfect and we would never have had to respond. But you also have to be realistic and understand that we can't create a guaranteed system or a fail-safe system, so part of the response mechanism has to be FEMA and their coordinating role.

It would be much easier, under the Department of Homeland Security to answer that question a lot quicker, because now you have a Cabinet member whose primary responsibility goes from prevention to response. And I think that he or she will have the ability and the responsibility to get it done a lot quicker.

To the extent that you worry about FEMA—and I understand very well the limitations, because as Governor of Pennsylvania, recognizing the limitations by statute, and the guidelines that are forthcoming because of statute, there are a couple of times where

I wish I could have applied for disaster assistance, but was aware of the limitations on FEMA. They have to abide by the law themselves.

And it is fairly prescriptive as to when they can involve themselves and spend in support financially the worthy, worthy causes and organizations you talked about. I mean, that may call for the Congress of the United States to take a look at FEMA's capacity to expand to some of these additional needs in light of their enhanced role with regard to terrorist activity.

But they are fairly restrictive. They don't necessarily want to be. But they are a creature of statute and they do have to follow the law.

Mr. BURTON. The gentleman's time has expired.

Ms. Watson.

Ms. WATSON. Again, thank you for your endurance. I am concerned about the transfer of nonsecurity functions. And let me give you an example. Your proposal would transfer animal, plant and health inspection services to the Department of Homeland Security.

And this office is responsible for inspecting imports to make sure that pest and bugs that could harm livestock do not come into the United States. But your proposal would not transfer agencies that inspect food imported for human consumption. Now, I want to know why that is, it would remain with the USDA and HHS.

And as you answer, also do we pick up the budget that addresses the responsibilities for the screening of bugs and pests? How do we work in terms of funding the responsibilities under this new Homeland Security Agency, and leaving some responsibilities back at USDA and HHS? There is some programs under FEMA that you transfer, and some that you do not. One that comes to mind is the Emergency Food and Shelter Program for Homeless People, those who are homeless now.

So as you transfer these responsibilities under this new agency, as you leave some in place, does the money follow? Do the administrators come along with that? How is this going to work?

Mr. RIDGE. It is a very important question. And you have, I think, appropriately identified the answer. In fact, when we would take—when the President's initiative takes full departments, in this instance it would be Animal, Plant Health and Inspection Services from the Department of Agriculture, it takes both the border inspection function, and there are some synergies to the rest of the portfolio as well. I mean, identifying pest and pathogens that would affect animal and plant life in this country is a potential source of terrorists activities, something that we have to be mindful of.

There are still another 12 agencies out there that have something to do with food safety. That was too much to pull into the Department. It might be subject to consideration of the Congress down the road. But the dollars would follow the agency. The calculation that this agency's budget for the year 2003 is a little in excess of $37 billion, is premised on the dollars that are in that budget following the agencies that the President consolidates and reorganizes to create the new Department of Homeland Security.

So when we brought over the entire agency department, we brought over the whole budget. If we brought over a piece of the

agency or piece of the department, we brought that portion of the budget over. That is how we calculated roughly the budget of the new agencies, about $37 billion.

Ms. WATSON. Well, there is still going to be functions left behind that these departments have been taking care of. You are going to have the budget over here and the people over here, and you still have some of those responsibility back in the agency. You don't need to respond because these are some of the problems that are going to have to be worked out.

I cannot understand at this point how the coordinated effort works. And I see this whole transfer of responsibilities under this new agency is to better coordinate the services and better coordinate the response to any kind of emergency, any kind of terrorist attack or whatever, and to protect this homeland. And I am not quite sure yet, I cannot put my finger on how this coordinated response is actually going to work.

Mr. RIDGE. If I might review just a couple of the units that would be in new Department of Homeland Security. FEMA, become the coordinator of all of the programs that presently exist within the Federal Government that help State and local communities buildup capacity to prepare for or respond to a terrorist event.

Presently, there is an Office of Domestic Preparedness in the Department of Justice. There is Health and Human Services grants. So by consolidating, thereby coordinating that, we consolidate that activity and put it in FEMA.

The border consolidation, I think there is some really dramatic examples of how we could get better utilize the personnel and technology and the resources available. At some portion of the border, the facilities are shared. At some portions of the border the facilities are separate.

I remember going in to—coming back from Canada. And, the airport, INS had the first 50 feet, then there was a line and a piece of tape, that is where Customs took over. It just seems to me that if we can have a command authority over the borders that can better integrate assets and people and resources, the integration of those people and these resources will make us—it is more effective at the border identifying potential terrorists and making sure that we keep those people who do us harm outside of the United States.

