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THE HOMELAND SECURITY DEPARTMENT'S PLAN TO CONSOLIDATE AND CO-LOCATE REGIONAL AND FIELD OFFICES: IMPROVING COMMUNICATION AND COORDINATION

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON ENERGY POLICY, NATURAL RESOURCES AND REGULATORY AFFAIRS

AND THE

SUBCOMMITTEE ON NATIONAL SECURITY, EMERGING THREATS AND INTERNATIONAL RELATIONS

OF THE

COMMITTEE ON GOVERNMENT REFORM

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THE HOMELAND SECURITY DEPARTMENT'S PLAN TO CONSOLIDATE AND CO-LOCATE REGIONAL AND FIELD OFFICES: IMPROVING COMMUNICATION AND COORDINATION

WEDNESDAY, MARCH 24, 2004

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON ENERGY POLICY, NATURAL RESOURCES AND REGULATORY AFFAIRS, JOINT WITH THE SUBCOMMITTEE ON NATIONAL SECURITY, EMERGING THREATS AND INTERNATIONAL RELATIONS, COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The subcommittees met, pursuant to notice, at 1 p.m., in room 2247, Rayburn House Office Building, Hon. Doug Ose (chairman of the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs) presiding.

Present: Representatives Ose, Shays, Maloney, Miller, Tierney, and Ruppersberger.

Staff present: Barbara F. Kahlow, staff director; Danielle Hallcom Quist, professional staff member; Lauren Jacobs, clerk; Megan Taormino, press secretary, Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs; Larry Halloran, staff director and counsel; Robert A. Briggs, clerk, Subcommittee on National Security, Emerging Threats and International Relations; Krista Boyd, minority counsel; Andrew Su, minority professional staff member; and Cecelia Morton, minority office manager.

Mr. OSE. First let me welcome everybody to today's hearing, a joint hearing between the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, and the Subcommittee on National Security, Emerging Threats and International Relations.

The purpose of today's hearing is to provide oversight to the Homeland Security Department's plan to consolidate and co-locate regional and field offices, focusing on communication and coordination.

In November 2002, Congress established the Department of Homeland Security to ensure that the tragic events of September 11, 2001, would never happen again. Transferring 22 former Federal agencies and approximately 180,000 employees to DHS is a relatively easy task; however, integrating the staff positions and physical assets and capabilities into a cohesive Department has been an extremely difficult task. This effort is complicated by the fact that the 22 former Federal agencies had and still maintain multiple regional and field offices with overlapping jurisdictions. Recognizing obstacles that the former regional field structures

would impose upon communication and coordination among and between the DHS staff and local first responders, I worked with subcommittee Ranking Member John Tierney in introducing Section 706 of the Department of Homeland Security Act. Section 706 requires DHS to develop and submit to Congress by November 25, 2003, a plan to consolidate and co-locate those former Federal agency regional field offices within the same locality that were transferred to DHS.

DHS submitted its report to Congress on February 4, 2004. The report provided minimum description of consolidation and co-location plans of Homeland Security field offices. On a Department-wide scale, DHS provided an outline of a plan to consolidate and co-locate physical assets. DHS has not yet explained how or when it plans to reorganize the regional field offices in their respective jurisdictions.

Importantly, the report does not address the relationship between consolidation and co-location of physical assets and Section 706's legislative history. The legislative history requires that consolidation and co-location is not merely an exercise of asset management and efficiency. As Congressman Tierney and I discussed in a colloquy on the House floor, the purpose of the Section 706 report is for DHS to provide to the Congress a plan explaining how it intends to use consolidation and co-location to improve the level of communication and cooperation among and between DHS and first responders. To the extent DHS staff is located in a single building, they're easier to cross train and to perform emergency and other functions needed for Homeland Security in the case of an actual emergency. It is also important for first responders to have meaningful relationships with their counterparts in the local DHS regional and field offices. Moreover, the one-stop-shop for local first responders will greatly improve local preparedness and response by providing improved communication and financial assistance.

Congress passed the act establishing DHS. It has already accomplished the most important job in the Federal Government. Congress understands that there were 22 Federal agencies with unique histories and cultures and regional field structures and jurisdictions. It is a daunting task. However, DHS cannot fully provide homeland security until its regional field structures are optimally organized, staff is cross-trained, and the lines of communication between DHS field offices and local first responders are open.

We want to emphasize that today's hearing is not about funding of DHS or local first responders. Today's hearing is also not about which DHS regional and field offices might be closing. We called this hearing to facilitate and improve this Nation's state of readiness.

Today we will hear from DHS on attempts not only to consolidate and co-locate DHS's human and physical assets, but also how to do so strategically.

We are joined on the second panel by some of the key players in local first responder groups. We welcome all of you and thank you for your tireless effort.

I look forward to the testimony of our witnesses.

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

Opening Statement of Chairman Doug Ose
The Homeland Security Department's Plan to Consolidate and Co-locate Regional and Field Offices: Improving Communication and Coordination
March 24, 2004

In November 2002, Congress established the Department of Homeland Security (DHS) to ensure that the tragic events of September 11, 2001 would never happen again. Transferring 22 former Federal agencies and approximately 180,000 employees to DHS is a relatively easy task. However, integrating the staff, missions, physical assets, and capabilities into a cohesive Federal department is an extremely difficult task. This effort is complicated by the fact that many of the 22 former Federal agencies had, and still have, multiple regional and field offices with overlapping jurisdictions.

Recognizing the obstacles that the former regional and field structures would impose upon communication and coordination among and between DHS staff and local first responders, I consulted with Subcommittee Ranking Member John Tierney before introducing Section 706 of the Department of Homeland Security Act. Section 706 required DHS to develop and submit to Congress by November 25, 2003, a plan to consolidate and co-locate the former Federal agency regional and field offices within the same municipality that were transferred to DHS.

DHS submitted its report to Congress on February 4, 2004. The report provides a minimal description of consolidation and co-location plans for the border and transportation security field offices. However, on a department-wide scale, DHS merely provided an outline of a general 5-7 year plan to consolidate and co-locate physical assets. DHS did not explain how or when it plans to reorganize the overlapping regional and field offices and their respective jurisdictions. Importantly, the report does not address the relationship between consolidation and co-location of physical assets and section 706's legislative history.

The legislative history provides that consolidation and co-location is not merely an exercise of assets management and government efficiency. As Congressman Tierney and I discussed in a colloquy on the House floor, the purpose of the section 706 report is for DHS to provide to Congress a plan explaining how it intends to use consolidation and co-location to improve the level of communication and cooperation among and between DHS and first responders.

DHS staff that is located within a single building are easier to cross-train to perform emergency and other functions needed in a homeland security or natural disaster emergency. It is also crucial that first responders know the identity of and have meaningful relationships with their counterparts in the local DHS regional and field offices. Moreover, a one-stop shop for local first responders can greatly improve local preparedness and response by providing improved communication, cross-training, and financial assistance.

Congress tasked DHS with arguably the toughest and most important job in the Federal government. Congress understands that melding 22 Federal agencies with unique histories, cultures and regional field structures and jurisdictions is a daunting task. However, DHS cannot fully defend our homeland security until its regional and field structures are optimally organized, staff is cross-trained, and the lines of communication between DHS field offices and local first responders are open.

I want to emphasize that today's hearing is not about funding to DHS or local first responders. Today's hearing is also not about which DHS regional or field offices might be closed. Chairman Shays and I called this hearing to facilitate and improve this Nation's state of readiness. Today we will hear from DHS on its efforts not only to consolidate and co-locate DHS's human and physical assets but also to do so strategically. We are joined on the second panel by some of the key players in the local first responder community. We welcome all of you and thank you for your tireless efforts.

The witnesses for today's hearing are: Asa Hutchinson, Under Secretary for Border and Transportation Security, DHS; C. Morgan Kinghorn, President, National Academy of Public Administration; Edward A. Flynn, Secretary, Executive Office of Public Safety, State of Massachusetts, on behalf of the National Governors Association; Karen Anderson, Mayor, City of Minnetonka, Minnesota, on behalf of the National League of Cities; Dr. Martin Fenstersheib, Health Officer for the Santa Clara County Public Health Department, San Jose, California, on behalf of the National Association of County and City Health Officers; and, James Lee Witt, President, James Lee Witt Associates, LLP and former Director of the Federal Emergency Management Agency (FEMA).

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March 17, 2004

MEMORANDUM FOR MEMBERS OF THE GOVERNMENT REFORM SUBCOMMITTEE ON ENERGY POLICY, NATURAL RESOURCES AND REGULATORY AFFAIRS AND SUBCOMMITTEE ON NATIONAL SECURITY, EMERGING THREATS AND INTERNATIONAL RELATIONS

FROM: Doug Ose and Christopher Shays

SUBJECT: Briefing Memorandum for March 24, 2004 Hearing, "The Homeland Security Department's Plan to Consolidate and Co-locate Regional and Field Offices: Improving Communication and Coordination"

On Wednesday, March 24, 2004 at 1:00 p.m., in Room 2247 of the Rayburn House Office Building, the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs will hold a joint hearing with the Subcommittee on National Security, Emerging Threats and International Relations on the Department of Homeland Security's (DHS's) efforts to implement Section 706 of the Department of Homeland Security Act (Pub. L. 107-296). Briefly, Section 706 requires DHS to develop a plan to consolidate and co-locate the former Federal agencies' regional and field offices within the same municipality that were transferred to DHS and to submit a report to Congress by November 25, 2003 (DHS's February 4, 2004 report is attached to this memorandum).

Congress created DHS by melding 22 Federal agencies into a new Department with approximately 180,000 employees and a $29.4 billion Fiscal Year 2004 budget. Many of the former Federal agencies transferred to DHS had (and still have) multiple regional and field offices with overlapping jurisdictions that are now part of a single Department. Recognizing the obstacles that the former regional and field structures would impose upon communication and coordination among and between DHS staff and local first responders, Congressman Doug Ose, working cooperatively with Congressman John Tierney, introduced, and Congress passed, Section 706 of the Act. This bi-partisan enacted amendment is a "good government" provision intended to increase Federal and local preparedness and all hazards responsiveness. Section 706 provides as follows:

> Not later than 1 year after the date of the enactment of this Act, the Secretary shall develop and submit to Congress a plan for consolidating and co-locating –

(1) any regional or field offices of agencies that are transferred to the Department under this Act, if such offices are located within the same municipality; and

(2) portions of regional and field offices of other Federal agencies, to the extent such offices perform functions that are transferred to the Secretary under this Act.

The July 23, 2002 colloquy on the House floor between Congressmen Ose and Tierney provides the legislative history of the enacted amendment. This colloquy includes:

> Mr. Ose: My amendment would require the new department's Under Secretary for Management to develop a consolidation/co-location plan within 1 year. The plan would examine consolidating and collocating regional field offices in each of the cities with any existing regional or field office in the transferred agencies. My amendment would retain at least one Department of Homeland Security office in each of these cities.
>
> The staff in these consolidated/co-located offices would be cross-trained to respond to the full range of functions, which may need to be performed locally. Besides improving Federal preparedness and response, consolidation and co-location should result in overhead and other efficiency savings.
>
> Mr. Tierney: All acts of terrorism, all, as we know, are local; and each community has to be prepared for crisis response and catastrophe management. Since September 11, we have heard from our local first responders from across the country who have risen to the occasion, protecting communities as the first line of defense against terrorism. In my own district, as across America, they have marshaled their resources to track down leads of potential terrorist threats and buy more equipment, from upgraded weapons to technology to biohazard masks and suits. They have increased hazmat training for handling suspicious packages and stepped up patrols around potential terrorist targets, like water and gas supplies, nuclear power plants, harbors and airports. They want the government to work with them, to train them, to communicate with them, and to respond with them to any potential attack. And, now is the time for us to step up and help them. We must respond with cooperation, communication, and with coordination at all levels of government.
>
> But, before we can work with the local first responders, we have to be confident that the Federal agencies can work with one another. ... That is why I join with Mr. Ose in introducing this 'good government' amendment, to ensure that local first responders have primary point of contact and coordination with the Federal Government and to ensure that

field officers work together (148 Cong. Rec. H5697-8, attached to this memorandum).

During the May 20, 2003 hearing before the House Select Committee on Homeland Security, DHS Secretary Tom Ridge testified that DHS was planning a "regional concept" that would centralize certain functions, but decentralize other functions at the regional level to establish a point of contact for local officials. On February 4, 2004, DHS submitted its statutorily-required Section 706 report to Congress. The report states that "[t]he overall plan for consolidation and co-location of field and regional offices must include only those changes to the physical portfolio that facilitate improved effectiveness and performance" (p. 1).

The report, however, consists almost entirely of DHS's general 5-7 year plan for consolidation of its physical assets. While assets management is a critical component of the consolidation and co-location process, the report is silent on the enacted Section 706 amendment's goal of facilitating cross-training and "one-stop-shopping" for first responders. The report is also silent on DHS's plan to use consolidated and co-located regional and field offices to improve the level of communication among and between Federal staff and local first responders. To our knowledge, DHS staff responsible for completing the report did not seek and had no knowledge of the legislative history or Congressional intent of Section 706 of the Act.

According to the DHS report, since its creation on February 23, 2003, DHS has consolidated and reassigned the former Immigration and Naturalization Service (INS in Justice), Border Patrol (part of INS), and Customs Service (Treasury) functions into three DHS Bureaus: Citizenship and Immigration Service (CIS), Immigration and Customs Enforcement (ICE), and Customs and Border Protection (CBP). Also, DHS reports that it has made efforts to reach its goal of "one face at its borders" by leasing new facilities and consolidating some facilities in Chicago, Indianapolis and Cincinnati. However, DHS has not yet provided a coherent national consolidation and co-location plan to Congress.

Since its transfer to DHS, part of the former Animal and Plant Health Inspection Service (APHIS in Agriculture), and the former INS and Border Patrol (Justice), Office of Domestic Preparedness (ODP in Justice), U.S. Coast Guard (Transportation), (Customs Service (Treasury), Secret Service (Treasury), and Federal Emergency Management Agency (FEMA) demonstrate little or no change in the structure of their pre-existing regional and field offices. Many regional and district office jurisdictions overlap. In some cities, DHS components are currently co-located, such as ODP and FEMA. In other cities, DHS maintains components situated in different locations within the same municipality. In New Orleans, for example, DHS maintains its Customs Service and Secret Service offices in different locations from its CIS, ODP and Coast Guard components. DHS' New York City components are similarly scattered throughout lower Manhattan.

As explained in Section 706's legislative history, the goal of consolidation and co-location is to improve both DHS and local first responders' preparedness. Staff in consolidated and co-located offices can be cross-trained to respond to the full range of functions which may be needed to meet DHS's local all hazards response needs. Similarly, by providing a "one-

stop-shop" for local first responders, DHS can improve first responder training, preparedness and responsiveness. By centralizing community information, DHS can also provide assistance ranging from grant writing to sharing "best practices" learned from other communities.

We emphasize that this hearing will neither address DHS funding to non-Federal entities nor closing of regional or field offices. Rather, DHS officials will testify to steps that the Department has taken and will be taking to consolidate and co-locate regional and field offices and to improve coordination and cross-training among and between DHS staff and local first responders. The Subcommittees will also hear testimony from experts and local first responders regarding the importance of coordination, training and "one-stop-shopping" with DHS regional and field offices. This hearing is intended to improve the level of communication between DHS and local first responders and assist DHS in developing its regional and field structure plan.

The invited witnesses for the hearing are: Asa Hutchinson, Under Secretary for Border and Transportation Security, DHS; James Lee Witt, President, James Lee Witt Associates, LLP and former Director of FEMA; C. Morgan Kinghorn, President, National Academy of Public Administration; Edward A. Flynn, Secretary, Executive Office of Public Safety, State of Massachusetts, on behalf of the National Governors Association; Karen Anderson, Mayor, City of Minnetonka, Minnesota, on behalf of the National League of Cities; and, Dr. Martin Fenstersheib, Health Officer for the Santa Clara County Public Health Department, San Jose, California, on behalf of the National Association of County and City Health Officers.

Attachments

FAXED TO US 2/6/04

U.S. Department of Homeland Security
Washington, DC 20528

FEB 4 2004

The Honorable Thomas M. Davis, Chairman
United States House of Representatives
Committee on Government Reform
Washington, DC 20515

Dear Mr. Chairman:

Section 706 of the Homeland Security Act (P.L. 107-296), requires the Department of Homeland Security to submit a report on our plans to consolidate field and regional offices where similar functions are in municipalities.

Enclosed, please find our report that details actions taken to date, plans for specific consolidation and analyzing the longer-term options to meet the Department's mission, while making sound business decision on our use of real property assets.

If you have any questions, please contact the Office of Legislative Affairs at (202)205-4412.

Sincerely,

Pamela J. Turner
Assistant Secretary for Legislative Affairs

Enclosure

U.S. Department of Homeland Security
Homeland Security Act of 2002 (P.L. 107-296); Section 706
Report to Congress on Office Consolidation and Collocation

Purpose

Section 706 of the Homeland Security Act ("the Act") of 2002 states that no later than one year after the date of the enactment of the Act, the Secretary of the Department of Homeland Security (DHS) shall develop and submit to Congress a plan for consolidating and collocating:

1. Any regional offices or field offices of agencies that are transferred to the Department under this Act, if such offices are located in the same municipality; and,

2. Portions of regional and field offices of other Federal agencies, to the extent such offices perform functions that are transferred to the Secretary under this Act.

This report responds to the statutory requirement by presenting the Department's actions to date and its proposed approach to developing a consolidation and collocation plan to Congress as required by the Act.

Background

The Department was established to create an agile organization that takes advantage of modern technology and management techniques to meet new and constantly evolving threats. By minimizing duplication of efforts, realigning related- or same-function business fragments, and improving coordination, the new Department will effectively convert redundant or inefficiently managed resources into a mission-focused team that increases America's security.

As the Department's organization begins to coalesce, the clear mandate is to improve our mission effectiveness. The overall plan for consolidation and collocation of field and regional offices must include only those changes to the physical portfolio that facilitate improved effectiveness and performance. Cost efficiencies and economies of scale that may result are not the primary objectives and any saved resources should be applied to increasing operational effectiveness. The consolidation and collocation strategy will therefore be designed to remain flexible and responsive to mission requirements that continue to be defined and implemented.

Due to the scope and scale of the overall organizational transition still facing the Department, efforts to date have been largely at the directorate or agency levels, and focused on getting newly defined field elements to work effectively together. Although a few field offices may have shifted personnel from one legacy location to another, many have not been able to consolidate or collocate in the short time the Department has been in existence. The Department's efforts to date are presented below followed by its proposed approach to develop a comprehensive consolidation/collocation plan, indicating key steps to finalize the plan.

Current Consolidation and Collocation Efforts

DHS directorates and agencies have begun to undertake several initiatives to increase mission effectiveness, some of which may include consolidation and collocation of existing regional and field offices. In some cases, there is potential for cost efficiencies to be realized either directly or indirectly along with improved mission effectiveness. Although still in the developmental stages, the program objectives and current status of these key initiatives are described below. The overall consolidation and collocation plan will address these initiatives.

Creation of the Bureaus of Immigration and Customs Enforcement (ICE), Customs and Border Protection (CBP), and Citizenship and Immigration Services (CIS)

- The functional realignment of organizational elements within BTS and CIS is designed to improve operational effectiveness and integrate mission performance;
- Legacy customs and immigration investigative agents have been reassigned to ICE along with legacy GSA Federal Protective Service officers;
- A new CBP Officer position unifies the duties and responsibilities of the customs, immigration and agriculture inspectors to create a more effective officer corps at the air, land, and sea ports of entry;
- Staff performing immigration services duties at legacy INS locations have been separated into their own bureau at CIS;
- The Department has procured new office space and DHS personnel have been relocated in order to support programmatic realignments;
- ICE is working on a strategic transformation space plan to finalize the transition of legacy Immigration and Naturalization Service facilities to CIS and ICE. The objective is to first determine where bureaus are collocated and subsequently assess rent information for each. The second part will determine the future housing needs of ICE and CIS based on their mission requirements, including consolidation of Program units. New housing plans will be executed only after

management approval. Part one of the plan is complete. Part two of the ICE plan is currently underway and facilities models will be developed by March 2004. Part two of the CIS plan is underway.

- CBP will be consolidating leases of legacy Customs, INS and APHIS/AQI to effect CBP's goal of one face at the borders. They are renovating two vacant CBP houses, in Curlew and Metaline Falls, WA, for two new Border Patrol stations which are operational in the port office until work is complete in the summer. They are renovating the unused Erie, PA, Port Office to accommodate another Border Station. CBP entered into an agreement with the Coast Guard to use land at the Rochester, NY, Coast Guard facility for another Border Station. They identified leases for a CBP Port Office and an ICE Finance Center in Dallas, TX, which are in the same delineated area and expire in the same timeframe, providing an opportunity for consolidation or collocation. They have also identified various locations for consolidation or collocation of legacy Customs and INS agents in Chicago, Indianapolis and Cincinnati, where leases are expiring at or near the same time.

Tri-Bureau Shared Services

- A September 10, 2003, memorandum outlined the Department's goal to integrate or "share" designated administrative and mission support services among CBP, ICE and CIS, where feasible, in an effort to enhance quality of service and achieve management efficiencies;
- The transition to a shared services environment is not intended to be a workforce reduction, but rather an alignment of job functions with qualified employees at each bureau;
- It will be necessary to realign or reorganize some headquarters and field positions in order to link employees with provider organizations or to address new bureau workloads for cross-servicing and self-supporting services; and,
- The transition of selected functions is to be complete at the end of calendar year 2003.

Delivery of Administrative Services within the Department Headquarters

- The DHS Office of Management examined the numerous administrative services provided at a local level throughout the Department and developed a plan for the Headquarters to provide these same services Department-wide using a shared service model;
- The Department has completed initial analyses and on October 1, 2003, began consolidating administrative services (Mail, Safety & Health, Supply Chain, etc.); and,
- Only programmatic modifications have been implemented at this time and no physical consolidations or collocations have occurred.

Aviation Study

- DHS is conducting a study to identify efficiencies that can result from integrating aviation services and activities across the Department, while accommodating each component organization's unique mission demands for air transport;
- The goal of the study is to identify agency overlap in aviation capability, assets, logistics, training, and acquisitions that can be leveraged in the near term to realize efficiencies in response time and operating expense; and,
- The study is currently in its analysis phase and will be completed in January 2004.

Regional Concept

- President Bush, in the FY04 Budget Submission to Congress in January 2003, indicated that the Department would create "a powerful and logical regional structure by establishing directors within each geographic area that will meet the dual needs of centralized planning and decentralized execution";
- The primary goal of this effort is to improve regional and local area coordination with external partners and integrate internal DHS functions within a region;
- As the Regional Concept is developed, any unnecessary duplicative functions in existing regional or field offices will be eliminated; and,
- The Regional Concept is still in the preliminary stages of analysis.

Key Steps in a Consolidation and Collocation Plan

The Department will develop a strategic real estate and facilities management plan focused on creating a more flexible, effective, efficient and mission-enabling portfolio. A first step will be a high-level analysis to establish a baseline of infrastructure and assets for further study. This analysis will incorporate, where applicable, the findings and recommendations of previous and ongoing studies and analyses. The resulting recommendations will focus the strategic planning process and drive a "closer look" at selected components to better understand the potential opportunities, as well as the implementation efforts required to realize the anticipated benefits.

The Department anticipates taking a four-phase approach to this effort depicted below in Figure A. Phases I, II, and III will address a broad portfolio of DHS assets identified during the initial analysis. Phase IV will pursue the near-term opportunities identified in the previous phases and lay the groundwork for future actions.

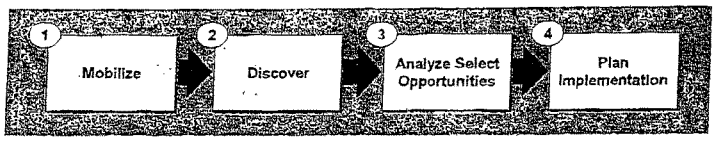

Figure A – Four Phases

Phase I (Mobilize), the first phase of the consolidation/collocation endeavor, focuses on formulating a strategic level planning and evaluation process for real estate and facilities management. By defining and establishing the planning process, DHS will have a guide to develop strategies for the selected components. This step will also develop objectives for the real estate strategy for the Department and seek out and establish best practice benchmarks. We expect this step to take about 2 months to complete.

Phase II (Discover) serves a critical purpose in the overall strategy planning process. The activities in this phase are focused on the following: identifying the strategic vision; analyzing existing strategies; and, reviewing the required portfolio and occupancy data. The purpose of this phase is to develop a detailed, baseline understanding of the selected components within DHS with regards to the use and occupancy of their portfolios. This phase will begin during the time of Phase I and is expect to take about 2 months to complete.

In addition to strategic visioning work sessions, Phase II will involve a series of interviews with senior management representatives, as well as the review of DHS HQ policies related to real estate and facilities. This will build a shared vision for the future strategic direction of the selected components.

The discovery activities completed in Phase II will facilitate the identification and prioritization of selected consolidation and/or collocation prospects based on numerous criteria, which may include but are not limited to geographic proximity, existing occupancy conditions, lease expirations, and various mission directives.

Phase III (Analyze Select Opportunities), encompasses a series of activities, including but not limited to the following: conduct on-site interviews; perform market analyses; continue to identify and refine internal and external best practices; execute a portfolio gap analysis; incorporate existing real estate and facilities strategies where appropriate; and, evaluate the high-level costs, impacts, and benefits of implementing improvements at these selected opportunities.

This phase will build on portfolio analyses ongoing in Customs and Border Protection, and will include beginning projects for immediate success, both for properties that are geographically dependent (for example, field offices) as well as property types that are independent of geography (maintenance or data centers, for example). This phase is expected to begin at the end of Phase I, and is expected to take 5 to 7 months to complete.

The outcome of Phase III is the development of strategies that work to integrate and satisfy the selected components' operational and asset requirements, mitigate the risks uncovered during the discovery baseline effort, and address the opportunities identified in the previous phase.

Phase IV (Plan Implementation), is focused on continued near-term opportunities and setting a course on ongoing strategies to provide timely support to mission requirements, while basing decisions on sound business principles. For sites where consolidation or collocation activities are anticipated in the 18-month to three-year time frame, high-level strategy implementation plans will be developed. The opportunities analyzed in Phase III will be considered using site-specific data to determine the implementation cost, hurdles and feasibility. Planning for specific future actions will also take place in Phase IV.

Anticipated Timeline for Plan Development

Given the scope and scale of the DHS organizational transformation, the Department anticipates that between 12 and 24 months will be required to complete proper study and analysis. However, we expect to develop the initial evaluation and strategy within 6 to 10 months. In addition, the implementation of the recommended collocation and consolidation strategy for real property and facilities is expected to require 3-7 years, or more, to complete. Factors affecting this timeframe include the need to balance mission requirements, contractual obligations, and lease structures, as well as account for the time required to develop needed capital asset management plans, budget submissions, and execute the approved projects.

Next Steps

The Department of Homeland Security intends to mobilize a team to commence the initial high-level analysis early in 2004. Concurrently, the Department will define its strategic real estate and facilities planning process and develop a criteria based decision framework to evaluate the identified consolidation and collocation options. The

Department will keep Congress informed of the status of this plan and any progress made on its consolidation and collocation objectives.

requirements for tighter security. It is time to provide them with the tools and the technology they need and to send them a clear message that we value the work that they do.

In addition, I believe that we can integrate existing technologies to increase interagency cooperation and data flow, thereby eliminating overlap and waste and streamlining processes, all while being mindful of civil rights. Moreover, leveraging technology will also serve to increase binational cooperation.

Rather than constructing an old fashioned triple layered wall along the border, a wall that creates a false sense of security, endangers border patrol agents and diverts our needed resources, we should shelve old methods and embrace the new methods that this Department of Homeland Security will undoubtedly employ.

I urge my colleagues to allow this new department the flexibility to develop its own priorities without burdening them with antiquated projects and defeat this amendment.

Mr. HUNTER. Mr Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have respect for my colleague, but let me just say that the opposition which has been stated to the border fence is, at best, bizarre. When we started this fence, Mr. Chairman, there were 300 drug trucks a month full of cocaine and marijuana which were hurtling across the border in these uncontrolled areas, in this mountainous region, the region extending from Otay Mesa to the Pacific coast. We had scores of border patrolmen who were hurt and injured because they were pelted with rocks from the other side of the border and we had an average again of about 10 people a year murdered by the armed gangs, many with automatic weapons, which moved back and forth across what was known as a no-man's land. In fact, it was so bad that Joseph Wampaugh wrote the book "Lines and Shadows" about this no-man's land that existed on the U.S.-Mexican border. Since we have built that fence, the first 12 miles of fence, we have totally eliminated the 300 drug trucks a month that were coming across, we have knocked down the 12 murders to almost zero, and people that live on both sides of the border have expressed, and the border patrol reports are very clear, that this fence has been a center of stability, it is a modern fence, it is a double fence, it has a large overhang, it has not hurt anybody. In fact, it has prevented 10 murders a year.

The idea that you do not complete the last 2 miles of that fence once again, Mr. Chairman, is, at best, a bizarre notion. I would hope that we would be rational and simply build the last 2 miles of what the border patrol has said is one of the greatest deterrents to illegal crossing and could be a deterrent to the crossing of a terrorist organization into that area just a few miles south of the biggest naval base on the west coast.

Ms. PELOSI. Mr. Chairman, I yield the balance of my time to the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Chairman, I think the area we are talking about is one that we believe now with our new technologies and with some greater priorities that are set as well with the community, that we can provide the protection that we need, that we can provide the protection for the agents, but we can also do what is best for this last 2 miles, especially in an area that has a lot of binational crossings.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. HUNTER).

The amendment was agreed to

The CHAIRMAN. It is now in order to consider amendment No. 10 printed in House Report 107-615.

AMENDMENT NO 10 OFFERED BY MR OSE

Mr. OSE. Mr Chairman, I offer an amendment

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No 10 offered by Mr OSE

At the end of title VI add the following

SEC. . CONSOLIDATION AND CO-LOCATION OF OFFICES.

Not later than 1 year after the date of the enactment of this Act, the Secretary shall develop and submit to the Congress a plan for consolidating and co-locating—

(1) any regional offices or field offices of agencies that are transferred to the Department under this Act, if such offices are located in the same municipality; and

(2) portions of regional and field offices of other Federal agencies, to the extent such offices perform functions that are transferred to the Secretary under this Act.

The CHAIRMAN. Pursuant to House Resolution 502, the gentleman from California (Mr. OSE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr OSE).

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

As a subcommittee chairman over on Government Reform, I would like to offer this good-government amendment which relates to the regional and field offices in the proposed department. Before I do that, I want to make sure that I compliment my good friend the gentleman from Massachusetts (Mr. TIERNEY) who is the subcommittee ranking member with whom I have worked very closely in analyzing the President's bill and drafting bipartisan amendments to perfect it. The President's proposal includes moving agencies which currently have 10 different regional and field office structures into the new department. Neither the President's bill nor the special committee's substitute mentions any changes in these regional and field offices, although changes could be made under the select committee's section 763(a) reorganization authority, to consolidate, alter or discontinue organizational units.

My amendment would require the new department's under secretary for management to develop a consolidation/collocation plan within 1 year. The plan would examine consolidating and collocating regional and field offices in each of the cities with any existing regional or field office in the transferred agencies. My amendment would retain at least one Department of Homeland Security office in each of these cities.

Staff in these consolidated/collocated offices could be cross-trained to respond to the full range of functions which may need to be performed locally. Besides improving Federal preparedness and response, consolidation and collocation should result in overhead and other efficiency savings.

Five examples of existing and different regional or field office networks are in the Agriculture Department's Animal and Plant Health Inspection Service, known as APHIS; the Justice Department's Immigration and Naturalization Service; the Department of Transportation's Coast Guard; the Department of Treasury's Customs Bureau; and the Department of Treasury's Secret Service.

I urge my colleagues to support this government efficiency amendment. I want to reiterate my appreciation for the time and effort and participation of my good friend from Massachusetts whom I would now like to recognize to elaborate on how helpful collocation could be for local first responders.

Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. TIERNEY).

□ 2400

Mr. TIERNEY. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of this amendment that was, as was said, to make a plan regarding the consolidation of officers and the crosstraining of Federal employees that ought to be consolidated into the new Department of Homeland Security. I want to thank and commend the gentleman from California (Mr. OSE) with whom I serve in the Committee of Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs. As he stated, we have had the opportunity to work together in a bipartisan way to suggest improvements to the bill, and I thank him for his leadership.

In the course of this debate we must keep the focus where it truly belongs: on marshaling our country's best ideas and resources and skills to coordinate our fight against terrorism, streamline government, and make Americans safer. We need to do this for the families who lost loved ones on September 11 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.

Nowhere is it felt more keenly than our local communities. All acts of terrorism are, as we know, local; and each community has to be prepared for crisis response and catastrophe management. Since September 11, we have

heard from our local first responders from across the country who have risen to the occasion, protecting communities as the first line of defense against terrorism. In my own district, as across America, they have marshaled their resources to track down leads of potential terrorist threats and buy more equipment, from upgraded weapons to technology to biohazard masks and suits. They have increased hazmat training for handling suspicious packages and stepped up patrols around potential terrorist targets like water and gas supplies, nuclear power plants, harbors and airports. They want the government to work with them, to train with them, to communicate with them, and to respond with them to any potential attack. And now it is time for us to step up and help them. We must respond with cooperation, with communication, and with coordination at all levels of government.

But before we can work with the local first responders, we have to be confident that the Federal agencies can work with one another. Coleen Rowley's bureaucratic nightmare was a cautionary tale. We simply must train personnel within different agencies that have different cultures and different skills to talk to one another, to share information before disaster strikes.

That is why I join Mr. OSE in introducing this "good government" amendment, to ensure that local first responders have a primary point of contact and coordination within the Federal Government and to ensure that these field officers work together.

No matter how Congress resolves the issue of who is in and who is out of this agency, and I frankly hope that we will end up with a leaner 21st century response rather than a bloated 19th century structure, we are not going to effectively fight terrorism from Washington, D.C. Any respected Department should consist of agencies that can work together, Mr. Chairman. And, again, I thank the gentleman from California (Mr. OSE) for helping to work with this problem.

Mr. OSE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. OSE).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 11 printed in House Report 107-615.

AMENDMENT NO. 11 OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Ms. VELÁZQUEZ:

In section 734 of the bill, insert before the first sentence the following:

(a) OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION.—

At the end of section 734 of the bill add the following new subsection:

(b) SMALL BUSINESS PROCUREMENT GOALS.—

(1) IN GENERAL.—The Secretary shall annually establish goals for the participation by small business concerns, by small business concerns owned and controlled by service-disabled veterans, by qualified HUBZone small business concerns, by small business concerns owned and controlled by socially and economically disadvantaged individuals, and by small business concerns owned and controlled by women (as such terms are defined pursuant to the Small Business Act (15 U.S.C. 631 et seq.) and relevant regulations promulgated thereunder) in procurement contracts of the Department.

(2) DEPARTMENT GOALS NOT LESS THAN GOVERNMENT-WIDE GOALS — Notwithstanding section 15(g) of the Small Business Act (15 U.S.C 644(g)), each goal established under paragraph (1) shall be equal to or greater than the corresponding Government-wide goal established by the President under section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1))

(3) INCENTIVE FOR GOAL ACHIEVEMENT — Achivement of the goals established under paragraph (1) shall be an element in the performance standards for employees of the Department who have the authority and responsibility for achieving such goals.

The CHAIRMAN. Pursuant to House Resolution 502, the gentlewoman from New York (Ms. VELÁZQUEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York (Ms. VELÁZQUEZ).

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself as much time as I may consume.

I rise today to ensure that the new Department has access to the innovative resources this Nation's small businesses can offer in the defense for our country.

The amendment offered with my colleagues from California and New Mexico makes sure that the American taxpayer gets the best value for the dollar and that the new Department of Homeland Security has access to the best work and highest technology by requiring the new agency to open up its estimated $37 billion market to our Nation's small businesses.

America's small businesses are the top innovators in the global economy. In an age when high technology will help keep us one step ahead of those who will do us harm, we cannot afford to ignore the contributions our small companies can make. When the private sector corporations need a job done quickly, they look to nimble, fast-working small businesses.

Unfortunately, small businesses face many obstacles when trying to win contracts from Federal agencies. The Velázquez-Issa-Wilson amendment will tear down barriers to part of that market by requiring the new Department of Homeland Security to have a small-business goal that is at least the statutory minimum of 23 percent.

The amendment also adds accountability to the process by including goal achievement in Federal contracting officers' performance evaluations.

I close by asking my colleagues to get this new agency off to a good start. In a new era where we must be smarter and faster than our foe, we cannot afford to ignore the smartest and fastest of them all, America's innovative small businesses.

I urge support of the bipartisan Velázquez-Issa-Wilson amendment.

Ms VELÁZQUEZ. Mr Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ)

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No 12 printed in House Report 107-615.

AMENDMENT NO 12 OFFERED BY MR. HASTINGS OF FLORIDA

Mr. HASTINGS of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. HASTINGS of Florida

At the end of title VII, insert the following new section

SEC. 7 . REQUIREMENT TO COMPLY WITH LAWS PROTECTING EQUAL EMPLOYMENT OPPORTUNITY AND PROVIDING WHISTLEBLOWER PROTECTIONS.

Nothing in this Act shall be construed as exempting the Department from requirements applicable with respect to executive agencies—

(1) to provide equal employment protection for employees of the Department (including pursuant to the provisions in section 2302(b)(1) of title 5, United States Code, and the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (Pub. L. 107-174)); or

(2) to provide whistleblower protections for employees of the Department (including pursuant to the provisions in section 2302(b)(8) of such title and the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002).

The CHAIRMAN. Pursuant to House Resolution 502, the gentleman from Florida (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Chairman, I yield myself such time as I may consume.

I would like to preface my remarks by thanking the majority leader and the minority whip and all of our colleagues who serve on the Select Committee on Homeland Security. In my judgment, they have done an outstanding job, notwithstanding the time constraints and other obstacles that they have been confronted with. I guess there is some comfort as a Member of this body in knowing that future legislation obviously will assist in refining the product that we will conclude with on tomorrow, and I also know that it is comforting to send a message around the world that this body is capable of responding to all challenges.

Mr. Chairman, I rise to introduce an amendment which adds a new section to title VII to H.R. 5005. The additional

Mr. OSE. As others join us, we will allow their statements to be put into the record, but in the interest of time we are going to proceed directly to the witnesses.

In this committee, Government Reform, we swear in all of our witnesses, regardless of subject. It is our tradition and protocol. So, Mr. Under Secretary, would you please rise?

[Witness sworn.]

Mr. OSE. Thank you. Let the record show that the witness answered in the affirmative.

Mr. Under Secretary Hutchinson, it is good to see you again. Thank you for joining us. We do have your statement for the record, and we are pleased to have your testimony on this important subject. Go ahead.

STATEMENT OF ASA HUTCHINSON, UNDER SECRETARY, BORDER AND TRANSPORTATION SECURITY, DEPARTMENT OF HOMELAND SECURITY

Mr. HUTCHINSON. Thank you, Chairman Ose. It is a pleasure to be before this committee, and I want to thank you for your support and leadership in this area.

Earlier this year, as you know, the Department forwarded a report assessing our field property portfolio, addressing some of the issues that you are concerned about with regard to consolidation and co-location of offices, and we understand from the discussion of the committee staff that the focus of our report may have been missing the mark somewhat, and after reviewing the report I agree with you that it was a little bit too vague, and so I hope today's discussion will shed light on that and be beneficial to the committee.

I know that the focus is on the strategic consolidation, but I might just comment on some of the progress that has been made in the over-arching area of reorganization, efficiencies achieved from that, and the better delivery of services.

First and foremost, we consolidated our border inspection agencies under one particular agency. As you know, prior to the creation of the Department, you had Agriculture inspectors, you had Immigration inspectors, and Customs inspectors, all three reporting in to three different directors, three different departments of government. That has been consolidated into one, and now we have CBP officers who are cross-trained in inspection procedures, provide a better benefit to the public, and better accountability for management purposes. In addition, we reorganized the enforcement side in Immigration and Customs Enforcement, including redesignating the Federal air marshal program as a part of that to improve efficiencies.

When it comes to first responder grants, which is an important capability with the State and local community, we hear loud and clear the frustration that they had a number of different pipes into the Department of Homeland Security, and so with the $7.1 billion in assistance that had to be meted out last year through our Office of Domestic Preparedness and our other grant programs, we have now consolidated all of the grant programs into one funding stream in the Department to give State and local first responders one portal into the Department rather than having multiple sources that

they go through. This would include the $500 million assistance to fire fighters, and it would consolidate the 25 State and local support programs and initiatives into one office to ensure simplified and coordinated administration of these programs.

From a strategic standpoint, the substantive offices will still have impact on the distribution of these grants, but it facilitates the delivery of those services through one portal.

We have also reorganized our national incident management system to be more effective. The Department established that this system, which is the Nation's first standardized management plan to create a unified chain of command for Federal, State, and local lines of government for incident response. This certainly impacts our relationship with first responders, as well.

We will have an incident management center integration center to serve as a focal point for first responders to ensure that what we provide is accurate and will be an effective management tool. We'll provide education and training, communications and equipment, qualifications and credentialling of incident management and first responder personnel.

Then, I would also point out that the President's 2005 budget that has been submitted to Congress itemized $100 million in savings in terms of initiative through the strategic sourcings of office supplies, weapons and ammunition, copiers, and fleet motor vehicles. These are all from different agencies where we have a more strategic ability in procurement. We estimate a $100 million savings from that effort.

Finally, Mr. Chairman, you asked particularly about the facilities and our planning in the co-location of offices. This is really being done at three different levels. First, at the operational level it is an ongoing project where we have legacy Immigration and legacy Customs offices in two separate buildings. As leases expire, we are co-locating those into one facility, and so it is a high priority for us because it is important for those agencies to be working side by side, but it varies in city based upon when the leases expire and the operation capability. We are also doing the same consolidation at the headquarters level with, for example, making sure that the Customs offices are located with their strategic partners at the headquarters level.

Finally, probably most importantly to this committee, is the regional concept, which is more of a long-term strategic alignment of the 22 agencies. This will have to be taken a strategic step at a time, first of all developing the whole regional concept and then bringing the regional alignments together underneath that. Finally, the last part of it really is making sure that the agency is being conformed to that regional alignment, not necessarily by closing offices but by making sure their structure, their communication is consistent with that regional structure. That is an ongoing project and significant manpower hours are being devoted to that, but it has not been completed and it is not subject to public revealing at this point, but we hope to conclude that project in the near future.

With that, Mr. Chairman, I will obviously submit my written comments for the record, but I'll look forward to our discussion.

[The prepared statement of Mr. Hutchinson follows:]

Statement of The Honorable Asa Hutchinson
Under Secretary for Border and Transportation Security
Department of Homeland Security
Before the House Committee on Government Reform
Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs and the Subcommittee on National Security, Emerging Threats and International Relations

Thank you Chairman Ose and Ranking Member Tierney, and Chairman Shays and Ranking Member Kucinich, for the opportunity to be here and discuss the Department of Homeland Security's progress in the area of consolidating and co-locating our facilities and activities to better support our mission to secure the Homeland. A very important part of this mission is support and coordination with first responders at all levels nation wide. I would also like to thank Congress, and specifically these subcommittees, for your commitment to assisting DHS in this critical area.

Earlier this year, the Department forwarded our report on plans for strategically analyzing our real property portfolio to determine where we may have opportunities to consolidate or co-locate offices in cities and areas around the country in support of our missions. I understand there is some concern that the focus of this report may have been too narrow in describing the real estate strategy. We are also currently developing a regional concept and look forward to working with the Congress as that effort progresses; however, today I look forward to addressing the issues of Section 706 of the Homeland Security Act.

Therefore, I would like to highlight our accomplishments and plans for coordinating and consolidating programmatic functions and support for the programs and for first responders. By identifying opportunities to cross train our employees, we are broadening our capability to meet the needs of the Nation.

It is important to note that the components of the Department have a long history of working with and supporting the first responders of the Nation. These relationships are still in place and viable. However, behind the scenes, we have consolidated grant programs, coordinated training activities, and streamlined our processes. We have developed ways to more effectively work together and share information within the Department, to provide an integrated approach to support responders at the state and local levels. This internal coordination was evident in the response to Hurricane Isabel, the wildfires in Southern California, and in our in response to the unrest in Haiti.

With this foundation, when first responders call on the department through the established relationships, they can expect to receive response and support from a coordinated effort that is greater than the sum of its original parts.

Some of our specific accomplishments include:

One Face At the Border

As the Department of Homeland Security, we are creating, as Secretary Ridge has called it, "One Face at the Border." Within the Border and Transportation Security Directorate, we established one border agency, U. S. Customs and Border Protection (CBP), for our country. In the year following its creation, CBP has made significant strides toward unification. And America is safer and its border are more secure than they were when border responsibilities were fragmented among four different entities in three different departments of government, as they were before March 1, 2003, before the creation of the Department of Homeland Security.

To create U. S. Customs and Border Protection (CBP), on March 1, 2003, we took most of U.S. Customs and actually merged it with all of the immigration inspectors and Border Patrol from the former INS, and inspectors from the Department of Agriculture's Animal and Plant Health Inspection Service. This means that for the first time in our country's history, all agencies of the United States Government with significant border responsibilities have been unified into a single federal agency responsible for managing, controlling and securing our Nation's borders.

On March 1, 2003, CBP designated one Port Director at each port of entry and put in place a single, unified chain of command. This was the first time there has ever been one person at each of our nation's ports of entry in charge of all Customs, immigration, and animal and plant health inspection services. In our seaports, the CBP Port Director works closely alongside and in full cooperation with the U.S. Coast Guard Captain of the Port. And in terms of an immediate increase in antiterrorism security, on Day One, all frontline, primary inspectors at all ports of entry into the United States were equipped with radiation detection devices. Since March 1, 2003, all inspectors have also received antiterrorism training. Customs had mandated this for all Customs inspectors in December 2001, but now it has been applied to <u>all</u> inspectors, including legacy immigration and agriculture inspectors at our borders.

Last year, we began rolling out unified CBP primary inspections at international airports around the country, starting with U.S. citizens and Landed Permanent Residents. Unified primary means that the CBP inspector in the booth will conduct the primary inspection for all purposes – immigration, customs, and agriculture. Originally piloted at Dulles, Houston, JFK, Newark, LAX, Atlanta, Miami, San Francisco. Unified primary is now operational at all major international airports. This a major step forward in eliminating the process of travelers potentially having to "run the gauntlet" through three separate inspection agencies. Although legacy customs and immigration inspectors have assumed interchangeable roles at the land border ports of entry for years, this is the first time unified primary has been done on a national scale at our country's airports.

Along with unified primary, we have also developed and are implementing combined anti-terrorism secondary which leverages the expertise and authorities of both legacy customs and immigration to conduct a joint secondary inspection of passengers deemed high-risk for terrorism. CBP has also begun to coordinate and consolidate our passenger analytical units – the units that identify potential high-risk travelers for inspection. Again, this brings together the

Combining these three programs into one, single, funding source, continues DHS' efforts to reduce the burden placed on the states by streamlining and simplifying the grant process, reduce the overall administrative costs of these programs, and to better achieve the "one-stop-shop" for federal assistance asked for by the nation's first responders. We have also moved the port security grant program to ODP.

Also included in the request is $170 million for the Emergency Management Performance Grant (EMPG) Program. Fiscal Year 2005 will mark the first year for which ODP has responsibility for these grants. Placement of these grants within ODP will again bring us closer to the establishment of a "one-stop-shop", and will enable states to better coordinate and identify available preparedness resources and target these resources towards homeland security needs.

Also recently consolidated within ODP is the Assistance to Firefighters, or Fire Act, Grant Program. The FY 2005 request includes $500 million for certain provisions of the Fire Act, which will target funding towards terrorism preparedness. We continue to be committed to working with the fire service to ensure the continued success of this initiative and to ensure continued support for the nation's firefighters. I am pleased to report that the solicitation for the Fiscal year 2004 Fire Act Program opened March 1, 2004 and will close on April 2, 2004. By the end of this current fiscal year, ODP expects that over $2 billion will have been distributed to over 15,000 fire departments since the program's inception.

Beyond the support for the nation's states and localities found in our Fiscal Year 2005 budget request, the Department is also taking steps to ensure that its staff and program offices can better support states and localities. Recently Secretary Ridge announced his intention to consolidate the Office for Domestic Preparedness with the Office for State and Local Government Coordination to form a new office – the Office for State and Local Government Coordination and Preparedness.

This consolidation is in direct response to requests from the nation's first responders to provide the emergency response community with a "one-stop-shop" and one central focal point for grants, assistance, and other interactions with DHS. This consolidation will place 25 various state and local support programs and initiatives within one office to ensure simplified and coordinated administration of these programs. This consolidation will also ensure the elimination of duplication across program lines and the ability to ensure that the complementary and synergistic aspects of these programs work together to maximize their ultimate impact on states and localities. At the same time, grouping these programs under one consolidated office will ensure that the staffs, the programmatic expertise which guides these programs, are placed in a position to work together, share their expertise, and are better able to achieve the Department's single goal of better preparing the nation. Secretary Ridge's decision will enable DHS to better administer these programs by breaking down inter-department walls and exercising greater oversight. This decision will benefit states and localities by providing them a unified and better coordinated means of assistance and support.

National Incident Management System

The Department has established the National Incident Management System (NIMS), the Nation's first standardized management plan that creates a unified chain of command for Federal, state and local lines of government for incident response. NIMS gives all first responders the same framework for incident management and fully puts into practice the concept of, "One plan, one team, one fight!"