Coordinating information for the first time, the President, in this initiative, sets up the capacity within a new department to get information from—not for the first time, the first time is where they get all of the information and then apply it to the vulnerabilities that we have in this country, and then make recommendations for definitive action, take protective measures. This is a threat, you are vulnerable, do this. Very prescriptive. We have never had that capacity before. That is also a very important coordination role.

At the end of the day, having one agency primary focused is what I am sure you consider to be job one right now, that is securing America and citizens. The President considers that to be his job. I think brings enormous efficiencies, and someone who believes in command, in direct lines of communication and accountability, I think you can get things done a lot quicker.

Mr. BURTON. The gentlelady's time has expired.

Ms. WATSON. If you will indulge me for one half second. I just may say this. I thought that was going to be your job and your responsibility. I thought they brought you in to do that. And as I have been following the press, it looks like they are mentioning other names. That should be your job. And it is going to take a magnificent piece of strategy building in order to be able to bring all of these agencies, departments together, and answer to one authority. If you put it together, I think you ought to do it.

Mr. RIDGE. You can effect certain changes if you can coordinate them. As you can well imagine, you can effect certain changes if you command they be done. There are two different ways to effect change. Some are more effective than others.

Mr. BURTON. The gentlelady's has expired.

Mr. LaTourette.

Mr. LATOURETTE. Governor, a lot of us in northeastern Ohio thought you would have made a wonderful running mate for the President of the United States. We are obviously happy with our current Vice President.

Mr. RIDGE. You should be.

Mr. LATOURETTE. When you were available and you could take this job as well. But following up on Ms. Watson's question, it is my understanding that the President's design not only has your current position maintained for his administration and future administrations, but also a secretary of homeland security. And the question I guess that a number of us are wondering since you have done such an outstanding job in this job, is that something that interests you or would you prefer to stay in your current post and advise the President?

Mr. RIDGE. Well, as of this morning, the President has given me a second responsibility in addition to his assistant for homeland security. Now, we are basically coordinating the outreach both to Congress and the transition. I have got two jobs now. There may be a time and a place to talk about future employment. But I am pretty busy right now and pretty content with what I am doing.

Mr. LATOURETTE. I guess you are. First responders and FEMA. Very, very important. And I don't remember who was talking to you about potassium iodide tablets, Ms. Schakowsky and nuclear power plants. One of the jurisdictional squabbles that we have here and why I think that a number of us are delighted that everything is being consolidated is that in the President's budget submission, he had basically zeroed out the Office of Domestic Preparedness and the Department of Justice and asked for those responsibilities to be transferred over to FEMA in the form of first responder grants.

Maybe by coincidence, your colleague from your former State, Kurt Weldon and others, led the fight to get money into the hands of the first responders. It was a good thing that FEMA had that sort of practice before September 11th, because they did, in my opinion, at least a masterful job.

When we did the supplemental appropriation, however here in the House, the $175 million that was supposed to go to FEMA, wound up, because of a jurisdictional spat among committees here in the Office of Domestic Preparedness, in the Department of Justice, which isn't going to be an office anymore.

My question is, if the Congress follows the President's blueprint and makes FEMA the preeminent agency, will the administration, you or the new secretary, the President of the United States, use its bully pulpit to make sure that money goes where the responsibilities go?

Mr. RIDGE. That is clearly the President's intent. And Congress can help ensure that it actually is resolved that way, that FEMA becomes the agency with primary responsibility to create an even stronger partnership with the States and locals in terms of preparedness and response.

I want to put a plug in for the President's initiative in the supplemental. That $175 million is to be distributed to the State and local governments, as the President believes that partnership is critical.

So that they can begin preparing State plans from the bottom up, however, you deal with the mayors and the county executives and the regions and the States. But prepare plans. And FEMA will give guidance and help frame the plans for the distribution of undoubtedly what will be a very substantial sum of money, once the budget process and the appropriation process is completed this year.

The President's initiative in the 2003 is $3.5 billion. You can well imagine as a former Member of this body, I really appreciate that this will be a certain—this is going to be a paradigm shift in the sense that we have been working with the conference of mayors and league of cities who historically have come to Washington, very understandably and said, this is a grant program, and we want to apply for our own individual grants. We understand that. But when it comes to developing a national capacity to deal with terrorism, it is the President's belief that money should be distributed not on an ad hoc basis to his partners, to the partners in the Federal Government, but according to a plan. And for that reason, we are hopeful that the 175 million goes to FEMA.

Frankly, I think the new secretary, and I don't think it is—pretty much envisioned that that ODP, good staff, good people, 70 or 80 people will be transferred over to FEMA to continue their work and have a bigger budget. If they pass that supplemental, that 175 goes to FEMA, they start working with the States and the local communities to develop plans so they can make immediate distribution once the 2003 budget is completed.