The efforts of dedicated professionals from state and local governments, law enforcement, the fire and emergency management communities, emergency medical services, tribal associations, public health, the private sector, public works, and non-governmental organizations across America teamed together in a collaborative effort to create NIMS. This unique system provides our Nation's first responders and authorities with the same foundation for incident management in terrorist attacks, natural disasters and other emergencies. From our Nation to our neighborhoods, America is safer.

NIMS strengthens America's response capabilities by identifying and integrating core element and best practices for all responders and incident managers. By establishing a balance between flexibility and standardization, and with the use of common doctrine, terminology, concepts, principles and processes, execution during real incidents will be consistent and seamless. Responders will be able to focus on the response, instead of organizing the response. Teamwork and assignments will be clearly enhanced.

Key elements of NIMS include:

- Incident Command System (ICS)
- Preparedness planning, training, exercises, qualifications, and certifications
- Communications and information management process and systems
- Joint Information System for public communications

In addition, we are establishing the NIMS Integration Center to serve a focal point for first responders to ensure that NIMS remains an accurate and effective management tool. This Integration Center will assess proposed changes to NIMS capture and evaluate lessons learned, and employ best practices from first responders. It will provide the strategic direction and oversight of the NIMS, including developing and facilitating national standards for NIMS education and training, first responder communications and equipment, and qualifications and credentialing of incident management and first responder personnel. The integration center will continue to use the collaborative process of Federal, state, tribal, local and private authorities to assess prospective changes and assure continuity and accuracy.

Strategic Facilities Planning

The Department continues to develop a strategic real estate and facilities management plan focused on creating a more flexible, effective, efficient and mission-enabling portfolio. A first step will be a high-level analysis to establish a baseline of infrastructure and assets for further study. As we reported, this analysis will incorporate, where applicable, the findings and recommendations of previous and ongoing studies and analyses. The resulting recommendations

will focus the strategic planning process and drive a "closer look" at selected components to better understand the potential opportunities, as well as the implementation efforts required to realize the anticipated benefits.

We have already started to co-locate functions related to some of the activities mentioned, especially related to the "one face at the border" actions, where we have been able to make more efficient use of current building inventories.

We expect to be able to make more efficient use of space in many locations across the country, but will still need to maintain many mission related facilities, especially along the borders.

We will be looking very closely at our warehouse locations, where support for first responders and disaster victims are staged to determine how we can strategically place them as a combined asset of the Department where they can provide the most timely and effective support.

Closing

In closing, I would like to thank the Committee again for the opportunity to appear before you here today and assure you that the Department and I are committed to achieving the goals we have established. We have already made great progress under challenging circumstances. Now, with a strong, growing and motivated staff and the continued support of DHS leadership, OMB and Congress, I am confident we will realize even greater progress in this, our second year of the Department.

I would now be happy to answer any questions you may have.

Mr. OSE. Thank you, Mr. Under Secretary.
Mr. Shays, do you have any questions?
Mr. SHAYS. Not at this time, Mr. Chairman.
[The prepared statement of Hon. Christopher Shays follows:]

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Statement of Rep. Christopher Shays
March 24, 2004

Homeland security is an inherently intergovernmental undertaking. It demands unprecedented coordination and cooperation between people and organizations facing unfamiliar, even unthinkable, challenges. So the consolidation of twenty-two federal agencies into the Department of Homeland Security (DHS) was only the first, and perhaps easiest, step toward creation of a truly national capability to meet modern threats.

Now comes the hard part: integrating local, county, state and federal preparedness and response systems into a coherent, agile, mission-oriented whole.

DHS offices and functions are still strewn across the American landscape like scattered pieces of a jigsaw puzzle. First responders, mayors and governors calling for help need a thick Rolodex to find the DHS offices they might need. The Department inherited overlapping regional structures that do not reflect the high-level mission or the new realities on the ground. For example, the FEMA regional office for New England is in Boston, but the Connecticut communities I represent are closer to - and far more likely to be affected by - New York. In many areas, customs, immigration, Secret Service and Coast Guard offices are spread around the same city or very nearby.

Recognizing the need to keep the new Department's focus on this intergovernmental imperative, Chairman Ose authored the provision of the Homeland Security Act that brings us here today: the requirement that DHS develop a plan for consolidation and co-location of regional and field offices within its first year. This joint oversight hearing underscores our continuing commitment to build a Homeland Security Department that works from the ground up, not the top down.

The plan we received from DHS describes a process that could yield the cross-training opportunities and other synergies envisioned in the law. But it will take seven years or more to implement. Approaching this task as a pure lease management and facilities utilization exercise risks contorting the Department's critical missions to fit the space available. Mission should dictate structure, not the other way around.

A critical element of that mission is preparedness – local readiness to meet any hazard nature or man-made malevolence might conjure. The Department's day-to-day presence at the regional and local levels has to be structured to help communities build essential mitigation and response capabilities. That means standards, not the *status quo*, should drive the form and function of DHS service to its constituents and customers in the field. Under Secretary Hutchinson recently endorsed the early development of broad preparedness standards, and we look forward to working with him and his colleagues at DHS on that important effort.

As we will hear in testimony this afternoon, the DHS faces significant challenges reshaping its disparate elements into the finely honed tools needed against today's threats. But in that effort, the Department also has the opportunity to forge essential intergovernmental relationships. The right DHS regional structure could help bridge longstanding organizational and cultural discord between law enforcement, firefighters, emergency management and public health officials at all levels.

We appreciate our witnesses joining us today, and we look forward to their testimony.

Mr. OSE. Mrs. Maloney.

Mrs. MALONEY. I believe I will put my opening statement in the record and welcome our witnesses.

Mr. OSE. Ms. Miller.

Ms. MILLER. Mr. Chairman, I will follow suit and submit my statement for the record. I welcome our witnesses, as well. I don't have any questions.

[The prepared statement of Hon. Candice S. Miller follows:]

Congresswoman Candice S. Miller

Opening Statement

Committee on Government Reform

Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs and the Subcommittee on National Security, Emerging Threats and International Relations Joint Hearing

March 24, 2004

OPENING STATEMENT

Thank you, Chairman Ose and Chairman Shays for holding this joint hearing today.

I appreciate the overwhelming task the Homeland Security Department has in combining the 22 different agencies of the federal government into one new department, while still focusing on the mission of protecting our homeland.

As a former administrator of a state executive branch department that was in need of great reform, I have some understanding of the challenges you face.

As you may be aware, the plan to consolidate and co-locate regional and field offices is an issue of extreme importance to me.

This is because I believe that our Constitution makes providing for the defense of our nation the first responsibility of the Federal government.

Since September 11, 2001 we have not experienced another terrorist attack on American soil. I believe that is due in great measure to the vigilance and hard work of the men and women working in the Department of Homeland Security.

Determining regional locations that strategically make sense will ensure that our nation is best protected.

I have communicated numerous times with the Department of Homeland Security over the past year regarding my personal recommendation for the Department to consider for the Midwest

Regional Headquarters. I have stressed the importance of close proximity to strategic border crossings and waterways.

I have stated that the chosen locations must offer a range from low costs, unsurpassed strategic significance, facilities that can provide for a swift and smooth transition to the responsibilities of homeland security work, and that a location should be a "one-stop shop" for the numerous federal agencies that fall under the jurisdiction of DHS.

That is why in my view, Selfridge Air National Guard Base, in Macomb County, Michigan would serve as an excellent site for the Midwest Regional headquarters.

The location is perfect.

Selfridge is a secure facility, the work force is trained and capable and the resources in the area are vital to our national security. It is also already home to several agencies of the Department, including the Coast Guard and Border Patrol.

The base is close to many strategic locations including:

- The Ambassador Bridge in the city of Detroit, which is the busiest border crossing along the northern border. The Detroit – Windsor Tunnel, which is another critical boarder crossing between the United States and Canada in the city of Detroit.

- The Blue Water Bridge in the city of Port Huron, which is the third busiest border crossing along the northern border.

- The C.N. rail tunnel in the city of Port Huron, which is a major trade hub with Canada.

- The immense manufacturing capacity in the region, which is vital to our economy and national security.

- The Great Lakes basin, which accounts for the vast majority of our domestic fresh water supply.

The facilities at Selfridge are already in place, and will enhance the ability for the Department to fulfill its mission.

To date our effort has garnered unbelievable support. From every member of Michigan's Congressional Delegation, Republican and Democrat, House and Senate, to unanimous resolutions from both houses of the state legislature, to various city and township councils and civic organizations from across the area, the drive to bring the Department of Homeland Security to Selfridge has incredible momentum.

Recently, while on a visit to Detroit, Secretary Ridge said that my advocacy for this effort was persistent and insistent. I would like to add respectful to that list.

The only reason I bring this issue and location to the forefront is because I believe it would serve the needs of the mission of the department and contribute to the security of our nation.

Chairman Ose and Chairman Shays, thank you again for holding this hearing. This subject is an extremely important issue, and I hope that we will continue to work closely with the Department of Homeland Security to ensure safety throughout our nation.

Mr. OSE. We're going to be out of here by 7 tonight. [Laughter.]

Mr. Under Secretary, we talked a little bit about what Section 706 sought, and I just want to make sure—and you touched on it in your testimony about not quite getting it straight. What does DHS understand the purpose of Section 706 to be?

Mr. HUTCHINSON. Well, the language of the request has to do with the co-location of offices, and so our report dealt specifically with that aspect of it, touching upon the regions. But, it just was not as specific and not as responsive to the strategic concerns that this committee had, and so we welcome this opportunity to clarify any particular issues that you have.

Mr. OSE. Given my background, I'm particularly interested in the physical assets in terms of a schedule of leases that are expiring here and there and so on and so forth. Have you been able to go through and, for lack of a better word, quantify where the opportunity might exist across the country for co-location?

Mr. HUTCHINSON. That process has started, first in the determination order. That was really for OMB purposes in making the budgetary allocation of resources, and it was very sketchy information for each asset. So, that's the determination order.

Each asset manager within the 22 agencies making up the Department has a very detailed inventory of all the assets, and that is consolidated into a data base at Homeland Security, but that is the process it has to go through for ultimately arriving at the consolidations that we and efficiencies that we hope to achieve down the road. That will be done more in a long-term process, setting up the goals and objectives that we are trying to accomplish. Any regional alignment that we have would have to be a strategic marker that we have to respond to.

Right now I think our focus has probably been more narrow in terms of, for example, the training facilities. We concentrated upon and it has been my project to look at all of the training facilities in the 22 agencies, the firearms ranges. Is there any consolidation, any leadership that we can provide there? And, so that focus has been there. Then we will broaden that more to all of the assets that we had. But, that would be more of a strategic, long-term plan as was outlined in the report.

Mr. OSE. As we were considering this hearing, I was trying to conceptualize how you would do that, and I believe this puts it up conceptually. DHS has 22 different agencies and 180,000 different people. Without getting into specific agencies, if I understand what your testimony is, making the determination and figuring out, that this agency has these assets, and then you have broken those down into, "This is office space we own, this is office space we lease, this is where office space is located under this lease, this is where it is owned." Are you trying to—if I understand your testimony, in a 5 to 7-year period of time you'll let those leases run their course and then bring those facilities into a central location.

Do you have yet any of the 22 agencies finished relative to this plan for consolidation and co-location?

Mr. HUTCHINSON. Not in the long-term plan. And, let me come back to your first comment. As, for example, if you take Chicago, at Chicago we have worked to co-locate all of the investigative offices in Chicago, and that should be completed within 3 months in

terms of the Immigration and legacy Customs offices that are now at one agency. That has happened at an operational level. We're not waiting. It is going to be accomplished. In Miami, 50 percent of the investigators are co-located, and so you have different levels, but that is an ongoing process that has some urgency to it because we realize savings in that, and it is also better for our agents to work together.

But in the longer term, for example, you know, Coast Guard, which is not my arena of responsibility, but their massive amount of facilities out there and how that relates to, for example, FEMA or Border Patrol, and that's going to take a longer-term study to see if there's any efficiencies and any logic in it, because it might ultimately decide that they have two separate missions and it would not be any benefit in co-location, and there would be more of a strategic study that, quite frankly, I think the timeline that was laid out in the report is—you know, it is months away before the baseline is set for that aspect of it. That should not diminish from the immediate steps that are being taken and efficiencies being achieved.

Mr. OSE. Congressman Shays.

Mr. SHAYS. I thank the gentleman.

Mr. Secretary, you have a lot under Department of Homeland Security. You've got it all. One of the things that we have been concerned about is how we consolidate and so on. There's a temptation to want to do it by access. You've got to do it and you've got to go in there. What are you doing to make sure it's more passive management? What capabilities do you have to do that? I understand this is really a 7-year effort. I'm aware it's going to be a long term thing.

Mr. HUTCHINSON. That's absolutely the point that what should drive this would be the mission, and the mission should define any co-locations or asset managements. For example, when we realigned Immigration and Customs into one enforcement agency, that mission definement set the stage for those co-locations. That's ongoing. The next——

Mr. SHAYS. How long is that going to take you?

Mr. HUTCHINSON. That's what I was referring to. In Chicago, 3 months it will be done there. In Miami we're 50 percent there. It depends upon location by location when the leases are up and that opportunity presents itself. In the meantime, though, what we're doing, even though you might be in two locations, you're mixing your investigators so that they are co-located together even though they are in separate locations. So we are taking those operational steps.

But, in the next vision statement, really, it will be in terms of our regional concept. The President submitted in his 2004 budget that the whole Department would look at the regional alignment. When that final decision is made, which should be in the near future, then that will define our missions by regions, and then you can take the best-defined—the next steps that we take in reference to assets, buildings, and so on.

Mr. SHAYS. What about the issue of standards? If we're doing it by mission, not by asset, you're not going to assume that you have a vacant building if it makes sense to move people somewhere else?

I mean, is the lease going to be turning on how we define an employee?

Mr. HUTCHINSON. That certainly is a factor. I don't think we're going to be abandoning leases that are going to cost taxpayers a substantial amount of money if we have to lease additional space. So, I mean, we're just going to try to be smart about it.

Mr. SHAYS. What we'll do is integrate the mission?

Mr. HUTCHINSON. Absolutely.

Mr. SHAYS. You did what many think is very brave when you started to talk about standards on a high level. I'm interested to know what you feel about the goal of standards in determining allocation of resources.

Mr. HUTCHINSON. Well, you might followup to make sure I'm getting after your point, but I think it is critical in terms of the allocation of the grant money, for example, that we have assessments that are made——

Mr. SHAYS. Dealing with preparedness standards.

Mr. HUTCHINSON. We do not want to come back to Congress a year from now and have you ask us what happened to that $7 billion that went out the door and we don't have a good accounting of that, that we actually enhanced security, so we do insist upon our national priorities on preparedness, on response capability, and that is supplemented by the State response plans that help give more flexibility to it. We do want to have the national priorities reflected so that we can increase our preparedness and prevention capabilities.

Then you can more narrowly look at that in terms of rail and transit systems and have a national baseline of prevention capabilities there. You look at our national incident management system that is the first one ever in which we are prepared to respond to incidents in the field, whether it is a terrorist incident or natural disaster in which there is coordination, and a national plan that is in place to respond to that.

Mr. SHAYS. Thank you, Mr. Chairman.

Mr. OSE. Ms. Miller.

Ms. MILLER. Thank you, Mr. Chairman.

Welcome, Mr. Under Secretary.

Mr. HUTCHINSON. Thank you.

Ms. MILLER. About 2 months ago I had the distinct honor to have Secretary Ridge in my District. We share hundreds of miles of border with Canada. In that economy we have the Blue Water Bridge, which is the busiest water crossing. It is the only certified bridge across the United States to accommodate hazardous materials. We have a fleet and rail tunnel that runs right underneath of the bridge. And we also have something that we all refer to in that area as "Chemical Valley." There are hundreds of chemical plants on the side of the river there.

We took Secretary Ridge on the tour, a helicopter tour, about 4 hours. All were trying to express to him our concern, our consternation and trying to be very proactive on the local level with regard to Homeland Security, understanding the unique nature that we have, and yet a very small population comparatively.

I would ask you to respond to the regional allocation financially and the criteria that you have for that. It is really quite an issue in the Nation.

Mr. HUTCHINSON. Excellent observation, and that points up the need to have a number of factors that are used in the distribution of funds for Homeland Security purposes, and population is a relevant factor because, obviously, population centers are targets of opportunity to the terrorists, but also you have critical infrastructure. You mentioned chemical plants being one of those, transportation centers and hubs, bridges, tunnels, these type of things that have either symbolic value or infrastructure value. We also measure those in terms of the allocation of resources, and that should be an important factor because that affects the deployment, the drain that is on local first responders.

Another one I would add, a factor that is relevant is the extent of operational capability that's intelligence based from the terrorist standpoint and the intelligence that we've received as to the nature of their interest in a particular area.

Ms. MILLER. Shifting gears here for a moment, I have a great interest in what is happening in the Department in regards to the regional headquarters. As you know, you and I have had some conversation about that. But, as you have mentioned, you're not ready to publicly disclose where some of them may be or any of them may be. I'm anticipating, of course, that you're putting together your criteria for the regional headquarters. As you put together the criteria, I also sit on the Armed Services Committee, and, of course, we are fully engaged in watching what is happening with BRAC. But, it is interesting. I think there are some analogies to be drawn to the Department of Homeland Security with BRAC. The operative phrase there is "jointness," so that you look at facilities where you are able to be very cost effective, etc., for the taxpayers, of course, looking at the military mission.

I'm wondering whether or not the Department of Homeland Security is coordinating very closely with the DOD as they are thinking about excess that we may have in the inventory for military installations within the Nation. As you are citing some of these regional headquarters, it would seem, as part of your criteria, you'd be looking at secure locations, that you've be looking perhaps at locations that maybe already have several of your agencies under the umbrella at that location, and again with the idea of jointness first of all for the mission of Homeland Security but second cost effectiveness, as well, for the taxpayer. Are you coordinating that?

Mr. HUTCHINSON. As you noted, there is a lot of interest in this issue and, just like the Secretary, I have been called upon to see various facilities, and some of them being military facilities. Certainly it is something that should be considered and evaluated. Quite frankly, the first level of priority is simply the decision-making as to the concept of operations at a region and then locations, the makeup of it, how many. Then, once those decisions are made, I think then you start looking at, well, what kind of facility should it be. I think it will be fairly robust in terms of its capabilities, but probably modest in terms of its consuming facility.

Then, you know, we will just have a longer-term plan as to where it needs to go down the road, and during the course of that

certainly it should be coordinated with Defense facilities that are available, best locations, and obviously with interested folks in Congress that have a great interest and understand their Districts more than anyone.

Ms. MILLER. Thank you, Mr. Chairman.

Mr. OSE. The Members up here, with the Under Secretary's concurrence, have asked for a second round of questions.

Mr. HUTCHINSON. Certainly.

Mr. OSE. We're going to proceed accordingly.

I'm interested in this integration project that is going on relative to the regional and field offices. Apparently there's 40 or 50 DHS employees currently stationed in what is referred to as an "integration center."

Mr. HUTCHINSON. Correct.

Mr. OSE. Can you tell me who is the lead person?

Mr. OSE. Bob Stephan. Bob Stephan, who is an outstanding——

Mr. OSE. S-T-E?

Mr. HUTCHINSON. P-H-A-N. He has been tasked by the Secretary to put together this team which is made up of our BTS agency employees and others to develop a concept of operations for regions, make recommendations to the policy decisionmakers, and they are actively engaged in that and doing an outstanding job.

Mr. OSE. Do you have a time table for the completion of this?

Mr. HUTCHINSON. Well, it is—I would say that the—we have been working on this really since the roll-out of the President's budget in 2004, so for some time, and it has gone through a number of iterations trying to improve the product, getting a lot of feedback from people who are knowledgeable about this, and there have been adjustments made, and I think it is getting into a very fine product that's getting close to completion. It's really up to the Secretary and the White House as to the exact timeframe that this is ready to go. But, I would say that we are getting closer.

Mr. OSE. Actually, this is one of the points I wanted to elaborate on a little bit. As the President rolled his budget out in January 2003 for fiscal year 2004, we didn't complete our work on that budget until late January 2004. In a very real sense, you have been at it or actually had it authorized for but a few months. To that extent, I want to compliment you and your team for the progress you've made. I don't want to lose the point that you haven't been able to do this except since we finalized approval of the administrative side proposal.

I'm going to yield to Chairman Shays.

Mr. SHAYS. Thank you.

I'm interested in how the Department of Homeland Security has involved local first responders and other stakeholders in the development of its regional plans.

Mr. HUTCHINSON. Well, it is probably not a formal structure that they would necessarily be involved in. This is the type of development that we have reached out, and people who have a long history in working in these different agencies and law enforcement have been engaged in. We have people involved in the integration staff that are very knowledgeable in the first responder community, but we have also learned that sometimes having too many meetings out there creates a lot of controversy about the concept of this, be-

cause even though to the knowledgeable members of this committee a regional concept makes sense in the delivery of services, it creates a lot of consternation out there, as well, that this is somehow going to lose our office or we are going to lose some other capability, and so there has not been a formal communication structure with the first responder community, but I believe that their interest has helped to drive this. They are the ones who are saying, "We don't know who to talk to. We've got 22 different agencies and we don't know the right people to go to." Their comments are the ones that are driving this whole initiative.

Mr. SHAYS. Basically a point I'd love to make to you because the synergy that takes place among you and Secretary Ridge and others, the whole concept of the need to have standards in what you do, we clearly see a need when we are allocating lots of the grants, and the argument that every community should get a certain amount per capita, I mean, I would suggest to you that communities—New York City clearly needs an extraordinary amount of resources, as would Washington and others that are, I think, acknowledged to be targeted areas, but then the communities nearby. And, I would make an argument to you that without setting the standards we don't know how to evaluate whether we are doing a good job. And so, just as you need to be setting standards, I hope they are starting to set standards and moving more quickly. We're trying to get that done in the bill by Mr. Cox. We would like very much to see that move along more quickly.

What are the standards? Then we can evaluate how we are giving out the money. We'll continually encourage you to update the standards and change. Otherwise, I think we're going to waste a lot of resources.

Mr. HUTCHINSON. You're absolutely correct. We're in full agreement with you. Congressional support and the flexibility of those grants and targeting it to high-risk areas has been very important to what we have been able to do.

Mr. SHAYS. I'd love to just know, as a general rule, what is the interaction that takes place among the four pillars that we basically designed when we wrote this law? I mean, do you have meetings where all of you get together and share your successes and failures and talk about your challenges, or are you all so busy that you're all just kind of going in different directions?

Mr. HUTCHINSON. Actually, Secretary Ridge has been very good and Deputy Secretary Loy, in making sure we have regular meetings. So, in fact, yesterday at about 2:30 all the Under Secretaries and Secretary Ridge met together in a conference room and we talked about the current status of things, went around, covered issues, and we do that once a week with Secretary Ridge and we do it once a week with Deputy Secretary Loy.

Mr. SHAYS. Great. Thank you.

Thank you, Mr. Chairman.

Mr. OSE. Ms. Miller.

Ms. MILLER. Thank you, Mr. Chairman.

Mr. Under Secretary, as we in the Congress are trying our darndest to make sure that we get our Homeland Security funds to our first responders and our local communities across the Nation, I have some consternation or we have had some consternation

in the State of Michigan—and I suppose this is happening in many of the States—where it is by law, by statute, appropriate for the States to take up to 20 percent of all the funding that we are appropriating for administrative costs, and understanding the budgetary constraints that many of the States are finding themselves in. I come from State government. I know what it is to try to plug a hole in the budget with any money that you can find. I can appreciate their actions by taking it all the way up to 20 percent, but that was not what we had in mind when we were appropriating the funds to be paying for State police or what have you that should be paid for with other funds. We think those Homeland Security funds should be going, as I say, for the most part to our local first responders. Do you have any comment on that? Do you think—are you able to promulgate rules to change that? Does it require congressional action? And, should we even be concerned with that?

Mr. HUTCHINSON. Well, I think it is important for general Homeland Security funding to pass through the States because it is important that there is some coordination, some regional direction that is given to the training, the response capability, and to set some of those priorities. Now, as to whether it is 20 percent or a smaller percent, I think—I believe that is congressionally fixed. I will have to check to make sure, but I believe that is correct. We'll be happy to respond to any directions that Congress gave to us.

I think that there were appropriate circumstances whenever we gave out the counter-terrorism funds. It did not go through the States. This went directly to some of the urban centers that had increased expenses for Operation Liberty Shield and when we had a higher threat level, and there are overtime expenses, so there should be some exceptions to that general rule of the security funds going through the States.

Mr. OSE. If the gentlelady would yield? It is my understanding that the typical administrative fee is around 10 percent. That's the usual. Now, given the Under Secretary's comments about unique circumstances, obviously there is some play to that.

Ms. MILLER. That's correct. In Michigan actually historically it has been between 6 and 8 percent, but right now it is running at the full 20 percent, which has us—as I say, we have some consternation about that, so we are going to take a look at that. I'm sure that's not unique across the Nation. I don't know what the others——

Mr. HUTCHINSON. All the cities agree with you.

Ms. MILLER. I would just have one other question, Mr. Chairman, if I could, back to the regional headquarters. Again, we are all very interested in that, and Chairman Shays had asked a little bit about this, as well, but as you are developing your criteria, do you take into consideration, as well, the first responders and how they might interact with your regional headquarters? For instance, in my District our local community college has one of two nationally recognized training centers for first responders. Again, we are in an area that we pride ourselves on really trying to be very proactive about these kinds of things. Would you look to that as a consideration?

And, then my other question and I'll be done here. I know you said, again, it is premature to ask you or perhaps for you to talk

about where they may be located, but could you perhaps tell us, do you have an idea about doing a pilot project for a regional headquarters? And, if so, when might you have such a pilot project?

Mr. HUTCHINSON. For the regional operating concept we had a limited pilot in Miami when we were operational out of concern for Haiti and the circumstances there and the potential of a mass migration. We had an operational concept that was set up that brought all the agencies together, but that was somewhat of a test as to how it worked.

In going back to criteria for regions, the first, most important thing for us is the commonality of a region. Do they share threats? Do they need to bind together working relationships, history. And then we start looking at, you know, other factors such as what you mentioned, which certainly should be relevant.

Ms. MILLER. Thank you, Mr. Chairman.

Mr. OSE. Mr. Tierney.

Mr. TIERNEY. Thank you, Mr. Chairman. Mr. Chairman, I'd like to add my opening remarks to the record.

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

STATEMENT
REPRESENTATIVE JOHN F. TIERNEY
COMMITTEE ON GOVERNMENT REFORM
HEARING ON CONSOLIDATION OF DEPARTMENT OF HOMELAND SECURITY REGIONAL AND FIELD OFFICES
MARCH 24, 2004

Thank you, Chairman Shays and Chairman Ose. Chairman Ose, I appreciate your leadership on this issue.

I supported Chairman Ose's amendment to the homeland security bill requiring the Department of Homeland Security to develop a plan for consolidating regional and field offices. I supported this provision because it is important that the Department of Homeland Security be efficient, but more importantly, that it be effective.

When the Department of Homeland Security was created, 22 federal agencies were folded into the new Department. Field offices all over the country that were part of these separate agencies are now under one Department.

In order to be effective, these offices must be coordinated. Field offices should be structured in a way that facilitates communication and quick response.

I am disappointed that the plan presented by the Department only seems to address a general, long-term plan to consolidate the Department's buildings without addressing the issues that were behind Congress requiring the plan in the first place. The plan does not address improving employee training, improving communication between field offices, or improving communication with local first responders.

The need for effective homeland security extends far beyond Washington, D.C. It extends to every community in the country. We owe it to the first responders who are working every day to keep their communities safe to give them the information they need in a way that is useful.

The decision to consolidate or co-locate offices should be based on a plan that is designed to improve the work of the Department by improving coordination within the Department and improving coordination with local communities, and especially, local first responders. I am hopeful that the Department of Homeland Security will keep these goals in mind as it moves forward.

Thank you, Chairman Shays and Chairman Ose.

Mr. OSE. There will be no objection to that.

Mr. TIERNEY. Thank you.

Asa, how are you doing?

Mr. HUTCHINSON. Good. Good to see you.

Mr. TIERNEY. We've been seeing more of you lately than anybody else, I think, up here.

Mr. HUTCHINSON. I love being over here.

Mr. TIERNEY. Yes. Let me just ask you a couple of quick questions here. One is with respect to cross-training. That was one of the issues that the chairman and I talked about when the bill was filed. Can you give us an update on what exactly is being done in order to cross-train people from different agencies or departments so that they have an appreciation for what the others are doing and can better coordinate their efforts?

Mr. HUTCHINSON. Yes, and I'm grateful for the congressional push and encouragement in this area. I think it is a very important part of the mandate of Homeland Security. For example, the first instance would be in the reorganization we've accomplished Customs and Border Protection, which includes customs, immigration inspectors, agriculture inspectors into one CBP officer. They are being cross-trained. That is an ongoing effort that happens locally on a day-by-day basis, but we are also formally doing it through the Federal Law Enforcement Training Center where we are doing cross training there, and the new batch of officers coming out have that cross training.

It is also taking place in the Immigration and Customs Enforcement area where we have our special agents. They are working side by side, Customs agents, Immigration agents historically. Now they are ICE agents and they are being cross trained, as well, working on cases together. That will be expanded.

Then, for example, the international arena, we've had to do substantial work, because all of the sudden we might have a TSA inspector in a region of the world that we might have other taskings for. It is a gradual process and we want to be careful not to diminish their primary mission and training, but it is something we're looking at as aggressively as we can.

Mr. TIERNEY. And other areas besides that on the domestic level, in particular, cities or regions?

Mr. HUTCHINSON. Yes. I'm trying to think of illustrations of it. For example, in the airports, just so limited, we just initiated the Arizona border patrol initiative in Phoenix where we really are trying to address the lack of border patrol there, and we even had some limited training of TSA so that they would know a little bit more how to identify and work and support our efforts in the airports, not to interfere with their usual operations, just to be more cognizant of other Homeland Security issues. So that is an ongoing basis. We are continually looking for opportunities there, and as we move into the regional concept obviously that's where it will be enhanced to even a higher level because you would have a regional director that would help in the cross-training, in the integration whenever it makes sense.

Mr. TIERNEY. Will you be providing Congress with a more detailed plan of what you intend to do on cross training?

Mr. HUTCHINSON. We're happy to keep you posted, and certainly you would be formally notified of any development of a regional——

Mr. TIERNEY. Will you give us a plan of where you intend to go, exactly what you intend to do, and when you intend to do it by?

Mr. HUTCHINSON. We would be happy to.

[The information referred to follows:]

Supplemental Material
House Government Reform Committee
Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs
and Subcommittee on National Security, Emerging Threats and International Relations
Hearing on "The Homeland Security Department's Plan to Consolidate and Co-locate
Regional and Field Offices: Improving Communication and Coordination"
March 24, 2004

The following supplemental answer is prepared at the request of Rep. Tierney. We respectfully request that it be included in Under Secretary Asa Hutchinson's edited transcript.

Page 35 Line 759
Q: Will you give us a plan of where you intend to go and exactly what you intend to do and when you would intend to do it by?

A: As indicated earlier, by identifying opportunities to cross-train our employees, we are broadening our capability to meet the needs of the Nation.

Our "One Face at the Border" program is perhaps the best example of the cross-training underway today at DHS. As indicated in my testimony, through this program we are establishing a single officer, where there once were three, representing three separate agencies. The new Customs and Border Protection (CBP) Officer will interact with the traveling public and facilitate the entry of legitimate goods at the nation's ports of entry.

We created a 14-week basic CBP Officer course that provides the training necessary to conduct primary processing and have a familiarity with secondary processing of passengers, merchandise, and conveyances, in all modes of transport - air, sea, and land. The new CBP Officer course was built from the 53-day basic Customs Inspector course and the 57-day basic Immigration Inspector course, with redundancies removed, and with additions to address counter-terrorism operations.

Our first CBP Officers were hired in September of 2003, and they immediately started training at the Federal Law Enforcement Training Center (FLETC). As of March 20, 2004, 692 new hire CBP Officers graduated from the program.

We also initiated a program to transition legacy Customs and Immigration Inspectors into CBP Officer positions. During the transition period, Inspectors will receive extensive cross-training in all aspects of the duties of the new CBP Officer. No Inspector will be placed into a CBP Officer position without the training.

Legacy Agriculture Inspectors have been transitioned to a new job series—CBP Agriculture Specialists—and they will continue to perform their specialized technical duties, inspecting agricultural and related goods entering the United States. Legacy

Agriculture Inspectors may also apply for positions as CBP Officers. If selected they are sent to FLETC to complete the full basic CBP Officer training curriculum.

To further consolidate the training for our One Face at the Border program we are in the process of relocating CBP's Office of the Border Patrol training activities from Charleston, South Carolina to the FLETC's main facility in Glynco, GA. This move gives us the ability to provide more focused and uniform training for all participants in the program.

U.S. Immigration and Customs Enforcement (ICE) implemented a cross-training program for its agents. Newly hired criminal investigators participate in the ICE Special Agent Training Program (ICESAT) at FLETC. The 11 week course prepares graduates to enforce violations of Title 8 and Title 19. The course includes instruction related to Nationality and Immigration Law, Immigration Statutory Authority, Alien Processing, Document Examination and Fraud Detection, Removal Charges, and Worksite Enforcement. The students also receive training related to Customs Law, Smuggling, Cyber Crimes, Commercial Fraud, and Financial Investigations. Since its inception 346 newly hired agents have graduated the ICESAT program.

In October 2003, the ICE Academy developed a "train the trainer" Special Agent Cross-Training Program to address the educational requirements of legacy Customs and INS agents. The cross-training curriculum is a modification of the ICESAT and provides exposure to both Title 8 and Title 19. As of March 20, 2004, approximately 830 legacy agents have been through the cross-training program.

Mr. TIERNEY. Thank you. One last question on that is: with respect to the Fire Act grants, is it the Department's intention right now to continue those, the administration of those the same way that it has historically been done, or are you going to make any changes in that?

Mr. HUTCHINSON. The only change that I'm aware of is that all of the grants, including the fire grants, are brought under ODP, Office of Domestic Preparedness, simply for the purpose of having a portal that all the grants be processed. We believe that makes it easier. But the substantive review and the commitment at the administrative level will remain the same with emergency preparedness and response.

Mr. TIERNEY. So the application would go in as always and the money would be directly out to the locals, as always?

Mr. HUTCHINSON. Yes. Yes, right.

Mr. TIERNEY. Thank you. I yield back.

Mr. OSE. I thank the gentleman.

I want to go back to a comment that you made earlier. I want to particularly focus on this procurement consolidation for $100 million. Did I understand you to say that, by virtue of the procurement consolidation for DHS, you expect savings of $100 million?

Mr. HUTCHINSON. That's correct.

Mr. OSE. That's just on the first year of expenditures?

Mr. HUTCHINSON. This is in our 2005 budget, and it is broken down—office supplies, weapons and ammo, copiers, fleet motor vehicles, and IT savings is a big chunk of it I shouldn't forget. So, those are strategic sourcing savings.

Mr. OSE. That's on the procurement side. So, in effect, you've almost a one-stop procurement shop there, where everybody's request can be consolidated and you can buy in volume, if you will?

Mr. HUTCHINSON. Volume and efficiencies, yes.

Mr. OSE. All right. Now, on the other side of this, on the grant side where assistance is being given out to local first responders, that's also been consolidated. I think your phrase was "one avenue of access" for that. I want to build on that a little bit in terms of first responders. Where do they go for assistance or guidance or direction? Whether you're the fire department or law enforcement or public health officers or whomever, is it DHS's intention that each of these different disciplines will have a one-stop portal, or will all of the disciplines be grouped into a single portal?

Mr. HUTCHINSON. The change we've made is for the grant process, so that's just really for the flow of money. Now, for technical assistance and other support they still have varying agencies that help them. For example, public health you mentioned. Obviously, Department of Health has a huge role to play in that regard in supporting them and directing them. The fire grants, you still have the Fire Administration that supports them. If you are looking then, of course, at police, they have a relationship with the law enforcement agencies that we would be supporting them, the Federal Law Enforcement Training Center. So, it is a difference between the flow of money and the technical expertise.

Mr. OSE. I am differentiating there, and that's my question. I think I understand the money flow side of things. I'm trying to un-

derstand the technical expertise. Is there a similar one-stop shop concept for that?

Mr. HUTCHINSON. There is not now, but under the regional concept the Department of Homeland Security there will be that—they will absolutely know who to go to on the regional level so they all don't have to go to Washington to call around. That's one of the major benefits of a regional concept.

Mr. OSE. All right. Now, with your cooperation—Ms. Miller, do you have anything else for the Under Secretary?

Ms. MILLER. Could I ask one more question?

Mr. OSE. Certainly.

Ms. MILLER. Just very briefly—it is interesting in my counties—and, again, I'm sure this is not unique—it seems as though almost all the counties have identified as their priority their lack of ability to communicate with one another for the different first responders, particularly the county sheriffs, the police, etc. Do you have any comment on what the appropriate role would be for your agency to make sure that there is a standard, perhaps mandating the frequency or what have you, so as everybody is out purchasing these new radio control towers at the cost of millions of dollars, that they can—I mean, it's great they could communicate within a county, but how about the next county or State-wide?

Mr. HUTCHINSON. I might not have the technical expertise to answer that question, but it is my understanding that this is really not subject to a national standard, but it would be, for example, the State of Arizona I know we're setting some State principles in that regard, knowing which system everybody should get on. States might make a different decision in that regard. So, our priority is interoperability of the communication systems. We direct that. We give some flexibility obviously to the local communities as to how to accomplish that.

Ms. MILLER. Thank you.

Thank you, Mr. Chairman.

Mr. OSE. All right. Mr. Under Secretary, we are going to leave the record open for 10 days for questions for the record, so obviously when we send them we certainly appreciate a timely response.

We also, by consensus up here, think we might in 4 to 6 months have another hearing just like this to discuss DHS's progress. We'd appreciate your cooperation on that.

Mr. HUTCHINSON. Always.

Mr. OSE. It's great to see you. You're doing a great job. We appreciate your being here today.

Mr. HUTCHINSON. Thanks for your partnership.

Mr. OSE. All right.

We'll take a 5-minute recess.

[Recess.]

Mr. OSE. We'll reconvene.

As you may have seen in the first panel, as a matter of course we swear all our witnesses. We are joined today on our second panel by the following people: Mr. C. Morgan Kinghorn is the president of the National Academy of Public Administration. Welcome. We are also joined by Mr. Edward Flynn, who is the secretary of the Executive Office of Public Safety in the State of Massachusetts.

We are also joined by Mayor Karen Anderson, from the city of Minnetonka, MN, on behalf of the National League of Cities. Our fourth witness is Dr. Martin Fenstersheib, who is the health officer for Santa Clara County Public Health Department on behalf of the National Association of County and City Health Officials. And our fifth witness is the former Administrator of the Federal Emergency Management Agency, Mr. James Lee Witt, who is currently president of James Lee Witt Associates, LLC.

If you'd all stand and raise your right hands.

[Witnesses sworn.]

MR. OSE. Let the record show that the witnesses all answered in the affirmative.

Now, as you saw in the first panel, what we do is we have each of the witnesses from my left to my right summarize their testimony in the form of a 5-minute oral statement. We'll then entertain questions from the Members present. I do want to remind everybody we have copies of your written statements and they will be entered in the record, so if you could summarize and allow us to get to our questions that would be great.

Mr. Kinghorn, you are first to be recognized for 5 minutes.

Welcome.

STATEMENTS OF C. MORGAN KINGHORN, PRESIDENT, NATIONAL ACADEMY OF PUBLIC ADMINISTRATION; EDWARD FLYNN, SECRETARY, EXECUTIVE OFFICE OF PUBLIC SAFETY, STATE OF MASSACHUSETTS; KAREN ANDERSON, MAYOR, CITY OF MINNETONKA, MN, ON BEHALF OF THE NATIONAL LEAGUE OF CITIES; MARTIN FENSTERSHEIB, HEALTH OFFICER, SANTA CLARA COUNTY PUBLIC HEALTH DEPARTMENT, ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS; AND JAMES LEE WITT, FORMER ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY, CURRENTLY PRESIDENT, JAMES LEE WITT ASSOCIATES, LLC

Mr. KINGHORN. Thank you, Mr. Chairman. I am pleased to appear before you today to testify on the Department of Homeland Security's plan for the consolidation and co-location of regional and field offices. I am the president of the National Academy of Public Administration, which is an independent, nonpartisan organization chartered by the Congress to offer trusted advice to public leaders, including Members of Congress and agency policymakers. The views presented today are my own and do not necessarily represent those of the Academy, but they are based on a forum the Academy held in late December with DHS officials and fellows of the Academy who are expert in intergovernmental relations.

There is little publicly available information on how DHS specifically plans to co-locate and consolidate its regional and field office structures, so I will focus my remarks on issue DHS ought to consider as it develops and implements its plans. My comments are centered on two topics. First, it is imperative that all stakeholders fully understand that intergovernmental relationships are rapidly evolving, and, second, it is essential that regional and field office structures are effectively pieced together and managed within this

changing intergovernmental framework, and both issues directly affect training, one-stop shopping, and first responder effectiveness.

I will now quickly highlight some key principles for managing intergovernment relations under Homeland Security.

First, eliminate confusion. Many city, county, and State officials do not yet sufficiently understand their functions, mandates, roles, and responsibilities under Homeland Security. To address those issues, DHS should: one, better articulate its intergovernmental mission, vision, goals, and objectives; two, obtain widespread buy-in from key stakeholders; three, widely publicize this intergovernmental framework as a high priority; and, four, as mentioned earlier, train and build capacity to accomplish that mission.

Second, balance command and control with collaboration. Intergovernmental relations have evolved from vertical, stovepiped systems into a much more complex, overlapping network that are both vertically and horizontally linked. Within this very decentralized network system, command and control are sometimes necessary, but DHS should use collaboration, partnerships, and incentives wherever possible.

Third, test the system against probable scenarios. DHS has conducted such simulations, but it should consider more sophisticated capacity-building initiatives. This could involve taking a set of multi-jurisdictional crisis scenarios and asking the partners in the system to demonstrate how their personnel, equipment, protocols, and procedures would respond.

Turning briefly to field and regional office issues, DHS office structures must be derived from a clearly articulated mission—or, in the case of DHS, missions—in order to effectively organize training, technical assistance, and information dissemination. Given the complexity of homeland security, DHS may need a variety of field and regional structures.

Next, DHS needs to consider advantages and disadvantages of existing models. There is a wide range of structural models, from strong regional directors such as at FAA to a coordinating committee approach such as the DOT or some other issue such as subagency differences within the Department. Each differ primarily with respect to the extent to which the regional office controls what goes on in the field. For DHS that control might need to change, depending upon circumstances.

The Department should establish unambiguous lines of authority. The authority for critical incident decisionmaking should rest as closely as possible in field offices directly affected by events. Regional office should play a role when, one, multiple field offices face terrorist attacks or other large-scale challenges; two, when serious interjurisdictional disagreements arise; three, when a policy is being imposed over multiple jurisdictions; or, four, when consolidating functions in regional offices will achieve efficiency.

Headquarters must carefully monitor the field and regional activity. Failure and ineffectiveness in some past Government reorganizations have been attributed in part to lax oversight of field and regional office activity. In most cases, DHS should place career civil servants in regional management positions because they have experience managing large Federal organizations and responses to critical incidents. Political appointees would likely experience difficulty

maintaining long-term intergovernmental partnerships, since political positions typically turn over quickly.

DHS should ring out structural duplication while maintaining necessary redundancy, and DHS as well as we should not confuse duplication with the redundancy necessary to replace failed or immobilized components.

The Academy stands ready to assist your committee and the Department of Homeland Security in any way we can, and I thank you for allowing me to share my views.

Mr. OSE. Thank you, Mr. Kinghorn.

[The prepared statement of Mr. Kinghorn follows:]

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Celebrating the 20th Anniversary of Our Congressional Charter

C. Morgan Kinghorn

President

National Academy of Public Administration

Testimony

Before the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs & the Subcommittee on National Security, Emerging Threats and International Relations

Committee on Government Reform

U.S. House of Representatives

March 24, 2004

Chairmen Ose and Shays, Ranking Members Tierney and Kucinich, and Committee Members, I am pleased to appear before you to testify on the Department of Homeland Security's (DHS) plan for co-location and consolidation of regional and field offices as required under Section 706 of the Homeland Security Act of 2002. I am President of the National Academy of Public Administration, which as you know is a congressionally-chartered, independent, non-partisan organization created to offer trusted advice to public leaders—Members of Congress and agency policy-makers. Views presented today are my own, and do not necessarily represent those of the Academy. I would like to focus my remarks on the "Regional Concept" referred to in the DHS Progress Report to Congress with some reference to training, technical assistance, capacity building, information dissemination, and first responders.

There is very little publicly-available information on how DHS plans to co-locate and consolidate its regional and field office structures to accomplish its mission, even in the documents recently submitted to Congress. As such, I cannot comment on what DHS plans to do. I can comment, though, on issues DHS ought to take into account as it develops and implements its plans. My remarks draw on the considerable experience of Academy Fellows and Researchers, who have been involved in numerous federal agency start-ups and reorganizations, many involving regional and field office restructuring. In addition, the Academy took the initiative to hold a Forum for senior DHS officials and representatives from the National Governors Association, International City/County Managers Association, and other organizations on intergovernmental relations and regional office structures in December 2003, from which much of my testimony is

drawn.[1] The Academy stands ready to assist your Committees and the Department of Homeland Security in any way we can.

I offer my remarks in two parts. First, it is imperative that evolving intergovernmental relationships, precipitated by September 11, be fully understood by all stakeholders in the system. Second, it is essential that regional and field office structures be effectively pieced together and managed within this new intergovernmental framework. Both issues—intergovernmental relations and office structure—affect training, capacity building, "one stop shop" mechanisms,[2] first responder effectiveness and overall management of the system. The management challenge is figuring out how to put together the different pieces of the puzzle to effectively protect the homeland.

Intergovernmental Relations under Homeland Security

I believe that the emerging realities of intergovernmental relations under homeland security are as follows:

- **Eliminate Confusion**. Many city, county and state officials do not yet sufficiently understand functions, mandates, roles and responsibilities under homeland security. This is to be expected because many intergovernmental relationships must be hammered out anew. But some confusion arises because the Department of Homeland Security has yet to articulate a mission, vision, goals and objectives, and strategies in a way that clarifies intergovernmental relationships for city, county and state officials and other actors. One problem may be that the complexity of DHS necessitates multiple missions and strategies. In a multi-year

[1] Managing Intergovernmental Relations for Homeland Security. National Academy of Public Administration, February 2004, available at: www.napawash.org/si/HS-WHITE.pdf.

[2] For a study that addresses this issue, see Equal Employment Opportunity Commission: Organizing for the Future. National Academy of Public Administration, February 2003, available at www.napawash.org.

project for the Department of Interior, the Academy helped facilitate a multi-agency, multi-jurisdictional approach to manage wildfires.[3] The hundreds of entities—many also involved in homeland security—know their mission and roles in putting out fires. But few in the homeland security system can make the same claim. This confusion around homeland security is exacerbated by the fact that there is no widely-accepted, common language in use by various stakeholders in the system. Governors, mayors, fire fighters, police, public health workers, disaster managers, FBI agents and the military now find themselves in the same arena, but using different languages for communications and different operational models, command structures, and frameworks.

DHS should: (1) better articulate its intergovernmental mission and vision, and particularly its goals and objectives; (2) obtain widespread buy-in from all stakeholders in the system; (3) widely publicize its framework as a high priority, and (4) train and build capacity within DHS and among external stakeholders to accomplish this mission. Further, DHS ought to take the lead in developing common languages and operational frameworks so that all stakeholders effectively participate in and fulfill their obligations to the intergovernmental system. Consideration being given to a new, robust National Incident Management System is an example of what is needed.

- **Develop Trust**. There is mistrust among all levels of government, and other non-governmental stakeholders. Some distrust arises from competition, previous

[3] Enhancing Capacity to Implement the Federal Interagency Policy. National Academy of Public Administration, December 2001. Necessary intergovernmental partnerships are addressed in more detail in Containing Wildfire Costs: Enhancing Hazard Mitigation Capacity. National Academy of Public Administration, January 2004, both available at: www.napawash.org.

cooperative experiences, or constitutional and legal issues, but much of it comes from inexperience and uncertainty. DHS should more actively identify sources of mistrust in the system and implement strategies for eliminating them. This will involve more intensive efforts by DHS to obtain buy-in for its plans and build partnerships, as the Academy has observed in many studies of regional cooperation.[4] Training, technical assistance, and capacity building must be accomplished through collaboration and partnership.

- **Balance Command and Control with Collaboration**. Some have argued that homeland security requires a command and control system of authority with DHS at the head. While a command and control system may be desirable in responding to terrorist attacks, the Constitution created a system of government that is highly decentralized, distributing authority among many stakeholders in a system of checks and balances. Recent Administrations have devolved some authorities and responsibilities back to cities and states in an effort to simplify government and make it more responsive. The Department of Health and Human Services, for example, grants waivers to states to pursue customized health care strategies in several DHHS grant programs. Intergovernmental relations have evolved from systems which were mostly vertical and stove-piped into multiple, overlapping networks which are linked vertically and horizontally. The Academy observed this networking phenomenon in a study we conducted on regional organizations.[5] And there are numerous stakeholders—including quasi-government, international,

[4] Building Stronger Communities and Regions: Can the Federal Government Help? National Academy of Public Administration, March 1998, available at: www.napawash.org.