Mr. LATOURETTE. You have just made my job a whole lot easier when the conference report comes back, because that is what we thought should have happened to the money. And some jurisdictional difficulties got in the way. The last thing on the $3.5 billion, this goes to nuclear power plants again. We talk a lot about security of nuclear power plants. But the first line of response when there is an accident, not even an act of terrorists, often falls on local fire departments.

I have the Perry Nuclear Power plant in Perry, OH in my district.

Mr. RIDGE. Erie, PA is downwind 40 miles.

Mr. LATOURETTE. We are going to try and keep it right in Perry. The electric utility doesn't get its license unless it has a mutual aid agreement for fire suppression with the local company. And that often puts a tremendous burden on the local taxpaying public that

has to support the fire department in case of a catastrophic accident. And I would just ask you as my final question, has some thought been given to recognizing one, the 68 nuclear power plants as something we need to be concerned about; but, two, as we look at not only protection but also how to suppress fires and accidents and injuries. Has thought been given to aiding those fire services that are located at or near the nuclear power facilities in the country?

Mr. RIDGE. It seems to me, Congressman, that those communities that have those nuclear facilities, one, should have reasonable expectation that the private companies that own them will maximize their contribution to secure not only their investment, but they have invested in the neighborhood and communities and to ensure the safety of the citizens that live around the facilities. That is job one of those companies.

But, No. 2, part of the reason that you develop—the President would like to see that money be distributed according to a plan, is that the needs will vary depending on the vulnerability and the potential problems associated with that kind of critical infrastructure.

So, in fact, if the Ohio plan, looking at Ashtabula County and the Perry power plant, includes a need for certain kinds of equipment to be able to respond to an attack on that facility, that should be included as part of the capacity building in that plan. So, yes, I think there would be dollars available to address over time that need in your community and over 100 others that have nuclear power facilities.

Mr. BURTON. Mr. Davis.

Mr. DAVIS OF ILLINOIS. Thank you very much, Mr. Chairman. And I guess it looks like I might be the wrap up person here. Governor, we have always prided ourselves in this country as being a government of the people, for the people, by the people, with the idea that the people would know what was going on.

I am saying that is the only way that this can work. And if that is the case, then why is it necessary to exempt this agency from the Freedom of Information Act, when everybody else with the exception of the CIA and the Federal Reserve are covered?

Mr. RIDGE. First of all, I think you have raised a very important question. And it gives me an opportunity to clarify the FOIA exemption. It is a limited exception. It relates to the kind of information that the private sector would voluntarily provide the Federal Government with regard to the vulnerability of critical infrastructure.

So it is a limited exemption. And as I have talked to other Members of Congress, and we have talked to the private sector, as some of your colleagues mentioned earlier today, that about 90 percent of the critical infrastructure and potential targets are owned by the private sector. Based on experiences in our outreach to the private sector developing the national strategy, we found they are very reluctant and would be reluctant to share with the Federal Government proprietary information relating to the operation of their facility, maybe some of these things even give them a competitive advantage, unless that information was protected and only used by the Federal Government in order to help prevent or prepare for a terrorist attack.

So you raise a very important question. I just want to make sure it is understood. It is not complete operation of the agency that has been exempt from the Freedom of Information Act.

But it is a limited exception drawn to encourage the private sector to share some information with us about potential vulnerabilities. We don't want to give the terrorists a road map. We don't want to expose those vulnerabilities to the terrorist. That is the reason for the exemption.

Mr. DAVIS OF ILLINOIS. I am certainly pleased to hear that answer. I am almost also having some difficulty understanding the necessity of establishing a new personnel system, especially since we are going to be transferring people out of the traditional Civil Service system that we have.

Why will we need a new system or a different system than traditional Civil Service?

Mr. RIDGE. Congressman, first of all, the way the legislation is presently drafted, it is not prescriptive. It does not dictate that a new system should be developed. But as we would—the President tries to empower the new secretary of Homeland Security. To assist that secretary in the creation of an agency that can move people and resources around as quickly as possible to respond to unprecedented threats, even unknown threats that you and I can't even discuss today, because we don't know they exist.

The notion that somewhere down the road they may need that flexibility drives the President to include it in this plan. We need a system. We have heard a lot of people talk about accountability. A flexible human resource plan can hold people accountable. People talking about rewarding performance. A new flexible system can help reward performance. There is a concern about keeping people in the agencies instead of retiring, personnel flexibility and pay flexibility would give them the possibility to do that.

Mr. DAVIS OF ILLINOIS. Then would I be accurate if I suggested that maybe only categories of individuals may fall outside, and there are other individuals who might remain? And the rationale leads me to the last point that I want to inquire about. If there is wholesale movement, or if we change the protections, what are the plans to make sure that there is adequate focus on diversity as it relates to race, gender, and ethnicity so that we don't have to have something that we want to really protect.