[5] The Emerging Regional Governance Network. National Academy of Public Administration, March 1999, available at: www.napawash.org.

non-profit, and private organizations—who now find themselves participants in new, evolving networks where they have scant knowledge and little experience. Managing intergovernmental relations using command and control models in a deeply fragmented, decentralized networked system is arguably the greatest challenge facing DHS.

To effectively manage the system, DHS must use collaboration, partnerships, and incentives to get buy-in from all stakeholders. DHS can also lead by setting national standards and developing protocols for threat assessment, critical incidence response and remediation to smooth functioning of intergovernmental relations. Many in the intergovernmental system have argued for national standards and protocols which can provide much needed guidance to hard pressed state and local officials. However, in doing so, it will be important for DHS to do this collaboratively and to recognize need for local governments to adapt their programs to unique local conditions and threats. Again, capacity building, especially, must be accomplished through partnering and collaboration. Typically, command and control—appropriately at the local, state or federal level—is necessary in responding to emergencies, but is less appropriate in critical incident planning, preparedness, prevention and hazard mitigation over the longer term that rely on collaboration and partnership. National standards, developed in partnership with stakeholders, are, to be sure, appropriate at all stages—planning through long-term remediation.

- **Test the System against Probable Scenarios.** Critical incidents, precipitated by terrorism or other emergencies, are likely to be unpredictable, unique, and severe,

presenting continuing challenges to our governmental structures. DHS is currently running critical incident simulations and training across the country in an effort to build capacity to encourage intergovernmental stakeholders to work together. Such capacity building measures are essential, but may not be enough: they are too narrowly focused. What may be needed is to take a set of probable crisis scenarios and ask stakeholders in the system to demonstrate how their personnel, equipment, and protocols and procedures would effectively respond in an inter-jurisdictional context. How, for example, would a mayor's office respond upon learning that the city had become a target of an anthrax attack that extended across an entire region? Could the intergovernmental network respond in concert, component by component? This requires a much more sophisticated capacity building initiative than those now in place.

- **Develop System-wide Capacity**. Many stakeholders in the emerging homeland security network have insufficient capacity to be effective partners with others operating in the system. This being the case, the intergovernmental system is really only as strong as these weakest links. DHS should focus its attention on vulnerable jurisdictions that are weak in their capacity to participate in responses to emergencies. When our weakest cities and states are unresponsive, DHS must step in to build capacity through training and technical assistance, and provide grants to encourage regional consortia, mutual aid, self-help and other assistance frameworks. This will present challenges to regional and field offices that must work with jurisdictions that have very different capacities and very different training and technical assistance needs.

- **Do Not Make Matters Worse**. Federal policy as complex as homeland security has the potential to produce conflicting goals and objectives, not to mention strategies. As DHS creates and expands intergovernmental networks, it should ensure that it is not building further contradictions into the system. For example, DHS believes that it is empowering communities when they may seek customized solutions to homeland security by offering 23 first responder grant programs on the one hand, while promoting consistency and collaboration on the other. First, multiple grant sources may be more burdensome and confusing, and less empowering, from a state and local perspective. Second, fragmentation and inconsistency may be most problematic when they occur within states or jurisdictions. Training, capacity building, and technical assistance will be difficult to deliver if jurisdictions have different systems in place.

I now turn to field and regional office structures through which DHS participates in the intergovernmental system and manages its own departmental affairs.

Field and Regional Office Structures under Homeland Security

Section 706 of the Homeland Security Act requires DHS to develop a plan to co-locate and/or consolidate field and regional offices inherited from 22 agencies merged to form Homeland Security. In addition, homeland security-related functions once performed by agencies not included in the merger are being transferred into DHS. Arguably, this is the most complicated field and regional office reorganization ever undertaken by a federal agency. Some federal agency experiences with co-location and

consolidation have been problematic, others not so much so, but there is much that can be learned from them. Lessons more or less apply depending on how the Secretary wishes to assert command and control and influence circumstances. These are issues DHS must consider as it rolls out its field and regional office structures:

- **Derive Regional Structures from Mission.** DHS office structures must derive directly from a clearly articulated mission, vision and strategic plan which is widely known and accepted by intergovernmental stakeholders. Given the complexity of DHS responsibilities, the agency may need multiple missions. Office structures should not be created, then fit into the plan. In an Academy study of the Bureau of Census' regional office operations, for example, we found that regional office and field office directors across the system differed greatly in their interpretation of what their offices' missions were and how they were to accomplish it.[6] Only if the structure is derived from mission will it become clear how to organize and coordinate training, technical assistance, and information dissemination. This may mean that DHS could have a variety of field and regional office structures in place, rather than a uniform model. In any case, deriving structures from mission is a necessary condition for success, but certainly not a sufficient one. One reason why FEMA successfully reorganized some years ago is its careful attention to a mission-based structure.
- **Consider the Advantages and Disadvantages of Existing Models Carefully.** DHS may choose from among five generic field and regional office models that relate to intergovernmental relations and internal departmental functions,

[6] The Field Office Directorate of the Bureau of Census. National Academy of Public Administration, July 2002, available at: www.napawash.org.

including: (1) strong regional office director,[7] (2) weak regional office director,[8] (3) Secretary's Representative,[9] (4) coordinating committees,[10] and (5) different functionally-based sub-agency models. Each differs in the extent to which the regional office controls what goes on in the field. Given the mission(s) of DHS, it will be difficult to craft an effective office structure; only the Secretary's Rep and sub-agency models seem most appropriate. The Secretary's Rep basically publicizes DHS policies, offers another conduit for stakeholders to access policy-makers, and serves as the eyes and ears of the Secretary. The sub-agency model allows different components of DHS to organize regional offices depending on their portion of the mission. For example, FEMA may have regional offices, while INS may not. The strong regional director model can be problematic because it requires one person to manage an array of very different functions that may not relate to one another. The weak director model often adds another layer of bureaucracy into an already crowded system. The committee approach—having field office personnel meet together—has some benefits, but it does not meet the need to respond quickly and decisively to crisis because these committees have no authority. Again, it may also be the case that there could be different combinations of structures above, depending on how DHS defines its mission.

- **Establish Clear Lines of Authority**. DHS field office structures must clearly delineate unambiguous lines of authority back to headquarters. Some failures and

[7] The Federal Aviation Administration, for example.
[8] The old Department of Health, Education and Welfare, for example.
[9] The Department of Housing and Urban Development, for example.
[10] The Department of Transportation, for example.

ineffective past reorganizations in federal agencies occurred because clear lines of authority were either not created or, if created, were not enforced. The Department of Housing and Urban Development eventually abandoned its regional office structure in favor of a stove-piped system of decentralized field offices because lines of authority had become blurred over time and the structures became ineffective. This will be especially problematic for DHS because of the large, diverse number of missions and stakeholders in the intergovernmental system. Success in responding to terrorist threats or attacks, or to natural and man-made disasters, as well, depends in part on the speed at which the intergovernmental system can respond. This being the case, authority for critical incident decision making should rest as much as possible in field offices closest to and most directly affected by events. The more levels of authority having a say in critical event management, the slower the response.

Regional offices, no matter what the ultimate structure, should come into play (1) when multiple field offices face terrorist attacks or other challenges they cannot handle amongst themselves, (2) when inter-jurisdictional operational disputes or disagreements arise among governments that cannot be resolved by field offices, (3) when some policy is to be imposed over multiple jurisdictions, or (4) when technical expertise is required beyond what can be provided by each field office. Of course, consolidating functions—training for example—in regional offices because they are more cost effective and efficient is also warranted. A DHS "one stop shop" should be established at the regional level only for situations beyond the capacity of field offices. In addition, it makes

sense to consolidate or co-locate those functions that will have the biggest payoff to DHS first, with other functions to follow.

- **Monitor Regional and Field Office Operations**. Headquarters must carefully monitor field and regional office activity as a high priority. Failure and ineffectiveness of past reorganizations have been attributed in part to lax agency oversight of field and regional office activity. DHS has an Assistant Secretary for Intergovernmental Relations in place. But DHS must ensure that this position does not merely manage communications from intergovernmental stakeholders to the Secretary, but monitors effectiveness of intergovernmental and field operations. This is especially important in delivering training and technical assistance and disseminating information where standardization and consistency must be maintained across the system. To the extent that other DHS functions are decentralized, some intergovernmental functions may need to be overseen through other mechanisms.
- **Place Career Civil Servants in Regional Management Positions**. Although there are advantages and disadvantages for each configuration, field and regional offices should be headed by senior civil servants, rather than by political appointees. Field and regional offices will require directors who not only have experience managing large federal organizations, but also have expertise in managing critical incidents. Directors will also need to develop and maintain partnerships among intergovernmental stakeholders over the long-term. It is unlikely that political appointees will fulfill these requirements: they tend to be inexperienced and employed only short-term. Political appointees play an

essential policy role, but that belongs in headquarters. The only exception to this would be if a very weak Secretary's Rep model were employed: this position, under many circumstances, would be conceived as a political one.

- **Inventory all Homeland Security Assets**. Much has been made of the enormity of the task of merging such a diverse collection of agencies into one department. But the top layer of the merger is only one consideration. Some past reorganizations have given too little attention to numerous federal entities in the field and regions that will have escaped notice: they fly under the radar of policy-makers looking for big ticket items. When EPA was created under the Nixon Administration, policy-makers discovered during the transitional process that there were numerous offices that no one realized were attached to the new agency. Past reorganizations sometimes failed because they assumed that the smaller entities would automatically follow. They may not. DHS must carefully inventory all assets in the field and expeditiously integrate them into and under the DHS structure.
- **Invest Heavily in DHS Staff Communications and Training, not just State and Local Capacity Building.** Field and regional office staff have done their work skillfully before merging into DHS. And DHS will likely focus on capacity building in state and local jurisdictions. But even the most proficient DHS staff will require additional information and training to function well under a new system. Some past reorganizations have greatly underestimated the need for intensive and continual communications and training—even among senior career staff. DHS must create training opportunities as it rolls out its regional and field

office strategy. This will not be easy: training is complicated and expensive, especially when staff is distributed across the country.

- **Address Differential Workload Issues**. Different areas of the country are subject to different kinds of terrorist attacks and other critical incidents, and hence, may have customized intergovernmental structures in place. Regions with seaports, for example, will have regional offices with a heavy Coast Guard, Customs, and Immigration presence, while regions in the Mountain states may focus more on wildfires, earthquakes, avalanches and flooding. As a consequence, staff workload can differ greatly by region and place. DHS must not wait to address workload issues. Morale and productivity in the civil service will hinge upon how well this issue is managed during the reorganization.
- **Accurately Estimate Time and Resource Requirements**. Past experiences in co-locating and consolidating field and regional offices show that policy-makers have typically underestimated both time and resources required. There is much talk about adequately funding homeland security, but very little about funding requirements to develop and implement co-location, consolidation and regional initiatives. The Academy is working with the FBI to help it transition from a criminal investigation organization to one that also prevents terrorism, espionage and cyber crimes. It will take several years for the FBI to make this transition, especially in the field.[11] In past experiences, when time and resource requirements were not accurately taken into account, regional and field structures either failed

[11] Testimony of Richard Thornburgh, Chairman of the National Academy of Public Administration's Panel on FBI Reorganization, before the House Appropriations Subcommittee on Commerce, State, Justice, the Judiciary, and Related Agencies. June 18, 2003, available at http://www.napawash.org/resources/congressional_testimony.html.

or became ineffective. DHS should explore past efforts to ensure that its expectations are realistic. DHS could experience considerable delays in delivering training, technical assistance and "one stop shopping" if it cannot get its management systems and office facilities in place expeditiously. Problems occur when the task is made too complicated—simple works best.

- **Eliminate Duplication, not Necessary Redundancy**. Section 706 intends to have DHS wring out duplication from the regional and field office structures inherited from separate agencies. However, DHS should be careful not to confuse duplication—a bad thing—with redundancy necessary to replace intergovernmental components that fail or are immobilized in a critical event—a good thing. Capacity building across the system must enhance redundancy needed to effectively respond to critical incidents under unforeseen circumstances.

Conclusion

Establishing an effective regional and field office structure through co-location and consolidation under the new realities of our intergovernmental system post September 11th is a daunting task—but I hasten to add, not an impossible one. I believe that a more effective "regional concept" would likely emerge from a more open debate about the issues raised here, particularly as they relate to training, technical assistance, capacity building and information dissemination.

Thank you for allowing me to share my views.

Mr. OSE. Our next witness is Mr. Ed Flynn, who is the Secretary of Public Safety for the Commonwealth of Massachusetts. Welcome.

Mr. FLYNN. Thank you very much. Good day, Mr. Chairman, Congressman Tierney. Thank you for having me here. I am the Secretary of the Executive Office of Public Safety. In Massachusetts, that is a Secretariat that includes 10,000 employees and $1 billion budget. It includes our State Department of Prisons, our State Police, our Emergency Management Agency, our Parole Board. It includes the National Guard, the Registry of Motor Vehicles, and a wide variety of institutions and agencies. And in the last year it has also started to include responsibility for Homeland Security. When this administration took office, Homeland Security was a separate stovepipe, a separate advisor to the Governor, and it was certainly seen, if you would, to be a good idea to co-locate that function in the Executive Office of Public Safety, which already had responsibility for emergency management and the State Police and the National Guard and things of that nature.

To paraphrase a now-somewhat-discredited famous domestic advisor, "Co-location, it's a good thing." Now, I come to that conclusion based on many years of police experience and some very specific experiences of recent years. I have spent 33 years in the law enforcement business. I worked my way up in the chain of command in Jersey City, NJ, before I became a police chief, first in Braintree and then Chelsea, MA, and then finally in Arlington, VA. I was the police chief in Arlington on September 11, 2001, when the Pentagon in Arlington, VA, was attacked. Certainly that has had an effect on my thinking when it comes to Homeland Security.

I work for our Governor, who was the executive in charge of the first national special security event post-September 11. That's Governor Mitt Romney. The event was the Salt Lake City Olympics. So the two of us have very practical experience as to managing Homeland Security in a post-September 11 world, and we come to these responsibilities with very specific concerns about how this business is conducted.

First and foremost, one of the things I learned at the Pentagon is what we all know now, which is any community has the potential for being an incident commander for an act of international terrorism. We also learned that everything police and fire do at the scene of a terrorist event arises out of their core mission. Finally, we learned that no jurisdiction does this alone, that it is essential to have mutual aid partners and an interjurisdictional response.

But certainly an interjurisdictional response in metropolitan D.C., in which I had to coordinate the activities of seven major sophisticated police departments, is profoundly different than coordinating a similar response in, say, New Jersey or Massachusetts, where there are 351 fiercely, proudly independent cities and towns, each one of whose shoulder patch proudly proclaims what decade in the 17th century they were founded. Coordinating that response obviously puts a great burden on the State to be strategic, to coordinate those 351 cities and towns, to have some sort of strategy that kind of operationalizes the military dictum that he who tries to defend everything defends nothing. And, so it is in Massachusetts we've worked hard to leverage Homeland Security funding, which is also spent through my office, to create interjurisdictional,

interdisciplinary partnerships, to create formulas that guide our funding to make sure that the funding is risk based, vulnerability based, and threat based, and, finally, to make sure that we are in touch with our core constituencies. This arises out of the fundamental principle of organization which balances the desire to organize functionally with the need to functionalize geographically.

If there's one thing the policing business learned in the 1980's and 1990's particularly as we tried to engage with our communities and have a positive impact on the quality of life and on crime, it is that we had to be close to our constituents. Where possible, that meant physical decentralization. That meant putting our cops in the communities, be they in station houses or in storefronts, or at least giving them geographic responsibility. We did the same thing with our detective divisions. Why? Because we found out a long time ago detectives don't talk to patrol officers and patrol officers don't talk to detectives, and the fact is that in policing we don't tend to share information with people we neither know nor trust. And to achieve that, whether it is within the precinct house or in an interjurisdictional drug task force or gang task force, we've got to put those cops together where they are going to talk to each other, where they're going to learn to trust each other, rely on each other, and, yes, ultimately actually tell each other things.

Now, this is true in police work and it is true in most areas of government—that we work collaboratively with those we know and trust, and if we have them in the same building they're going to talk to each other, they're going to buildup those trusting partnerships, and they are going to coordinate their activities. Certainly we've tried to do that at the Executive Office, where the Under Secretary for Homeland Security and Public Safety are right next to each other, as they are with the Under Secretary for Corrections. We think they need to model the behavior that we'd like to espouse for our Federal partners. We think there's no better way to coordinate the central aspects of information flow than to have the people responsible for that information in the same vicinity in a situation in which they can communicate with each other.

Thank you.

Mr. OSE. Thank you for your testimony.

[The prepared statement of Mr. Flynn follows:]

Testimony of the Honorable Edward Flynn
Secretary of the Executive Office of Public Safety
For the Commonwealth of Massachusetts
Before the
Committee on Government Reform
Subcommittee on Energy Policy, Natural Resources and Regulatory Affair and the Subcommittee on National Security, Emerging Threats and International Relations

March 24, 2004

Chairman Shays, Chairman Ose, Ranking Members and Members of both Subcommittees – Good Afternoon.

My name is Edward Flynn and I am the Secretary of the Executive Office of Public Safety in the Commonwealth of Massachusetts. As such, I am responsible for coordinating statewide public safety efforts. These efforts include leading the Commonwealth's efforts to work with our federal, regional, and local partners to detect, prevent, respond to and manage the consequences of a terrorist attack or other catastrophic incident.

I appreciate the opportunity to speak to you today about the issue of co-location.

Background

I have been involved in law enforcement for over thirty-three years. In that time, I have had the opportunity to be involved in a number of initiatives that brought together individuals from different agencies to work side by side toward a common purpose. And, whether that purpose was to target international or regional drug trafficking organizations or stopping acts of terrorism through participation in a Joint Terrorism Task Force, I have personally witnessed the benefits that comes from taking individuals from different organizational cultures and co-locating them in the same office. I have personally experienced the enhanced level of institutional coordination and collaboration that evolves from the individual relationships that form through co-location. As we look to the future of fighting crime, stopping

terrorism and protecting our communities, I believe that our efforts will be enhanced by consolidating and co-locating personnel assigned to the regional and local offices of the various independent federal entities that have been placed into the Department of Homeland Security.

Co-location and Information Sharing

One of the primary benefits of co-location is that it facilitates information sharing – and it is information sharing that is the driving force behind successful crime prevention and anti-terrorism efforts.

While it would seem logical to assume that law enforcement entities are pre-disposed to share critical information, it should be noted that information sharing and multi agency collaboration is a relatively new concept in government – particularly in law enforcement. It is for this reason that the nation lacks both the infrastructure and the processes to guide the sharing of information critical to our efforts to stop and respond to acts of terrorism. Furthermore, even today, organizations typically don't share information, individuals do. It is also important to note that neither by training nor temperament are law enforcement officers predisposed to share information with people they do not trust.

Prior to the events of 9/11, information sharing among law enforcement agencies was often times based on personal relationships. What this means is that if a police officer from one agency happened to have a good relationship with an officer from another (or even a local FBI agent), then there was a mechanism for the sharing of information about investigations and other relevant issues. Absent that type of relationship, information sharing was often more difficult.

As we all know in the months that preceded the attacks of 9/11, agencies were unable to draw a larger pattern out of disparate bits of information (contained in separate databases) about the activities of terrorists involved in the attack. We will never know whether better data sharing would have helped thwart the attacks. But we do know if we can collect terrorism related intelligence and blend it with domestic crime information we stand a better chance detecting the activities of an operational terrorist cell.

We know that terrorists often use traditional crimes such as drug trafficking, money laundering, bank robbery and illegal weapons trafficking to offset the

costs and further support their political/terrorist objectives. It stands to reason that the first indication that a terrorist cell is operating within the United States may be behavior discovered during an investigation by local police, following the report of suspicious circumstances or some type of criminal event. Whether the focus is on stopping drug trafficking or preventing an act of bio-terrorism, rapidly collecting and disseminating good information about the people who commit crime and the places where crime occurs is critical. The challenge is that currently there is no single repository for this information – nor is there one single entity within the Department of Homeland Security that has exclusive responsibility for enforcement and intelligence gathering activities relevant to our counter-terrorism efforts. In fact, much of this information is collected and stored in the data systems maintained by variety of federal, state and local organizations.

With the creation of the Department of Homeland Security, many of these entities (at least those within the federal government) now reside in a single federal department. When they were relocated into DHS, these agencies brought their personnel, equipment, information and resources with them. They also brought their operational cultures, which developed over years if not decades. So today, despite the fact that they are all part of the department of Homeland Security, there is still an environment that in many respects precludes information sharing.

As we look to the future our top priority must be to dramatically improve the flow of information among federal, state and local law enforcement entities. Arguably, there is greater recognition throughout the law enforcement community that information sharing is important and we have made some improvements in this regard in the two years since 9/11. However, we still have a ways to go before we have established a national information sharing capability that facilitates the collection, analysis and dissemination of homeland security related information so that we can better "connect the dots."

For this information sharing model to exist, the entities responsible for protecting the homeland must operate under a shared vision – a vision that delineates and fosters an appreciation of the roles and responsibility of each level of government and each entity within each level. But beyond having a shared vision, operational entities must be deployed in a manner that supports both informal and formal information exchange. I believe that the personal interaction that comes from co-location greatly enhances the ability

of individuals from different entities to share strategic, tactical and operational information and also support multi-agency collaboration. By co-locating representatives from different entities together you establish the personal relationships that will serve as the foundation for breaking down the institutional barriers that have served to impede collaboration, coordination and information sharing. It is therefore I believe, a key part of our long-term approach to homeland security.

A first step is to co-locate entities within the Department of Homeland Security. Each component of DHS must have a thorough understanding of the role and responsibility of the other components of DHS and the ability to engage in a free exchange of operational, strategic and tactical data relevant to the mission they have been charged with. I also believe that this co-location should take place not just in Washington, DC, but at the local and regional level as well. It is critical that those who are protecting our communities understand and become a part of the communities they are to protect. Doing this would allow for the intelligence expertise and best practices of federal entities to be blended with the strategic vision of state entities and the operational and local know how of local entities. Down the road consideration should be given to include state and local officials in the co-located offices.

If history is any guide, there will be those who will resist efforts to change the way we do business. But if we are to be successful in confronting the challenges of our time, this change must come. We can take steps to protect our communities more effectively – whether it is from criminals or terrorists. The first step is to work together.

I appreciate the opportunity to be with you today. I am happy to answer any questions.

Mr. OSE. Our next witness is the mayor of Minnetonka, MN, the Honorable Karen Anderson. Welcome. You are recognized for 5 minutes.

Mayor ANDERSON. Thank you. Thank you very much, Chairman Ose and members of the committee. The National League of Cities is very pleased to share our position on the Department of Homeland Security's efforts to reorganize, restructure, co-locate the regional and field offices of more than 22 agencies that were merged in the new department.

I am Karen Anderson, mayor of Minnetonka, MN. I'm a past president of the National League of Cities, and I am a member of the Department of Homeland Security's State and Local Senior Advisory Committee.

I understand our written testimony is already part of the record, so I will just summarize some of that.

The National League of Cities is the largest and the oldest organization representing local governments in the United States. We represent over 17,000 cities, towns, and villages. Our municipal leaders are concerned about any plans to restructure the DHS field offices. They know that will impact our local governments, our first responders, and our ability to fulfill the expanded duties for emergency preparedness and homeland security.

I want to highlight four points that we urge Congress and DHS to consider for the restructuring process: the importance of a centralized field office, the establishment of local task forces to help in that, information sharing and best practices, and then all hazards planning.

First, the importance of providing a one-stop shop in the form of a centralized office when possible would be a valuable benefit to local government. Having a centralized office with the authority to quickly garner the resources needed during a catastrophe, to perform the onsite coordination among Federal agencies, that's all paramount to improving the readiness and the response capabilities locally. A good example of a one-stop shop is Minnesota's State duty officer, whose office is available 24 hours a day 7 days a week to determine the appropriate State agency and to identify and mobilize the resources that are needed in an emergency. This model, when applied to the consolidation of field offices, could provide a one point of contact to determine the appropriate Federal agency and identify the Federal resources that are available to assist our local first responders in an emergency.

The field offices could also provide local governments with the technical assistance needed to plan for coordinated response, procure needed equipment, coordinate training and exercises, and secure grants.

Second, NLC strongly supports the creation of local task forces that include local elected officials and first responders to facilitate the establishment of efficient and workable co-located regional or field offices. It's a good government approach to ensure that the input of all stakeholders is included early in the process.

Information sharing and best practices, third, I would like to emphasize the importance of sharing information and sharing our best practices among all stakeholders. DHS can play an important role in providing a centralized clearinghouse of best practices that are

drawn from all entities involved in emergency response and homeland security. That clearinghouse should be accessible to local governments and first responders through both DHS, but also through the local field offices. That could be a point of collection for the best practices, as well.

All hazards planning, fourth. DHS must build on the progress made through FEMA's focus on all hazards planning. This model should be used in the consolidated field offices to integrate planning for natural disasters with the expanded duties for Homeland Security. Our folks are most concerned that the resources already developed for responding to natural disasters that we know are going to occur—we are going to have tornadoes in Minnesota. We know that and we are prepared to respond and we want to make sure that those capabilities aren't diminished or lost with the new attention paid to homeland security.

Finally, NLC urges Congress and DHS to ensure that there are enough resources and flexibility in the consolidation process to address the unique needs of every local jurisdiction. Using a one-size-fits-all approach to disaster preparedness is not the most successful way to improve homeland security, and a careful analysis is needed to ensure that these efforts don't create an added level of bureaucracy.

We want to congratulate Secretary Ridge and his staff on the progress that has been made within the last year, and we do appreciate the challenges that still lie ahead. To continue this progress and ensure that the field offices are most effective we need strong partnerships, collaboration problem solving, and enhanced communication. Mr. Chairman, NLC looks forward to working with you and the Department of Homeland Security to build a national system of domestic preparedness that is flexible enough to prevent and respond to all types of emergencies.

Thank you. I would be available for questions.

Mr. OSE. Thank you, Madam Mayor.

[The prepared statement of Mayor Anderson follows:]

STATEMENT

of

THE HONORABLE KAREN J. ANDERSON

MAYOR OF MINNETONKA, MINNESOTA

on behalf of

THE NATIONAL LEAGUE OF CITIES

before the

GOVERNMENT REFORM COMMITTEE

SUBCOMMITTEE ON ENERGY POLICY, NATURAL RESOURCES AND REGULATORY AFFAIRS
and
SUBCOMMITTEE ON NATIONAL SECURITY, EMERGING THREATS AND INTERNATIONAL RELATIONS

UNITED STATES HOUSE OF REPRESENTATIVES

on

"U.S. DEPARTMENT OF HOMELAND SECURITY: CONSOLIDATION AND CO-LOCATION OF REGIONAL AND FIELD OFFICES"

March 24, 2004

Chairmen Ose and Shays and Members of the Subcommittees, the National League of Cities (NLC) is pleased to have this opportunity to share its position on the Department of Homeland Security's efforts to reorganize its structure for the regional and field offices of more than 22 agencies that were merged into the new Department, under the Homeland Security Act of 2002. I am Karen J. Anderson, Mayor of Minnetonka, Minnesota, Past President of the National League of Cities, and a member of the Department of Homeland Security's State and Local Senior Advisory Committee.

The National League of Cities is the nation's oldest and largest association representing municipal interests in Washington. NLC's membership includes more than 17,000 cities and towns across the country, with over 135,000 mayors and local elected officials.

At this time, I ask that my written testimony be submitted for the record, and that any supplemental information requested will be added as soon as possible.

On behalf of NLC, I would like to express my gratitude to you, Mr. Chairmen, for your efforts to ensure that municipal governments are involved as equal stakeholders in these decisions to reorganize regional and field offices. Your leadership on this issue clearly shows your commitment to ensuring that federal resources are available to our first responders and communities to strengthen the nation's capacity for an integrated homeland security and emergency preparedness system.

The Department's initial report, submitted on February 4, regarding the consolidation effort focused mainly on real estate and facilities planning, rather than improved service delivery to local governments. NLC strongly encourages the Department to consider the following factors in its plans for consolidation and co-location, which would be consistent with the intent of Section 706 of the Homeland Security Act.

Benefits of Field Office Consolidation/Co-location

First, the co-location of field offices within a municipality will improve the ability of all organizations involved in homeland security to prevent and respond to natural disasters and homeland security emergencies. Creating a centralized location for field offices of the Secret Service, customs, immigration, border and transportation security, emergency preparedness and response, and related agencies will improve access to information, ensure coordination of planning and preparedness efforts, and provide efficiency in response times during an emergency.

For example, having a centralized office located near an emergency operations center, local law enforcement agency, or similar facility helps build the strong relationships needed between federal and local authorities before a disaster strikes. Co-location should foster a greater level of trust and cooperation, which in turn should improve the exchange of intelligence to help prevent threats to homeland security.

Also, planning for a major event within a city or town will be much more comprehensive where the field office could provide a "one-stop-shop" with all relevant agencies involved.

As cities and towns implement mutual aid agreements necessary to maximize resources to first responders, conduct vulnerability assessments, or engage in first responder preparedness exercises and training programs, the expertise of the consolidated field offices is necessary. Since the September 11 attacks, we all realize that in order to improve domestic preparedness efforts, federal resources and critical information for crisis and consequence management to supplement our first responders are essential. Our local police, firefighters, EMS, public health authorities, and other responders are the first to arrive at the scene of a disaster. In many instances, federal resources are not available until hours afterwards. Having a centralized office within a municipality with the authority to quickly garner the supplemental resources needed during a catastrophe, and perform the on-site coordination among federal agencies, is paramount to improved readiness and response capabilities.

A good example of a one-stop-shop for public safety and emergency response needs is Minnesota's State Duty Officer. Within the Minnesota Department of Public Safety is a 24 hour/seven day-a-week, one-point-of-contact for state notification and assistance for emergency response. The State Duty Officer is available to local officials to determine the appropriate state agency to respond and to help identify the location of resources needed in an emergency. This model, when applied to the consolidation of field offices, could provide a one-point-of-contact in the regional or field office to determine the appropriate federal agency and identify the federal resources available to assist in an emergency.

We also realize that, in some situations, having everyone under one roof is not going to be a magic answer. In Minneapolis/St. Paul, the majority of federal departments are located in the Minneapolis or St. Paul federal buildings. If they are not in one of these two buildings, they are in leased real estate due to space needs. To try to find real estate to place all offices in one location might be more costly and less efficient. For these reasons, the establishment of a primary field office or reliance on telecommunications to establish a virtual co-location of state and local emergency organizations may be a better approach.

Strengthened Communications

Secondly, improving the flow of information among DHS, state homeland security agencies, county emergency management agencies, and municipal governments is key. In this regard, NLC would encourage the creation of local task forces for the reorganization of each field office. It is a good-government approach to ensure that the concerns of all stakeholders are addressed collectively and proactively. Involving municipal governments at the beginning of this consolidation process will promote intergovernmental coordination, and will be more cost effective.

This will provide local elected officials and our first responders with an opportunity to discuss what areas are working well and review alternatives to existing challenges.

One illustration of this point is the activation of Orange Alert levels for heightened security. Several local officials have stated that there is ambiguity about what protective measures a locality should implement during an Orange Alert and which federal agency is the main point-of-contact during these periods. Centralized field offices can help coordinate and implement the appropriate response to these heightened alerts and ensure the delivery of federal resources, when needed. The field offices could also serve as the point-of-contact for questions about reimbursement expenses for critical infrastructure protection during Orange Alerts as well. The Department of Homeland Security recently extended its deadline to process reimbursement requests for the Orange Alert that occurred between December 21, 2003 and January 9, 2004 because several local governments were neither aware that the reimbursement process was available, nor aware of which appropriate agency to contact.

Centralized field offices can also provide the technical assistance that is needed to help jurisdictions administer homeland security grants. There are gaps in communication among state and local governments in this regard about what funding is available and how it can be used in accordance with statewide homeland security plans. The field offices can encourage coordinated planning, procurement, and implementation efforts to ensure the best use of resources for prevention and preparedness.

Best Practices

The Department must also continue to promote information on "best practices" for homeland security that can be shared through all available resources. Several initiatives are underway by federal agencies and associations to develop and promulgate best practices and lessons learned. However, these disparate efforts have not systematically reached all the stakeholders involved in homeland security efforts at the local, state and federal levels of government.

The Homeland Security Advisory Committee, NLC, and other entities have recommended the establishment of a clearinghouse of information on best practices for homeland security. NLC has been sharing best practices related to homeland security among our members for two years. This knowledgebase, as well as best practices within other organizations, should be universally accessible through DHS, regional offices, and field offices. As the Department moves to implement its new National Incident Management System (NIMS) and National Response Plan (NRP), information about training, mutual aid agreements, all-hazards planning, interoperability of equipment and first responder communications, and related topics should be readily available to all involved in homeland security.

All-Hazards Planning

The Federal Emergency Management Agency (FEMA), now known as the Emergency Preparedness and Response Directorate of the Department, has established an effective model that can serve as the basis for improving response and coordination of services within the new centralized field offices. In Minnesota, for example, we know that we must be prepared to respond to natural disasters, such as tornadoes. In this regard, DHS must continue to support the all-hazards approach within coordinated homeland security operations to respond to natural disasters as well as unforeseen, and unfortunate, consequences of terrorism. Natural disasters and mitigation efforts will remain a fact-of-life for all local governments. Therefore, the role of FEMA's regional offices should not be diminished in this reorganization, but strengthened, with the cross-training of personnel and increased outreach to local governments--both first responders and elected officials.

Finally, NLC encourages Congress and the Department to ensure that there are enough resources and flexibility in the consolidation process to accommodate the unique needs of each local jurisdiction. As many of us are aware, using a one-size-fits-all approach to disaster preparedness and mitigation is not the most successful way to improve homeland security. A careful analysis is needed to ensure that efforts to achieve consolidation and co-location do not create an added level of bureaucracy.

The country -- especially now -- needs the assurance that our homeland security operation is coordinated and effective. We congratulate Secretary Ridge and his staff on the progress made within one year of the Department's inception, and appreciate the many challenges that still lie ahead. To continue this progress at the local level, however, we need stronger partnerships, collaborative problem solving, and enhanced communication to ensure that the field offices are effective in providing the support needed.

Mr. Chairmen and Members of the Subcommittees, the National League of Cities greatly appreciates your leadership on this issue. We look forward to working with you and your colleagues, the Department of Homeland Security, our first responders, and other stakeholders to ensure that the reorganization of field offices will help maximize the resources available to cities and towns. We must continue to build a national system for domestic preparedness that is flexible enough to prevent and respond to all types of emergencies. Local homeland security field offices are a fundamental part of this national/local strategy.

I would be happy to answer any questions that the Subcommittees may have at the appropriate time.

Thank you.

Mr. OSE. Our next witness is Dr. Martin Fenstersheib who is, again, the health officer for Santa Clara County in California. Welcome, sir. We do have a copy of your written statement for the record. You're welcome to summarize in 5 minutes.

Dr. FENSTERSHEIB. Thank you very much, Chairman Ose, and greetings from the great State of California.

Mr. OSE. Thank you.

Dr. FENSTERSHEIB. It is my pleasure to be here speaking to you about this very important issue today. I am representing the National Association of County and City Health Officials, and it represents the nearly 3,000 local health departments across the country. I work at one such local health department in Santa Clara County, CA.

We are really, really happy to be here, to be basically the new kid on the block when it comes to first responders. I think it was already—public health and health was already mentioned I think by the chairman once today, so we're very, very happy about that. But it is a shift. I think it is a paradigm shift in the thought process and the perception of what first responders are today, and clearly when we look at the issues of biological warfare, bioterrorism, public health has played and continues to play a major role in what we are doing.

Now, in California we are really proud of the way we have basically worked our coordination efforts with our traditional first responders, and through the efforts of the funding from the Department of Homeland Security we have been able to secure some of those funds, but it has been through the leadership within California that has directed those funds to include public health at the table to make sure that discussions and integration and collaboration include the critical work of public health, be included, and that we would also and I would also suggest be perhaps a guiding force or some direction for the Department in the future, to really require that public health be at the table in all the negotiations for co-location, for standardization, and for other types of planning within the Department of Homeland Security.

I wanted to give you a couple of examples of how things really work. Because of the integration and the work we have been doing in actually sitting at the same table with the new players that I consider not traditional in my field, which is the sheriff, my local sheriff, my local police chiefs, my local county fire people, because we have sat at the table, because we know one another I think our response has been very, very effective.

Almost 1 year ago today in San Jose at the airport an American Airlines plane landed there, and the pilot reported to us that there might be a couple cases of SARS on board. We got that information from county communications and it was required or requested of us in public health to be the lead in the incident command. This has never happened before. And I don't know whether that's a good thing or not, but we did speed out to the airport and we entered the plane as the first first responder to that incident. We actually evaluated the situation on that airplane as it sat on the tarmac and determined that there were a couple people that may meet the definition of SARS.

This, again, was not a terrorist event, but certainly it could have been any biological agent that we were dealing with. It could have been smallpox that we were dealing. However, we did evaluate those patients. We had the paramedics on board. We had the police there. We had fire. We had HAZMAT units there. But we directed the response. We had those patients get off of the plane and get into the ambulances and go to our general hospital, where they were evaluated.

Now, none of those patients turned out to be SARS; however, as I said it could have been smallpox. Because of the training we've had in public health, we have been vaccinated. We could have actually entered that plane safely and evaluated that incident had it been smallpox at that time.

We've also been able to deal with some of the white powder incidents that have come up all across the country, and because of the work, the integration, the collaboration that we've had with traditional first responders, recently one of the fire chiefs—one of the police chiefs at a local municipality called me up and said that there was a questionable couple of letters that had white powder in it, what should he do. Again, unprecedented type of relations with public health, mainly because this is the planning that we have been doing under our directions down from Homeland Security.

We got that letter tested. It turned out not to be anything, which was good, but we were able to do a risk assessment and work with that local police agency to deal with the local response, and everything worked out fine.

On the education side, we were talking about cross training and different types of education materials. We developed locally something which I think could be a national model. It's called "Disaster University." It is something that public health has put together. Here's our brochure, first catalog. Basically, it is different courses where we've served as a clearinghouse to bring people together and train them. We have mental health professionals, again, which should not be left out in this equation. We've had fire and police trained in many, many different areas, and I think it will serve again as a way of cross training and providing different levels of expertise to others. We might expand that to some of the traditional agencies within the Department of Homeland Security whom we don't really talk with. TSA at the airport—we have no relationship with them whatsoever, and several other of the agencies. And so I think, again, bringing some of those closer to where the first responders actually work, where we work, would be very helpful.

We think that, again, that we have provided some really good models, and California has taken a leadership role again, as I mentioned, really making sure that public health is at the table and actually making sure that some of the funds from DHS are expended in the area of public health. IN fact, it's 20 percent.

We welcome DHS's leadership, and we want to be at the table. We want to be at the table during planning, and we want DHS to be at our planning table, also. Remember that public health is concerned with the health of the community, but we also are concerned with the health of the first responders and will be there to protect them, also, before they go out in harm's way.

Thank you very much.

Mr. OSE. Thank you, Doctor Fenstersheib.

[The prepared statement of Dr. Fenstersheib follows:]

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Statement of

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On behalf of the
National Association of County and City Health Officials

Before the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs and the Subcommittee on National Security, Emerging Threats and International Affairs

House Committee on Government Reform

Hearing on the Homeland Security Department's Plan to Consolidate and Co-locate Regional and Field Offices: Improving Communication and Coordination

March 24, 2004

It is my pleasure, Chairman Ose and Chairman Shays, to address you and your colleagues today concerning the public health perspective on Santa Clara County's experience in preparing for a terrorist attack. I am honored to represent the National Association of County and City Health Officials (NACCHO), the organization representing the nation's nearly 3000 local public health departments.

The inclusion of public health in this hearing constitutes a significant and crucial paradigm shift in the perception of who is a "first responder" in a terrorist event. The integral role of public health in readiness and response activities has only begun to be recognized relatively recently—and progress varies across different states and jurisdictions. In Santa Clara County, we are proud that our public health department is one of five CDC-funded Advanced Practice Centers, which develop cutting-edge resources and technology for public health preparedness. Today I will describe Santa Clara County's successful multidisciplinary approach to terrorism preparedness and recommend that the Department of Homeland Security (DHS) promote such approaches in all its work. DHS should coordinate program policy among its directorates to promote consistently the inclusion of public health officials as first responders in all terrorism preparedness work.

In Santa Clara County, California, our multidisciplinary approach in governing our preparedness activities has evolved over the last several years. The first monies that our jurisdiction received for terrorism preparedness came out of the 1996 Nunn-Lugar-Domenici legislation that provided funds for the country's largest 120 cities. San Jose, California, which is part of Santa Clara County, was among those cities. San Jose was the first city in the nation to complete an approved preparedness plan.

Much of the focus in that initial period was preparing for an incident of chemical terrorism. The resulting plans centered on a response at the scene by highly trained fire, law enforcement and hazardous materials personnel. Public health was at the table even then because it was recognized that there is a public health role in organizing a medical response and assessing the health consequences of a chemical release. In 1999, the

specter of bioterrorism drew increased attention. As we discussed how a bio-attack might unfold, I believe it became evident to almost everyone that public health provides more than just support and input. In fact, in any covert release of a biological agent, the public health and medical community will likely be the first to recognize victims. In a bioterrorism attack, public health IS a first responder and would take a lead role as part of a joint command structure.

While I know that message has not hit home with everyone, it is an established fact in Santa Clara County. There was a time when public health would rarely have been invited to a meeting with the fire or law enforcement communities. Now we are recognized as integral partners in terrorism preparedness. Traditional first responders are well aware of the potential for biological terrorism and that public health professionals will be the experts if such an event occurs.

What spurred this collaborative environment in large part was a requirement established by the State of California concerning how localities were to decide on expenditures of federal grant money from the DHS Office of Disaster Preparedness. The State mandated the creation of a five-member approval authority in each county: the County Fire Chief, the County Sheriff, a representative of all the municipal fire chiefs in the county, a representative of all the municipal law enforcement chiefs in the county and last, but by no means least, the County Public Health Officer. In our county, this authority has established and funded a task force to focus on deployment issues, standardization of equipment, training, exercises and the very critical area of interoperability during an event.

The result of bringing these parties together at one table, focused on the goal of terrorism preparedness, is a phenomenal collaboration. Knowing and respecting one another at a personal level is invaluable. We learn not only what our various agencies are doing, but we discover where we have strengths that can help other agencies achieve their missions and where they can help us.

Additional collaboration between public health and our partners in terrorism preparedness is coordinated through what we call our "Countywide Medical Response System

(CMRS)" This is similar to the Metropolitan Medical Response System (MMRS), but altered to fit California's county-based approach. Financial support for this activity comes to us through the Centers for Disease Control and Prevention's (CDC) Bioterrorism State Cooperative Agreements. The blueprint for this system is a 32-page document, available on our website, that outlines our efforts to prepare for response to a disaster that has a medical/health component. It involves 11 work groups addressing topics ranging from risk communications to decontamination and personal protective equipment, from mass prophylaxis to education, training and exercises. For each of these work groups, participating agencies are identified—including fire, law enforcement, hospitals, emergency management, schools, the medical examiner, mental health services, and many others. For each of those identified partners, the blueprint enumerates a list of their responsibilities to the CMRS, as well as a list of public health commitments through the CMRS that will assist those agencies.

The CMRS project supports and strengthens the overall efforts of the approval authority's DHS-funded activities. The CMRS has a multidisciplinary steering committee that includes representatives from law enforcement, fire, and emergency management, as well as hospital, medical, and public health personnel. One CMRS workgroup addresses the critical activity of mass prophylaxis in a bioterrorism event. We are working out an operational methodology that will enable us to deliver critical vaccines or pharmaceuticals to a county population of 1.8 million in as little as 3 days. Law enforcement and fire personnel have been assured that they will be given top priority to receive vaccines or pharmaceuticals so that they can remain safe as they do their jobs. Law enforcement personnel will assist with the security issues that will arise if mass prophylaxis is necessary.

A second workgroup is looking at isolation and quarantine, measures to prevent the spread of disease that might become necessary in an outbreak of a contagious disease such as smallpox. Law enforcement representatives have been closely involved in discussions regarding enforcement of the isolation or quarantine orders of the Health Officer and what level of force would be expected. We have begun educating leadership

in law enforcement and fire about the definitions of isolation and quarantine and under what circumstances we would be expected to invoke them.

How do we contribute to our partners' missions? One of our strengths in these collaborative efforts is serving as a resource. There are many examples I could provide, but I would like to highlight two. Even before September 11th, Santa Clara County Public Health had developed what we call our "Zebra Packet." The name comes from the old adage, "When you hear hoof beats, think horses, not zebras." Well, in light of the dangers posed by bioterrorism, we needed to draw physicians and other first responders back to the prospect of zebras in their midst. The Zebra Packets contain material on a set of identified possible bioterrorist agents, including a single laminated page that summarizes the clinical presentation of each disease and could be displayed in emergency rooms, clinics or offices. We held our first workshop in November 2000. While this resource was originally targeted for physicians, the audience was filled with other traditional first responders, including paramedics, firefighters and hazardous materials professionals. The Zebra Packet has become a model for other health departments that have developed similar materials of their own—right down to the black and white packaging—to share with their terrorism response partners.

Another resource that Santa Clara County Public Health provides is Disaster University, a learning venue designed to provide tools, knowledge, and practice in the field of public health emergencies and disaster response. While some courses offered are designed for public health staff, others are designed for the wider disaster response community including first responders, hospital staff, laboratorians, and mental health clinicians. Course work includes: HAM Radio Operations; Stress Management Strategies for Disaster Service Workers; Bio-agent Sampling and Laboratory Guidelines; Introduction to Standardized Emergency Management System (SEMS); and Psychological Implications of Weapons of Mass Destruction. Soon we will be adding a program in Forensic Epidemiology, which teaches public health and law enforcement professionals the basics of each other's fields and helps them work together in disease outbreak investigations where there may also a criminal law component, such as an anthrax outbreak.

Disaster University classes are offered in a variety of ways to reach our target audiences. In addition to classrooms, Disaster University uses satellite broadcasts and webcasts offered by our state and federal partners at the California Department of Health Services, CDC, and the Department of Homeland Security.

In recent years, and since September 11th in particular, needed money has been making its way to the state and local levels for terrorism preparedness and response activities. However, money and resources alone—although certainly necessary—will not bring a response together. Homeland security funding often focuses on the "stuff" agencies can buy: the equipment, the monitors, the vehicles, the gear. All of those items are only as good as the people that use them. Moreover, "stuff" does not buy such essential elements of preparedness as expertly staffed and coordinated surveillance systems that would detect a covert act of terrorism early, to enable a timely response.

It is imperative that funding for personnel not be restricted. People need to be hired when necessary and they need to be trained and exercised. These people—from all the different agencies to which they may belong—need to know how to work together. It isn't an easy task—we all have our day-to-day work to tackle. But maintaining a strong commitment to ongoing preparedness is crucial. The next event will most likely not look anything like the first, but what is almost certain is that there will be another.

We believe that our progress in Santa Clara County provides important lessons for the entire nation. Terrorism preparedness requires coordination of all the first responders in a community so that they understand each other's roles in a disaster. This is not a frill or something to think about later. It must happen now. The structures and requirements of federal homeland security grant programs should promote this, not impede it. One essential aspect of promoting coordination is always to consider public health departments first responders alongside fire, law enforcement, emergency medical personnel and emergency management, as we do in California, even though the funding streams come from different federal agencies.

We recommend that Congress and the Department of Homeland Security establish strong, clear, uniform requirements for the inclusion of local public health officials in all

federally funded terrorism preparedness planning, training and exercising. In Santa Clara County, public health is well involved in some DHS-funded programs, particularly those currently administered by the Office of Disaster Preparedness. By contrast, there is room for much greater engagement of public health in disaster planning and response programs of the Federal Emergency Management Agency (FEMA), the Transportation Security Administration (TSA), and immigration authorities. For instance, public health becomes an essential partner of airline security and border control when a threat such as Severe Acute Respiratory Syndrome (SARS) requires health screening of incoming airline passengers. Another example where public health involvement is crucial is the BioWatch program established by the DHS Science and Technology Directorate to detect airborne toxins in selected metropolitan areas. Public health agencies would be the lead responders in managing the consequences if a release of a biological or chemical agent harmful to human health is detected. Yet local public health agencies have not been consulted or fully informed, even as the BioWatch program grows.

To help achieve the full engagement of public health alongside other first responders in all homeland security work, we recommend that the Department of Homeland Security itself include public health officials among the first responder constituencies with whom it regularly consults. Collaboration among grant programs and consistent involvement of public health should start within DHS and be translated to localities through grant guidance. We have distinctive expertise that will help existing programs be more effective in protecting the health of people in local communities if a disaster occurs.

Thank you for holding this hearing and for your support of public health. I'll be happy to respond to any questions you may have.

Mr. OSE. Our final witness on the second panel is Mr. James Lee Witt, who is the former Administrator of the Federal Emergency Management Agency. He is the president of James Lee Witt Associates, LLC.

Sir, welcome to our panel. You are recognized for 5 minutes.

Mr. WITT. Thank you, Mr. Chairman, members of the committee. Thank you for inviting me to participate in this hearing today. I appreciate the opportunity to come before you today to share my thoughts.

First let me say I am extremely concerned that the ability of our Nation to prepare for and to respond to disasters has been sharply eroded. I would urge that you look at the consolidation of offices and other areas of concern at DHS. You look at them for their effect on the local, State, and Federal partnerships for an all hazard approach to emergency and consequence management.

During my tenure at FEMA, the staff and the resources of our regional offices enabled our agency to maintain strong relationships with our State and local partners and other Federal response agencies in the cities and States. These relationships were critical for the effective communication and coordination before, during, and after a disaster. Relationships built over the years facilitated our ability to preposition staff, resources in advance of hurricanes and flood disasters, helped expedite efforts in catastrophic disasters like Hurricane Floyd, the North Ridge Earthquake, the Murray Building bombing, and many others across our Nation.