Mr. RIDGE. Certainly your concern about diversity is well-founded. And obviously there are prescriptive measures in statute that would direct us to continue to be concerned about making sure that the work force reflects the diversity of America. It is pretty clear that it does. I would just say to you, sir, that again, there is nothing prescriptive in this. It would be difficult, I mean it is pure speculation on my part to determine what a future secretary would do in light of what reorganization efforts that might be accomplished in light of—we can't even speak today as to what new agencies may or may not be included in that.

But I don't—I am not shying away from the notion that is part of the President's initiative. In an unprecedented time with an unprecedented threat, we are trying to create a 21st century Federal department that is far more agile and far more flexible, whose job No. 1 is protecting America, giving that secretary that kind of flexi-

bility with procurement and personnel and resources, the President believes very strongly is the best way to maximize his or her ability to improve homeland security.

Mr. DAVIS OF ILLINOIS. Thank you. Mr. Chairman and I certainly want to thank you, Governor, for your answers. And I would just end by saying, if we have to change I would hope that we would go forward and not backward in terms of protections. I thank you very much.

Mr. BURTON. You are not going to believe this but we are through with questioning. But we have one last comment from Mr. Shays.

Mr. SHAYS. Mr. Chairman, I just wanted to say to you as someone who, with others here who have worked on this issue a long time, I think that the proposal that you put forth has simplicity and some brilliance to it. Because, you basically took the recommendations of the Commission, the recommendations of the four Members of Congress, and you were asked about how it differed. All four members who sponsored legislation have endorsed the plan you came up with because you managed to get 100 percent jurisdiction of this issue of homeland security.

In some cases direct responsibility, in other cases a plug in with intelligence. And I just—I know it is going to be worked on, and I know Members here are going to work their will on it. I know you are going to cooperate with that, as it happens. But I think it is truly a very fine piece. I just want to congratulate you.

Mr. BURTON. Well, Governor Ridge, let me, my old buddy, it is good to see you again.

Mr. RIDGE. We did it.

Mr. BURTON. I want to thank you so much for staying. You stayed way beyond what you anticipated. I really appreciate it. We have some written questions by some Members who had to leave.

Mr. RIDGE. Not surprised. We welcome them.

Mr. BURTON. Would you answer those for the record? With that, thank you very much for your patience. And look forward to seeing you again. We stand adjourned.

[Whereupon, at 5:50 p.m., the committee was adjourned.]

[The prepared statement of Hon. Edolphus Towns follows:]

Statement of Congressman Ed Towns(NY-10)
Committee on Government Reform
"The Department of Homeland Security: An Overview of the President's Proposal,"
Thursday, June 20, 2002

Thank you, Mr. Chairman.

The terrorist attacks perpetrated against New York City, Washington, DC, and our nation on September 11, 2001 constituted the most horrific attacks against Americans on American soil in the history of our great nation. Thousands of innocent men and women lost their lives. I believe it is our responsibility and challenge to ensure the safety of the American people and to take whatever steps are necessary to prevent terrorists from claiming the lives of innocent civilians. The tragic attacks revealed a vulnerability fed by organizational deficiencies throughout our government and the intelligence community. The question has not just revolved around our ability to gather information, but also to analyze it and communicate it in a responsible manner. I believe that this was one of the greatest failures of our government prior to 9/11.

I thank the Administration for putting forth this ambitious and necessary proposal. I hope that we will be able to work together along with the 9 other committee's of jurisdiction and the House Select Committee on Homeland Security to improve on the Administration's plan and provide all Americans with a greater degree of security. While I have great hope for this process and this proposal, I also have some concerns that I believe must be addressed if we are to succeed in our efforts. Specifically, it is not clear that the Administration has put the finishing touches on their plan. In the twelve days since the President's announcement and the delivery of legislative language, some agencies that were to be transferred were dropped and others were added. There does not seem to be established criteria for determining which agencies are to be transferred. Also, it is not clear what happens to the non-security functions of agencies that become a part of the lead agency. Will they be put aside or will they maintain their current level of importance ? In addition, I am concerned that the Administration's plan exempts the new department from the requirements of the Federal Advisory Committee Act(FACA) and the Freedom of Information Act(FOIA). I fear that in the effort to protect homeland security we may be losing more of the access to our government than is necessary. Furthermore, I have questions regarding the impact of this new department on civil service, procurement and property disposition. I look forward to working with members of this committee on addressing these and other issues.

Mr. Chairman, it gives me great pleasure to join you in welcoming our distinguished guest, Governor Tom Ridge, the White House Advisor on Homeland Security. I look forward to hearing his testimony and answering our questions.

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