Through ongoing training and exercising of the administration of our performance partnership agreements with the States in their areas, our regional staff were able to truly know the State and local capabilities, both strengths and weaknesses, so that our FEMA team could hit the ground during a disaster and support resources that State and local government needed. Relationships that were built over the years during disaster and non-disaster experiences allowed the regions and the entire agency to accurately identify the needs of the State and local governments' first responders and disaster victims.

I feel very strongly that these people in the front lines of the defense of our homeland must have the input into the policies of DHS, especially in the discussion of regional and field offices. Everyone agrees that creating DHS has been and continues to be a monumental and very difficult task. While many elements are providing essential security for our Nation, I and many others in the emergency management community here and across the country are deeply concerned about the direction FEMA's all hazard mission is headed.

I hear from emergency managers, local and State leaders, and first responders nearly every day that the FEMA they knew and worked with has now disappeared. In fact, one State emergency manager told me it's like a stake has been driven in the heart of emergency management of this Nation. They are suffering the impact of dealing with a behemoth Federal department rather than the small but agile independent agency that coordinated Federal response effectively and efficiently, understands the needs of its local and State partners. They're concerned that the successful partnership that was built and honed over all of the years between

local, State, and Federal partners and the ability to communicate and coordinate and train, prepare, and respond has gone downhill, and they are at a loss as to how to work with the Federal Government now and they fear for their community should a catastrophic disaster occur.

So what is it that is causing this concern? First, FEMA has lost its important status as an independent agency. Instead, it has been buried beneath a massive bureaucracy whose main and seemingly only focus is fighting terrorism. And, while that is absolutely critical, it should not be at the expense of preparing for and responding to natural disasters. While the likelihood of another terrorist attack on our homeland is sure to happen, it is an absolute certainty that our country will experience more natural disasters, and there will be no question that some will be catastrophic. It is not a matter of if, it is a matter of when and where.

Second, the FEMA Director has lost Cabinet status, and with it the access and the close relationships with the President and Cabinet affairs. I assure you that we could not have been as responsive and as effective during disasters as we were during my tenure as FEMA Director had there been layers of Federal bureaucracy between myself and the White House. Just one degree of separation is too much when time is of the essence and devastating events are unfolding rapidly.

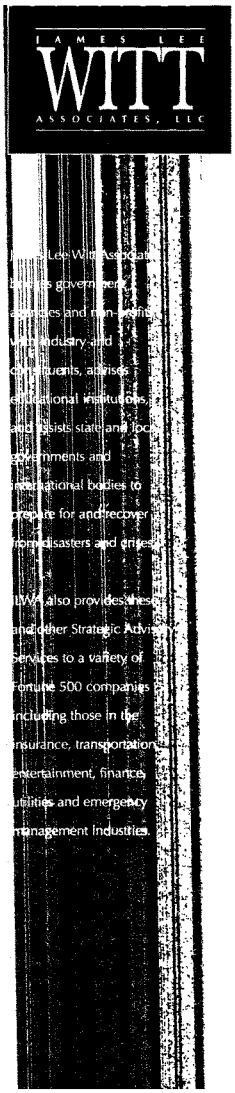
I firmly believe that FEMA should be reestablished as an independent agency, reporting directly to the President but allowing for the Secretary of Homeland Security to task FEMA to coordinate any type of response to a catastrophic terrorist or manmade event.

Historically, duty of consequence management following a terrorist event is important. We saw that in the Murray Building. We saw it in September 11th. We saw it in several others. But I think, Mr. Chairman, that the years that I have served in public service, which has been almost 25, this experience that I had from local, State, and Federal, and while I have seen and witnessed over many years, partnerships working together with State and local government and Federal agencies is absolutely critical. We had one of the most dynamic Federal teams in the Federal Government that I have ever witnessed.

In closing, let me say this. The 8 years as FEMA Director I saw Federal career employees work unbelievable hours, made sacrifices, and made a difference for this country because they cared about what they were doing, and I will never, ever forget that. So, thank you.

Mr. OSE. Thank you, Mr. Witt.

[The prepared statement of Mr. Witt follows:]



Testimony of
James L. Witt
President, James Lee Witt Associates, LLC
Former Director, U.S. Federal Emergency Management Agency

Before the

House Committee on Government Reform
Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs
And
Subcommittee on National Security, Emerging Threats and International Relations

The Department of Homeland Security's Plan to Consolidate and Co-locate Regional and Field Offices

March 24, 2004

James Lee Witt Associates, LLC works with governments, businesses and non-profit organizations, industry and consumers, advises educational institutions, and assists state and local governments and international bodies to prepare for and recover from disasters and crises.

JLWA also provides these and other Strategic Advisory Services to a variety of Fortune 500 companies including those in the insurance, transportation, entertainment, finance, utilities and emergency management industries.

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The Homeland Security Department's Plan to Consolidate and Co-locate Regional and Field Offices: Improving Communication and Coordination

Rayburn House Office Building, Room 2247
March 24, 2004
1 p.m.

Statement of James Lee Witt, President, James Lee Witt Associates and former Director of the U.S. Federal Emergency Management Agency

Chairman Ose, Chairman Shays, Ranking Member Tierney, Ranking Member Kucinich, and members of the Committees, thank you for inviting me to participate in this hearing today.

By holding this hearing the Committee is providing a valuable service for the Department of Homeland Security. Our being called here today is providing an excellent forum for discussion with DHS's state and local customers regarding their needs for a coherent interface with DHS so that they may accomplish their mission. I feel strongly that state and local governments and first responders need to have input into formation of all of DHS's plan – and especially in the discussion of regional and field offices. Ensuring that their needs are being met as end-users of DHS services, recipients of grant funding, and partners in training and preparedness is especially critical to the success of DHS and public safety throughout our Nation.

It is also very important to hear from people on the front lines like Secretary Flynn from Massachusetts as well as the experts from NAPA, represented today by Mr. Kinghorn, whose continuous study of best practices gives them a unique perspective on what truly makes government work. Today's testimony will no doubt provide the insights and perspective that the Department can use to improve communication and coordination through consolidation and co-location of certain DHS offices.

I ask that as you look at the consolidation of offices or other areas of concern at DHS, you analyze them for their effect on the local/state/federal partnership that was in place just a short time ago.

The State of our Emergency Management System

As you and your colleagues continue to examine DHS and its growth, I want you to know that I and many others in the emergency management community across the country are deeply concerned about the direction FEMA is headed.

First, we are greatly concerned that the successful partnership that was built between local/state/federal partners and their ability to communicate, coordinate, train, prepare, and respond has been sharply eroded.

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Second, FEMA, having lost its status as an independent agency, is being buried beneath a massive bureaucracy whose main and seemingly only focus is fighting terrorism while an all-hazards mission is getting lost in the shuffle.

I firmly believe that FEMA should be extracted the DHS bureaucracy and re-establish it as an independent agency reporting directly to the President, but allowing for the Homeland Security Secretary to task FEMA to coordinate the Federal response following terrorist incidents.

Third, the FEMA Director has lost Cabinet status and along with it the close relationship to the President and Cabinet Affairs. I believe we could not have been as responsive as we were during my tenure at FEMA had there had been several levels of Federal bureaucracy between myself and the White House. I am afraid communities across the country are starting to suffer the impact of having FEMA buried within a bureaucracy rather than functioning as a small but agile independent agency that coordinates Federal response effectively and efficiently after a disaster.

Learning from the Past

FEMA was assembled in 1979 in much the same way that the various agencies of DHS have been put together. Although the reorganization that brought the various agencies together under FEMA was on a much smaller and more manageable scale, it took our country close to 15 years to get it right.

When FEMA was formed there were several cultures all being thrown together under one new roof. The dominant "top down" culture within early FEMA traced its roots to the days of civil defense. This culture was probably necessary for those types of national security oriented activities. As a State Director of Emergency Management, I was often on the receiving end of FEMA's "top down", rigid, and sometimes inflexible approach. It is for this reason that I was determined, as FEMA Director, to take the Agency in a new direction. I wanted to move towards becoming an organization where the needs of the stakeholders and employees were valued and heeded.

DHS is struggling with growing pains similar to what FEMA struggled with for the first 15 years of its existence. However, I continue to be concerned about the scope of the task that has been given to Under Secretary Hutchinson and Secretary Ridge. FEMA was an agency of 2,600 permanent employees and 4,000 disaster reservists and it took 15 years to get on the right track. The reorganization taking place with DHS is several scales above the FEMA reorganization and they are being asked to accomplish this massive effort in a world full of uncertainty regarding future terrorist activity and the certainty of future natural disasters.

As you may know, I was not in favor of creating such a large Department all at once. I supported the creation of a Department of Homeland Security, but I do not think this was accomplished in the right way. I always thought we should start with the areas that needed

the greatest and most immediate attention – specifically those activities involving the gathering, assimilation, and dissemination of terrorist intelligence to state and local officials. Also, I thought it made sense to engage in efforts to improve the security of our most vulnerable critical infrastructure and targeted industries. I felt that many of the pieces in place to manage the consequences of a disaster or terrorist attack were not broken and didn't need "fixing". I saw no need to reinvent the wheel on the consequence management side of emergency management – particularly when there were several other more pressing areas that needed to be addressed regarding counter-terrorism efforts.

In an effort to build other Directorates within DHS that need more help, vital pieces of the Emergency Preparedness and Response Directorate – FEMA – are being moved or under funded to prop up these other very critical areas. Programs like the very successful Fire Grants are being moved out of FEMA and the Emergency Management Performance Grants (EMPG) which provide the backbone to our emergency management systems are being cut and significantly restructured in a very detrimental way. In fact some estimates suggest that the 25-percent cap on personnel costs within the EMPG could result in more than half of the country's 4,000-plus emergency managers losing their jobs.

By throwing all of these disparate pieces together in the DHS stew, we have not only diluted the concentration on some of the most critical parts of our counter-terrorism efforts, but we are allowing scarce resources to be directed away from consequence management. Our Nation's emergency management system has often been held up as an international model; however, this country's well-oiled emergency management infrastructure - that has been built over many years - is now in great jeopardy as DHS attempts to build capabilities in other areas of the Department.

I say this not to fuel any rivalry between the DHS directorates – all of their functions are important – they simply should not have to all compete for scare resources allocated to them within the DHS budget.

The Importance of the Regional Presence for Emergency Management

I appreciate the opportunity to express my views as you look at the important issues of regions and office consolidation. As you probably know, FEMA has 10 Regional Offices, a Pacific Area Office in Hawaii, the Caribbean Area Office in Puerto Rico, and temporary Disaster Field Offices (DFO) established when disasters are declared. The staff and resources in these offices enabled our agency to maintain strong relationships with our state and local partners and the other FRP agencies in these Federal cities. These relationships were critical for effective communication and coordination before, during, and after a disaster event. The relationships built over the years facilitated our ability to pre-position staff and resources in advance of hurricane or flood disasters and helped expedite efforts in catastrophic disasters like the Northridge Earthquake.

Through on-going training and exercise and the administration of our Performance Partnership Agreements with the states in their area, our regional staff were able to truly know the state and local capabilities – both strengths and weakness – so that our FEMA team could hit the ground running during a disaster. The relationships that were built over the years - during disaster and non-disaster experiences - allowed the Regions, and the entire

Agency, to accurately identify the needs of the states and local governments, first responders, and disaster victims.

Therefore, I feel strongly that it should be required that Federal agencies and departments listen to the needs of their state and local partners, first responders, and disasters victims when setting priorities. It is only after an organization has truly listened to these constituencies that it is then able to strategically align resources in a way that will give the best chance for accomplishing the mission and meeting the identified needs. The primary avenue for FEMA's service delivery, information gathering, and quality control is through the Regional and Field offices. It was the regional offices' relationships with our customers that allowed us to get the job done and I would be very concerned about the effectiveness and responsiveness of FEMA if the regional presence were significantly reduced. As it regards co-location and consolidation, I would support any efforts that can reduce cost or provide better customer service to state and local leaders and disaster victims.

Looking Toward the Future

What gives me hope about the future is that this committee and other like-minded leaders in Congress are trying to help DHS to sort through the myriad of issues on its plate, to connect with their customers in state and local government, and to align themselves with a Regional and Field Office structure that serves their customers well and allows them to efficiently achieve the important goal of a safer homeland, protecting against all hazards.

Thank you again for the opportunity to appear before you and I would be glad to answer any questions that you may have for me.

Mr. OSE. As is our normal practice, we will now go through rounds of questioning. Each Member will be given 5 minutes. There is a clock there in front of Dr. Fenstersheib and Mr. Witt to monitor your time.

Dr. Fenstersheib, you mention in your testimony the State law that sets up the five-member county-based, what term did you use?

Mr. FENSTERSHEIB. Approval authority.

Mr. OSE. Approval authority—thank you—for the expenditures of Federal grant moneys from DHS. Now you've testified that it has been a phenomenal or at least a reasonable success. Do you know of any other jurisdictions outside of California that have used anything of a similar nature?

Mr. FENSTERSHEIB. I really don't. I know that there's certainly close coordination for the urban area types of grants that are coming from DHS, but I'm not aware of any that are similar to California in this regard.

Mr. OSE. Besides Santa Clara, where else has this strategy been particularly effective in California?

Mr. FENSTERSHEIB. Well, I am part of a group that encompasses all of the health officials in the San Francisco Bay area, and we were just talking about this last week, and everybody was agreeing and shaking their heads that it has actually worked phenomenally well. In fact, I spoke to the Office of Homeland Security's Deputy Director this morning to tell him that I thought that it was working well and that I was going to then pass that on to this committee, so I think it is working quite well.

Mr. OSE. So there are eight counties in that?

Mr. FENSTERSHEIB. Nine.

Mr. OSE. Nine?

Mr. FENSTERSHEIB. Nine counties.

Mr. OSE. All right. And they each have their own five-person adjudicatory body?

Mr. FENSTERSHEIB. They sometimes call us the "Gang of Five." But yes, that's it. It's not under law; it is just a directive by the Office of Homeland Security in California.

Mr. OSE. The State Office of Homeland Security?

Mr. FENSTERSHEIB. State Office of Homeland Security called OHS.

Mr. OSE. All right.

Mr. FENSTERSHEIB. They also made it required that we have 20 percent, 20 percent, 20 percent for fire, law, and health, and 40 percent discretionary funds that we can all agree on for things such as training.

Mr. OSE. OK. Now, Mr. Flynn, in terms of your experience both in Massachusetts and then onsite at the Pentagon, would this kind of a body have helped in terms of pre-event type of situation, helped in terms of resolving many of the conflicts that you had to deal with kind of in the crush of the moment?

Mr. FLYNN. Well, just for the record, even through the pleasant haze of history we really didn't have a lot of conflicts there, just by nature of this region. As you know living here, there's an extraordinary amount of intergovernmental collaboration already in place because Washington, DC, metro has been at ground zero for 60 years, so there were very, very few interjurisdictional, inter-

disciplinary problems at the Pentagon because we had worked and trained and drilled together, unlike most of the rest of the country.

Similarly to what California does now, Massachusetts, with its next iteration of Homeland Security funding, has pledged itself in its Homeland Security strategy, which has recently been approved by ODP, to distribute this money based on jurisdictions that we have fixed that largely mirror the old emergency management jurisdictions and regions of the State, and those regions will each have a governing council made up of police chiefs, fire chiefs, emergency management directors, hospital officials, emergency management directors, and people representing the city and town manager community, and that group will, in fact, decide who the fiduciary is for that money, they will identify someone to assist with a regional plan, and they will be the ones making the decisions to distribute those funds. So we're kind of taking a page from California's book without knowing it, but we are going to apply the same concept in Massachusetts.

Mr. OSE. All right. Now, Dr. Fenstersheib, I don't mean to pick on you, but I just—this Disaster University concept that you came up with—first of all, I want to enter into the record the pamphlet you have there, but I also would like to have you expand upon what the Disaster University concept does.

Mr. FENSTERSHEIB. Well, it's not a building but it is a virtual university, and what we've done is co-locate a lot of the training efforts and serve as a clearinghouse or resource, but we also provide—we have staff that oversee this. We put out—and I think it is very useful just figuring out all that's out there. I think a lot of people don't even know what's out there for training. And so bringing everything together, getting the information out to the appropriate people that might benefit from those particular trainings, get that information, sometimes bringing actual people out that we feel need to be in our area to train, say, mental health professionals which we just had a couple weeks ago, which was very, very valuable. I mean, mental health is often something that's lost. And actually the concept of just identifying what's needed from all of the jurisdictions and then bringing those and making those available, and then having something really that you can put your hands around and look at like a university catalog and say, "This is what is offered," and actually offer credits, too, for those professions that have continuing education.

Mr. OSE. But that was not put together by the Public Health Office; that was put together by the county, so it is holistic?

Mr. FENSTERSHEIB. The Public Health Department is within the county, and so we in Public Health actually have the staff that are doing this.

Mr. OSE. But you have mental health, you have physical health, you have law enforcement, you have fire.

Mr. FENSTERSHEIB. We're doing it for them.

Mr. OSE. OK.

Mr. FENSTERSHEIB. So it is happening in public health, but it brings everyone together and gets all of their requests and puts them all into one place.

Mr. OSE. All right. Thank you.

Mr. Tierney.

Mr. TIERNEY. Thank you, Mr. Chairman.

Mr. Witt, you have me concerned here with your testimony, so let me ask. You're indicating to us, I believe, that even before there's any attempt at consolidation or coordination amongst the various DHS departments, you feel that FEMA has sort of had its role subsumed and no longer able to respond as quickly, no longer able to take charge of the consequence situation, and no longer able to get a direct decision from the White House or the top as they have in the past; is that correct?

Mr. WITT. Well, I'm very concerned about it, particularly as this consolidation occurs, that I think it needs to be looked at very carefully because you don't want to lessen the opportunity of the President to be able to make a decision very quickly, directly to the head of FEMA or the agency that's responding. I know in the past with experiences I had, that one phone call and have that access, to be able to make that decision very quickly makes a big difference, particularly for a Governor of a State. I think it has lessened the importance of an all hazard approach to consequence management. I know, working with Congress and working with the White House, it was absolutely important to be able to have access and to be able to talk to chairmen, to be able to talk to Members, particularly in Districts that have been affected. So yes, I think it has been lessened, and I think the—I am concerned about the regions, I'm concerned about consolidation. If a consolidation is within the municipality that they're all in, that's different and should be looked at. But if it is broader than that, then that's where I would have questions.

Mr. TIERNEY. I don't speak for the chairman, but I know we were originally talking about municipalities and local offices and the benefit of tying them together.

Mr. WITT. Yes.

Mr. TIERNEY. That doesn't concern you——

Mr. WITT. Not within that——

Mr. TIERNEY [continuing]. Drawing people in for an entire region.

Mr. WITT. Yes.

Mr. TIERNEY. Mr. Flynn, how do Mr. Witt's concerns impact Massachusetts? And what is Massachusetts doing to sort of confront those types of concerns?

Mr. FLYNN. Well, we're certainly working very closely. The Emergency Management Agency in Massachusetts is part of the Executive Office of Public Safety. It has a long and rich history of collaborating well with FEMA, as well as with the regions of Massachusetts that report to it for emergency management purposes. What our priority is right now is making sure that emergency management works seamlessly with the rest of our Homeland Security efforts, which means really helping make it more intrinsic to the efforts of the State Police and the Department of Fire Services and the National Guard by making them a prime provider of incident command training for all of those jurisdictions of a higher level. So we are trying to get our Emergency Management Agency to move somewhat beyond its historic responsibilities for consequence management and mitigation and into a more proactive stance regarding Homeland Security generally.

Mr. TIERNEY. If there was a natural disaster in Massachusetts, who would the emergency management people report to directly?

Mr. FLYNN. Well, it would depend on who the incident commander was, obviously, and the type of incident it was. So clearly every community becomes an incident commander if they have a disaster. In that context, whether it is a fire disaster or a police disaster or overall disaster, the Emergency Management Agency in Massachusetts plugs right into whatever the incident command system that is in place. Functionally, of course, they report to a Secretariat, but in the field, of course, they are part of the incident command structure.

Mr. TIERNEY. Suppose we have a huge flood in Gloucester, a lot of devastation on that and it becomes a national area of concern up and down the coast. What would be the process there? I mean, how would the process differ than it used to under FEMA as it was constructed prior?

Mr. FLYNN. Well, at the State level it doesn't now, in our experience. I mean, certainly local emergency managers respond to or report to or coordinate, I suppose is actually the best term of art. Local emergency managers coordinate with the regional emergency manager who coordinates with the Statewide emergency manager, and they make sure that the appropriate resources are brought to bear. Their job is to coordinate a mitigation response, and they do so very well.

Mr. TIERNEY. Suppose it is large enough that you want to get the national perspective or whatever, take another step.

Mr. WITT. The next step is the State Emergency Management Agency connects to FEMA and activates their responses.

Mr. TIERNEY. And now, Mr. Witt, you're saying what happens then under your concern.

Mr. WITT. Yes.

Mr. TIERNEY. Explain to me what you think is the problem there—that they contact FEMA and under the old FEMA what happens and what looks like to be occurring, what happens now?

Mr. WITT. If it was an event that was large enough that the State and local government were not able to respond to to minimize a risk to that State or those communities, then that State director of emergency management would make a request to the FEMA regional director's office, the regional director's office. That would come up to the headquarters or through the Governor's office, and the Governor would make a request to the President for either an emergency declaration or full declaration.

The regional office then would work with the State in conjunction with them in doing the very fast damage assessments and analysis to see whether it was warranted for the President to make a declaration.

That speed is very important because it could mean whether or not lives are saved and property saved, and that is my concern, particularly when it comes to the national level. If Under Secretary Michael Brown has to go through two to three layers of bureaucracy within the Department of Homeland Security to advise the Cabinet and the President that the Governor of Massachusetts has asked for an emergency declaration for public health and safety, and that it is important to get the President to declare this imme-

diately, if it goes through two, three layers of decisionmakers, that chain can be broken very quickly and that speed could be stretched a lot longer in getting something done.

So it is important that the Under Secretary, like the Director of FEMA, be able to connect to someone to make that decision immediately and not have a layer between that decision process. That's my concern.

Mr. TIERNEY. Thank you.

Mr. OSE. Mr. Ruppersberger.

Mr. RUPPERSBERGER. Mr. Witt, I'm going to get back to you, and when the yellow light goes on I probably will, but I want to get into some other issues because I think what you're talking about right now as far as direct decisionmaking has to do with anything that we have to do and any type of disaster or whatever.

I was a former local elected official for 18 years, and I was a county executive for 8 years and a county executive during September 11, and I know your pain or know your issues. And I think one of the things that is very important when you deal with Federal Government, to be honest with you, I didn't really care much about what the Federal Government did other than when they gave us good grant money, and so what I found is that when we got money directly from the Federal Government that came directly to the locals without going through the Federal and State bureaucracy, we would get the money right away, we could put it out in the street, whether it was for cops or whatever. It was there. And when I see a program that is too bureaucratic and doesn't have that kind of system, we need to look at it.

Now, Homeland Security really—the Department of Homeland Security is a reality. We have to deal with it. It is broad. It is very bureaucratic, and unfortunately it doesn't have the resources that it needs. When you don't have the resources, you have to pick your priorities.

Your comments, all of you, about being involved in the front line, I mean, any good managers go to the front line and ask the front line what they need.

In my District we did a—which is the 2nd Congressional District and it has NSA, it has the Port of Baltimore, it has a lot of different areas, a lot of water, and I want to ask about Isabel. But anyhow, in that District we did a survey of all local institutions—volunteer fire, career fire, governments, whatever. Of all those institutions, 76 percent hadn't received any money from Homeland Security. So we have a problem here. We have an issue, and that's why we're having this hearing.

I would like to know—I guess, Ms. Anderson, we'll start with you—what you feel needs to be—it's just a broad softball question, but what you feel you would like to see from your perspective as mayor on what priorities would you need. Now, there are priorities. There's an intelligence issue where you have your local people getting together with the State, the Federal, and FBI, and Customs. There's one group dealing with intelligence. Then there's the first responder issue. Then there's a lot of the medical issues afterwards if something does occur. So from a local elected official, what would you recommend? And if you could address the issue of baseline. I'm going quick because I only have 5 minutes. I don't see how we can

really have any standards until we have a baseline of standards so that we know exactly what we need. What you need in your jurisdiction might not be what we need in Gloucester or need in other areas, and we need to be more specific.

I know Congressman Tierney and Congressman Shays and I have a bill in, a standards bill, to try to develop that. I don't know where the bill is right now, but you know hopefully we'll be able to move forward and at least get people thinking of standards.

Ms. Anderson.

Mayor ANDERSON. Well, as we know the resources are being directed through the States at this point. The National League of Cities did support that for the first year and a half. We recently changed our position——

Mr. RUPPERSBERGER. Good.

Mayor ANDERSON [continuing]. And said that we believe that the resources should go through the States except for those cities and regions of over 100,000 and larger population or those with a specific, unique need that might need direct funding. And the reason we changed our position is because the money isn't getting to the local level.

I think we are encouraged by movement just within the last couple of months that maybe some of that logjam is beginning to be broken and being addressed. But, interestingly, the needs are different in every State and in many unique regions and areas, so I think it is difficult to have it based on a national baseline or standard, and it may be very appropriate to do that on a regional basis. But the locals need to know about that. They need to know with some certainty where to go and how the baseline and the standards, where they are being developed and where they are and how to respond. That's where we see that the consolidated field offices could be very helpful, because they will be unique to each.

Mr. RUPPERSBERGER. And have input from the local level.

Mayor ANDERSON. Yes.

Mr. RUPPERSBERGER. Have you been working with NACO, National Association of Counties, on this issue?

Mayor ANDERSON. We have been working with NACO on Homeland Security issues. The discussions about co-location and consolidation are very recent, so we have not, but we certainly will.

Mr. RUPPERSBERGER. Mr. Witt, the issue of Isabel, a lot of the area that I represent was on the water in Baltimore and different parts and a lot of people lost their homes and hadn't had that kind of devastation in a while. FEMA eventually came in, but one of the main reasons I think that we started to get the attention is that we got Ridge to come. Once we got the man, I mean, the leader to be there, then we were able to move forward. And I agree with you. I mean, when you have a natural disaster you have to move quickly. You can't wait. And, part of FEMA's role pursuant to the Federal law is basically to help people in the beginning stages to get them where they need to be. And yet when you have Coast Guard, Customs, all these different arenas, I'd just like to know that you have to take care of, too, because Ridge has a really tough job. What would your—what do you know about Isabel and how FEMA reacted with respect to that disaster and what recommendations do you have to make it better?

Mr. WITT. Well, two things. One, it was very interesting on Isabel. We got a lot of calls from States. We got calls from Virginia and Maryland and we advised them and helped them, some of it privately. The response was not as good as it should have been. The closeness of working with the State and local communities was not as good as it had been in the past. I don't think it is anyone's fault. I just think the fact that a lot of the focus and attention that FEMA has had in the past on these type of events has been lessened because of demand on them for other priorities that have been placed through Department of Homeland Security, which is important and critical. Don't get me wrong, but I think what bothers me——

Mr. RUPPERSBERGER. But there has been a dilution of where it was and where it is now?

Mr. WITT. Yes. Priorities change during different times, there's no doubt. But, what concerns me is the fact that, you know, we had the Federal response plan in place, the national Federal response plan that was amended after the bomb in the Murray Building to include terrorist type events. Based on that, every State and every local government prepared Statewide plans and local plans in preparing for and responding to an all hazard approach using the ESF function at the Federal, State, and local level. So a system was in place.

The problem I had is to save time, save money, and to move this process much faster is why are we trying to reinvent the wheel instead of just adding more spokes in it that it needs. That's one of my concerns.

Mr. RUPPERSBERGER. OK. Thank you.

Mr. OSE. Mr. Kinghorn, you talked in your testimony about something to the effect of we're only as strong as our weakest link, and I presume you're suggesting that we have some specific points that you identify as most troublesome, and I'm wondering if you would be willing to share those with us.

Mr. KINGHORN. I think one of the things that I'm certainly hearing from this panel and our fellows who are involved in this—a third of our fellows are from State and local government, local health officials, and heads of most of the county organizations and city organizations who have been involved in looking at these issues—that the situation has dramatically changed. There were two large scenarios done, one before September 11 and one last year, Top Off and Top Off 2. One of the key things that came out of that was the incredible size difference in the number of organizations involved in potential terrorism attacks other than natural disasters, and the real requirement to develop, as Mr. Flynn and others mentioned real relationships with different organizations.

I think it is not so much one city versus another as the weakest link; I think it is this issue that was talked about today, developing best practices from what is coming out from all the localities, because there is really no and there probably can't be any centralized control over what a best practice is. But, I think what could be done is to share how, in these kinds of situations, people can react better. There were over 120 different entities in Top Off 2 that interacted. Just like we heard from Dr. Fenstersheib, we had new people who never had become leaders in incidents being thrust into

those positions. I think that's really what we meant by the weakest link. When we have to really look at this in terms of unnatural disasters, terrorism, the situation can be quite different.

Mr. OSE. OK. Mr. Witt, I want to go back a little bit here. Congressman Ruppersberger brought up Hurricane Isabel. We've had fires in California, things like that. I'm trying to figure out, in the context of the discussion we had about standards, what is the standard for response from the Federal Government? For example, I carry around this little Blackberry all the time and it's like I've got a 30-second response to anything that happens. Sometimes I like it and sometimes I don't. But, I'm constantly in contact with people in my office somewhere. So when we're talking about FEMA having been subsumed at the DHS, the standard for FEMA response should be——

Mr. WITT. Basically, using the fires in California as an example, State director of emergency management, when those fires begin, would contact the FEMA regional office in Sacramento, in San Francisco, and say, "We have a situation that may expand. Would you get your team here in our emergency operations center so they can be here working with us," and they would be there. They would respond.

We had on the national, regional level, we had red, white, and blue teams that were on duty for that particular month that, if something like this was starting to take place, then this team would automatically be there in support of that particular State in the operations center. Then, if it expanded, then the team was there supporting the State and being able to communicate that back to not only the region but also to Washington.

Let me just share this with you. I was in Chicago and it was at night when the fires were going on, and I called Dallas Jones, the State director, to see if there was anything we could do to help him. Chairman Jerry Lewis called me from California because it was in his District, a big part of it, that night on my cell phone, and he was—he said, "James Lee, I need some help." I said, "Mr. Chairman, what can I do to help you?" He said, "Well, the fire is extremely bad. We're going to lose a lot of homes," and he was very worried about it. And, he said, "Could you please tell me someone within FEMA that I could call to talk to, because I cannot get anyone to return my calls."

Mr. OSE. Has FEMA's approach in terms of the standby teams changed? Do you know if these teams are still in existence?

Mr. WITT. Mr. Chairman, I could not answer that question. I do not know.

Mr. OSE. I'm wondering how——

Mr. WITT. I have not been working—Mr. Flynn might be able to—you've been working with them on it?

Mr. FLYNN. I haven't had any complaints yet.

Mr. OSE. Well, I am concerned. You've suggested that perhaps there had been significant change, and I'm trying to figure out what the change might have been.

Mr. WITT. There has been so much change, you know, I cannot answer that if they have been dissolved or added to because I don't talk to FEMA that much.

Mr. OSE. So we don't know if they are still there or not?

Mr. WITT. No, sir.

Mr. OSE. All right. My time has expired.

Mr. TIERNEY. Mr. Flynn, in light of the reports this week that the State and city officials in the Boston area might not have been informed after September 11th about certain boats carrying natural liquid gas, I'm interested in fleshing out a little bit about how the communications system is working here. Can you tell me how information on threats now gets relayed from the Department of Homeland Security to the local first responders? What's the process on that? Who does it go through?

Mr. FLYNN. Well, I think it is important to note that there are two sources of information now available to State and local police officials. This can be good. It gives us more opportunities to get more information. It can be bad when one source of that information doesn't know about the information the other source is providing and can't verify it. We had all three experiences. We get information from the FBI, frequently from the Joint Terrorism Task Force, and that comes to us through our State Police members on it, as well as the major jurisdictions. That's certainly a robust and effective investigatory task force. We also from time to time get threat information from the Department of Homeland Security.

The difficulty is that sometimes it's not the same information from both entities, and there are times that one entity is unaware of the information the other entity has. I would say some of this perhaps is structural and goes back to the founding of the Department of Homeland Security, and clearly a significant component of our law enforcement response to terrorism is not located in Homeland Security, and so therefore there are not perhaps the levels of coordination at that level.

Mr. TIERNEY. That was a point back when it was being set up.

Mr. FLYNN. So, I mean, that's certainly been a challenge for us. Obviously, as you know, back home the local media have been all over this LNG issue and who knew what when. I can say that I called in my office just before I came here and asked if we'd gotten any spontaneous phone calls from our Federal partners, and we hadn't yet, so I still don't have any information to add to that which was revealed yesterday, although I did buy a copy of the book to read on the airplane to find out for myself what had gone on. So I know what you know right now.

Mr. TIERNEY. Well, you know, "I told you so" is not a policy, so I won't get into that too much, but there was a lot of discussion at the time as to, you know, pick 22 out of 133 agencies and organizations and clump them together and sort of somehow leave the FBI out, along with others, and put certain other ones in.

The fire departments tell me that they're not in the loop, that DHS may notify local police officers, whatever, through the law enforcement, whatever, when there's a threat out there, and the fire department doesn't seem to be indicated that they should get the same level of detail that the police do, but they feel they ought to somehow be included in notice of threats out there because it would help them respond and they should be part of that. What's your feeling on that, Mr. Flynn?

Mr. FLYNN. Well, I think there's two ways to look at this issue, and I'd really like to turn the paradigm around a little bit after I respond to the primary question here.

We work hard to keep our fire departments in the loop through a notification system known as "SATURN," and what that acronym means——

Mr. TIERNEY. You're talking about the State?

Mr. FLYNN. That's correct.

Mr. TIERNEY. And, I guess, just to stop you, because I'll be limited time, I'm really talking about the Federal flow of information of threat assessment as it may go through the State or not.

Mr. FLYNN. Well, when DHS provides information to us we send it out to our red, white, and blue teams, so, you know, the boilerplate general threat information we provide immediately to our fire partners as well as our State partners.

Mr. TIERNEY. Thank you. Mr. Witt, have you heard similar things on that? Is there any issues on that, if you can tell me about what you're hearing.

Mr. WITT. I have heard similar. I was in New York yesterday and I visited with the fire commissioner of New York and some fire folks, and I think it boils down to different States having different systems in place and how they communicate, because a lot of times you get into areas, particularly in the major metropolitan areas and States with high population, you get into situations where there's a lot of turf wars, there's a lot of ownership.

Mr. TIERNEY. That would never happen in Massachusetts. [Laughter.]

Mr. WITT. So I don't know if that is a fixable solution right now. I think it is a doable thing in the future, but I think it is going to take a little bit more time.

Mr. TIERNEY. Mr. Witt, besides FEMA and the concerns you have for it being sort of subsumed into a bureaucracy, of any of the other 21 remaining agencies that are sort of connected at the DHS, do you have a fear that any one of their missions or goals are going to be put in the same sort of predicament?

Mr. WITT. I do have a lot of concern. You know, when I was at FEMA we worked extremely close with SBA, HUD, Corps of Engineers, DOD. It was really a unique Federal team of 26 agencies. And I do have some concerns. I had a lot of the disaster medical teams across the United States contact me because they had basically cut the funding to the disaster medical teams that we had built over the years. These teams are absolutely critical, particularly when you have catastrophic events. They responded to September 11 in New York, the Pentagon, and many other places. They responded in North Ridge, Floyd. These teams are volunteer. They are like Doctors Without Borders. They're like our national search and rescue teams, and they train very hard. They're doctors. They're professionals. They're paramedics. And they contacted me and they could not get anyone at FEMA nor DHS or HHS to talk to them. So I have a lot of concerns across the board in how it has been handled. But, you know, Secretary Ridge has a huge responsibility and Under Secretary Hutchinson, White House is a fellow Arkansan I know well and have met with.

And let me just say, too, when Joe Albaugh was at FEMA and now Michael Brown—and I met with him quite often and had lunch with him and told him, I said, "Look, anything I can do to support you behind the scenes quietly that will help you to be successful, I will do, because if you are successful then I know that the American people are going to be taken care of, because I'm worried about it, I'm concerned about it, and I still want to help and do what we can." But it has to be a partnership and it has to be from the local, State, national level, because, you know, when Secretary Flynn in Massachusetts, if something happens you know who is going to be there at the first. It's going to be your local and State first responders, emergency management, all of them. And you know what's interesting? They're going to respond regardless of what kind of equipment they've got because they care about the community.

Mr. TIERNEY. Thank you.

Mr. OSE. I want to thank our witnesses for appearing today. It is interesting hearing the testimony, the challenges that lay ahead of us. In its first year as a department, DHS has made significant progress toward achieving its mission of reducing this Nation's vulnerability to terrorism and preparing the various levels of government for dealing with any such disasters, whether they be natural or otherwise. It's clear we have a long road ahead of us. We're not doing everything perfect yet. You heard me ask Under Secretary Hutchison about a followup hearing in 4 to 6 months. I think that would be appropriate. We are going to leave the record open for 10 days for Members' written questions. We'll get them to you and we'd appreciate a timely response.

We thank you all for taking the time to come down and participate.

We are adjourned.

[Whereupon, at 3 p.m., the subcommittees were adjourned, to reconvene at the call of their respective Chairs.]

[Additional information submitted for the hearing record follows:]

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March 31, 2004

BY FACSIMILE
The Honorable Asa Hutchinson
Under Secretary for Border
Transportation and Security
Department of Homeland Security
Washington, DC 20528

Dear Under Secretary Hutchinson:

This letter follows up on the March 24, 2004 joint hearing of the Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, and Subcommittee on National Security, Emerging Threats and International Relations entitled "The Homeland Security Department's Plan to Consolidate and Co-locate Regional and Field Offices: Improving Communication and Coordination." As discussed during the hearing, we are enclosing questions to be completed for the record.

Please send your response to the Subcommittee majority staff in B-377 Rayburn House Office Building and the minority staff in B-350A Rayburn House Office Building by April 29, 2004. If you have any questions about this request, please call Danielle Quist at 226-2067. Thank you for your attention to this request.

Sincerely,

Doug Ose
Chairman
Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs

Christopher Shays
Chairman
Subcommittee on National Security, Emerging Threats and International Relations

cc: The Honorable Tom Davis
The Honorable John Tierney
The Honorable Dennis J. Kucinich

Enclosure

Q1. Implementation.

a. How has the Department of Homeland Security (DHS) involved or will DHS involve local first responders and other stakeholders in the development of its regional and field office plan?

b. What is the coordinating mechanism created among the different components of DHS?

c. For those DHS component agencies without regional/field offices, how do you plan to incorporate them into any revised regional/field structure?

d. How does DHS plan to monitor the success of its regional and field offices? For example, has DHS identified appropriate outcome performance measures for these offices? If so, please identify them.

Q2. Cost Savings. During your March 24th testimony, you stated that consolidation of DHS regional and field offices will probably result in cost efficiencies. Please identify and quantify expected cost efficiencies.

Q3. Cross-Training. Please explain DHS's plan to cross-train its employees. In DHS's response, please include: (a) functions to be cross-trained, (b) cross-training at regional and field levels, (c) completed cross-training programs, and (d) any pilot cross-training programs and evaluations of their success.

Q4. Technical Assistance. In your March 24th testimony, you testified that DHS's regional and field office plan will provide one-stop-shopping for technical assistance. How does DHS intend to implement its plan for one-stop-shopping?

Q5. Best Practices. Page 5 of your testimony notes plans to establish a National Incident Management Center (NIMS) Integration Center as a focal point for first responders' best practices.

a. Please provide more detail about how this center will evaluate lessons learned and employ best practices.

b. How does DHS identify best practices that may already exist within the legacy Federal agencies?

c. How does DHS apply those best practices department-wide?

Q6. Intersection with DOD. DHS is responsible for homeland security while the Department of Defense (DOD) is responsible for homeland defense. If the U.S. suffered another terrorist attack, these two missions could intersect.

a. Does DHS intend to engage in cross-training activities with DOD personnel?

b. In its plans to consolidate and co-locate regional and field facilities, is DHS considering the co-location of certain functions (e.g,. staging areas and air missions) on DOD-owned or leased facilities? Would co-location provide cost efficiencies and assist in mission coordination? If so, do you have an estimate of any expected savings?

U.S. Department of Homeland Security
Washington, DC 20528

JUN 21 2004

The Honorable Doug Ose
Chairman, Subcommittee on Energy Policy,
Natural Resources and Regulatory Affairs
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The enclosed responds to the Committee's questions following the hearing titled "The Homeland Security Department's Plan to Consolidate and Co-locate Regional and Field Offices: Improving Communication and Coordination," held on March 24, 2004. The hearing was attended by Under Secretary Asa Hutchinson.

I appreciate your interest in the Department of Homeland Security, and I look forward to working with you on future homeland security issues. If I may be of further assistance, please contact the Office of Legislative Affairs at (202) 205-4412.

Sincerely,

Pamela J. Turner
Assistant Secretary for Legislative Affairs

Enclosure

Q1. **Implementation**

a. **How has the Department of Homeland Security (DHS) involved or will DHS involve local first responders and other stakeholders in the development of its regional and field office plan?**

The initial regional concept of operations recommendations are still being crafted within the Department and its component agencies. The assessment of the infrastructure, operations, personnel and assets of component offices throughout the nation has required extensive analysis and data collection. In addition, the Department is conducting an analysis on any potential operational considerations with regard to implementing a regional structure. Upon approval of the initial recommendations, the Department will work with our external stakeholder constituents to address any concerns they might have on the impact this regional structure will have on their particular operations and programs. Although work is underway to determine the best way to move forward on a DHS regional structure, the many variables of this complex issue will be discussed prior to the final implementation of the regional concept.

b. **What is the coordinating mechanism created among the different components of DHS?**

The Secretary has established a new Headquarters Operational Integration Staff (I-STAFF) to assist the DHS leadership team in the horizontal coordination and integration of certain Department programs and missions at the headquarters level to include executive crisis decision-making and integrated operational staff support; operational and contingency planning and senior leader education, training and national level homeland security exercises. The I-STAFF is also responsible for the vertical coordination and integration of the DHS mission by developing, implementing and providing general oversight of the proposed DHS regional structure.

c. **For those DHS component agencies without regional/field offices, how do you plan to incorporate them into any revised regional/field structure?**

The proposed regional concept of operations will offer recommendations on the structure and functions within proposed DHS regional offices. Those functions will encompass the activities and operations of every operating element of the Department, including those agencies that do not currently have a regional or field structure.

d. **How does DHS plan to monitor the success of its regional and field offices? For example, has DHS identified appropriate outcome performance measures for these offices? If so, please identify them.**

The entire Department is currently a performance-based organization that identifies baseline measures to ensure the success of its programs and operations. The same will hold true for potential DHS regional offices and their programs.

Q2. **Cost Savings. During your March 24th testimony, you stated that consolidation of DHS regional and field offices will probably result in cost efficiencies. Please identify and quantify expected cost efficiencies.**

The regional analysis currently underway will help identify potential cost efficiencies in operations and program delivery. The analysis is currently assessing the geographic, threat and infrastructure characteristics of the Department's legacy field organizations to provide recommendations on the best way to structure DHS's regional operations. The resulting regional structure will be developed to optimize cost efficiency while maintaining the highest level of operational effectiveness.

Q3. **Cross-Training. Please explain DHS's plan to cross-train its employees. In DHS's response, please include: (a) functions to be cross-trained, (b) cross-training at regional and field office levels, (c) completed cross training programs, and (d) any pilot cross-training programs and evaluations of their success.**

Our "One Face at the Border" program is perhaps the best example of the cross-training underway today at DHS. The new Customs and Border Protection (CBP) Officer will interact with the traveling public and facilitate the entry of legitimate goods at the nation's ports of entry.

We created a 14-week basic CBP Officer course, built from the 53-day basic Customs Inspector course and the 57-day basic Immigration Inspector course, with redundancies removed, and with additions to address counter-terrorism operations. Our first CBP Officers were hired in September of 2003, and they immediately started training at the Federal Law Enforcement Training Center (FLETC). As of March 20, 2004, 692 new hire CBP Officers graduated from the program.

We also initiated a program to transition legacy Customs and Immigration Inspectors into CBP Officer positions. During the transition period, Inspectors will receive extensive cross-training in all aspects of the duties of the new CBP Officer. No Inspector will be placed into a CBP Officer position without the training.

Legacy Agriculture Inspectors have been transitioned to a new job series—CBP Agriculture Specialists—and they will continue to perform their specialized technical duties, inspecting agricultural and related goods entering the United States. Legacy Agriculture Inspectors may also apply for positions as CBP Officers. If selected they are sent to FLETC to complete the full basic CBP Officer training curriculum.

U.S. Immigration and Customs Enforcement (ICE) implemented a cross-training program for its agents. Newly hired criminal investigators participate in the ICE Special Agent Training Program (ICESAT) at FLETC. The 11 week course prepares graduates to enforce violations of Title 8 and Title 19.

In October 2003, the ICE Academy developed a "train the trainer" Special Agent Cross-Training Program to address the educational requirements of legacy Customs and INS agents. The cross-training curriculum is a modification of the ICESAT and provides exposure to both Title 8 and Title 19. As of March 20, 2004, approximately 830 legacy agents have been through the cross-training program.

The missions of DHS are incredibly broad ranging from counter-terrorism intelligence analysis to offshore fisheries enforcement to disaster response and recovery and foreign trade tariff collection. The wide scope of these missions requires further examination in an effort to achieve the most effective and efficient operational methods for the Department. The DHS regional concept of operations will offer recommendations on integration and information sharing within the regional office to ensure that regional staff is familiar with the roles and functions of their counterparts within the Department. Until the regional concept of operations is ready to be implemented, DHS regional and field employees are currently engaged in their distinct missions to support the Department's efforts to lead the unified effort to protect America.

Q4. **Technical Assistance. In your March 24th testimony, you testified that DHS's regional and field office plan will provide one-stop-shopping for technical assistance. How does DHS intend to implement its plan for one-stop-shopping?**

In the proposed regional concept, regional offices will serve as the primary strategic point of contact, coordination and outreach for all external stakeholders and will provide the "one-stop-shopping" role of external stakeholder requests for coordinated and integrated DHS capabilities. Through the regional structure, the Department will continue to promote and promulgate such consolidation efforts as the National Incident Management System which is designed to improve the effectiveness of all incident responses through intergovernmental collaboration and the implementation of Homeland Security President Directive 8 (HSPD-8) which instructs federal agencies and departments to improve the delivery of

federal preparedness assistance through the provision of a single point of access to information, grants, strategies and state capability standards.

Q5. **Best Practices. Page 5 of your testimony notes plans to establish a National Incident Management Center (NIMS) Integration Center as a focal point for first responders' best practices.**

a. Please provide more detail about how this center will evaluate lessons learned and employ best practices.

As required in Homeland Security Presidential Directive 5 (HSPD 5), the National Incident Management System Integration Center (NIC) is the mechanism by which the strategic direction of the NIMS and its continuous refinement is achieved within the Department. This center was stood up during the last week of May. Through a multi-jurisdictional coordination entity which includes representation from other federal agencies and departments, state, local, tribal incident management agencies; emergency responder and incident management professional organizations; and pertinent private sector and nongovernmental organizations, the NIMS management and maintenance process will rely heavily upon lessons learned from actual incidents and domestic incident training and exercises, and NIMS-component best practices to promote the continued improvement of incident management processes and operations throughout the nation.

The NIC will be responsible for 19 core missions in the management and maintenance of NIMS and its components. All of the core missions, including the establishment of a repository and clearinghouse for reports and lessons learned from incidents, training and exercises, as well as for best practices model structures, will serve as the basis of an effort to assess, update and improve how NIMS is implemented throughout the Department and with key external stakeholder partners.

b. How does DHS identify best practices that may already exist within legacy federal agencies?

The Department Leadership Team, which includes the Secretary, Under Secretaries and Agency Component Directors, meets on a weekly basis to discuss a wide range of departmental issues and operational priorities. Among the top priorities of these meetings is the identification of best practices within each of the directorates or component agencies to address specific programmatic efforts within DHS.

c. How does DHS apply those best practices department-wide?

Best practices that can be replicated department-wide may be communicated in a number of ways. The Secretary may issue guidance that directs

departmental entities to adopt a particular best practice. Under Secretaries may direct their components to implement a specific best practice initiative.

Q6. **Intersection with DOD. DHS is responsible for homeland security while the Department of Defense (DOD) is responsible for homeland defense. If the U.S. suffered another terrorist attack, these two missions could intersect.**

a. Does DHS intend to engage in cross-training activities with DOD personnel?

The Department is actively engaged with DOD on a number of operational, programmatic and training missions on a daily basis. To succeed in the mission of protecting America, DHS and DOD must work collaboratively on security operations, which require that our personnel be familiar with military-related processes, procedures and personnel. Through our continued engagement with our DOD partners, the Department will ensure that our personnel are familiar with the roles and functions of our counterparts in DOD.

b. In its plans to consolidate and co-locate regional and field facilities, is DHS considering the co-location of certain functions (e.g. staging areas and air missions) on DOD-owned or leased facilities? Would co-location provide cost efficiencies and assist in mission coordination? If so, do you have an estimate of expected cost savings?

The Department is currently examining an array of military-related issues of how DHS will coordinate with DOD to provide the very best security for America. The regional analysis currently underway will help identify potential cost efficiencies in operations and program delivery.

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