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NOMINATION OF HON. GORDON R. ENGLAND

HEARING

BEFORE THE

COMMITTEE ON GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

ON THE

NOMINATION OF HON. GORDON R. ENGLAND TO BE DEPUTY SECRETARY OF THE DEPARTMENT OF HOMELAND SECURITY

JANUARY 24, 2003

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NOMINATION OF HON. GORDON R. ENGLAND

FRIDAY, JANUARY 24, 2003

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 10 a.m., in room SD–342, Dirksen Senate Office Building, Hon. Susan Collins, Chairman of the Committee, presiding.

Present: Senators Collins, Stevens, Levin, and Pryor.

OPENING STATEMENT OF CHAIRMAN COLLINS

Chairman COLLINS. Good morning. The Committee will come to order. I would like to go slightly out of order this morning by calling on the distinguished Senator from Alaska, the President Pro Temp of the Senate, who is going to have the honor this morning of introducing our nominee before he goes to preside over the Senate.

Senator Stevens, if you would proceed with your comments.

OPENING STATEMENT OF SENATOR STEVENS

Senator STEVENS. Thank you very much, Madam Chairman. I do think it is an honor to have the opportunity to introduce to you and endorse Gordon England's nomination to be the Deputy Secretary of the Department of Homeland Security. I would ask you to put my full statement in the record as though read.

Chairman COLLINS. Without objection.

The prepared statement of Senator Stevens follows:

PREPARED STATEMENT OF SENATOR STEVENS

Mr. Chairman, Senator Lieberman, and Members of the Committee, I am pleased to appear before you today to strongly endorse Gordon England's nomination to be the Deputy Secretary of the Department of Homeland Security.

Secretary England is accompanied today by his wife, Dottie, and his daughter Megan.

I want to thank them for all the support they have given him in his current position at the Pentagon.

I know they will provide him that all-important support while he is at the Department of Homeland Security.

Daughter Megan is the mother of two children—Isabel and Theodore, or "Izzy" and "Theo." They are not here today, but I know the Secretary is justifiably proud of his grandchildren as a part of the family "team."

I have gotten to know Gordon England well since he took over as the 72nd Secretary of the Navy—almost 2 years ago. He is an extremely capable manager and has a proven leadership record in both the private and public sectors.

During his time in the Pentagon, Gordon England has done a tremendous job representing the Nation. In fact, he is one of the most respected members of the Bush team and is especially well regarded within the Navy.

He has earned the respect of uniformed and civilian members of the Department of Defense for a winning leadership style. Those on his staff know that he trusts them with responsibility but holds them to high standards.

As Secretary of the Navy, Gordon England leads a force of 472,000 sailors and 212,000 marines. He manages a fleet of 308 warships, 4,100 aircraft and an annual budget of over $110 billion—a very complex responsibility.

He understands that our country now faces an unprecedented array of difficult and dangerous challenges around the world.

He has the right mix of skills and capabilities to help lead our new Department of Homeland Security to address those challenges.

Gordon England is one of those rare people in Washington, D.C. who is truly willing to listen. This served him well as Secretary of the Navy and will make him even more successful as he and Tom Ridge pull together the many disparate agencies to create the Department of Homeland Security.

Ialso think it is important to say that Gordon England fully recognizes the importance of Congress' oversight responsibilities with respect to the new Department.

He understands that, without close cooperation with and support from Congress, the Department will hardly be able to perform its difficult duty of protecting the American homeland.

I know that he will make it a high priority to have a good working relationship with the Congress.

I am confident that the President has chosen the right leadership team to build this new Department. Gordon England will be a superb asset to Tom Ridge and I unequivocally give him my support.

Senator STEVENS. Secretary England is accompanied today by his wife Dottie and his daughter Megan, whom I have just met. I want to thank them for their support that they have given to my friend in his position at the Pentagon. I know they are going to provide him the all-important support while he is at the Department of Homeland Security. It is going to be a busy job for my friend.

His daughter Megan is the mother of two children, Isabel and Theodore, or Izzy and Theo. Why don't you just call him Ted? [Laughter.]

They are not here today but I know the Secretary is justifiably proud of his grandchildren and his whole family team.

Now I have gotten to know Secretary England very well since he took over as the 72nd Secretary of the Department of the Navy. He is an extremely capable manager, Madam Chairman, and has a proven record of leadership in both the public and private sectors. During his time at the Pentagon, Gordon England has done a tremendous job in representing our Nation. He has been one of the most respected members of President Bush's team and especially well regarded within the Department of the Navy and the whole Pentagon. He has earned the respect of uniform and civilian members of the Department of Defense for a winning leadership style. Those on the staff know that he trusts them with responsibilities but holds them to very high standards.

As the Secretary of the Navy, Gordon England has led a force of 472,000 sailors and 212,000 Marines. He has managed 308 warships, 4,100 aircraft and an annual budget of over $110 billion. That is a very complex responsibility. Senator Inouye and I, who have overseen the defense budget now for many years, really have learned to respect Secretary England. In fact were it not for a death in his family Senator Inouye would be with me today to recommend our friend.

Secretary England understands that our country now faces an unprecedented array of difficult and dangerous challenges around the world, but he has the right mix of skills and capabilities to lead

this new Department of Homeland Security and to address the challenges.

It is extremely important to me to let you know that Secretary England understands the responsibilities of Congress in terms of oversight. He has always responded to us when we have asked questions and he has been more than forward in coming to us to explain problems before they really develop into difficulties with the Congress. He has served well as the Secretary of the Navy and I think he will serve even a better role, a greater role for the United States as he works with Tom Ridge and pulls together the very disparate agencies that we have created within the Department of Homeland Security.

So I recommend him very highly, Madam Chairman. I thank you very much, my friend, and I hope you will excuse me.

Chairman COLLINS. Thank you, Senator Stevens. Your high praise means a lot to, not only the nominee, but to the Committee as well.

Today the Committee on Governmental Affairs is holding a hearing to consider the President's nomination of Secretary Gordon England to be the first Deputy Secretary of the Department of Homeland Security. One week ago this Committee considered the nomination of Tom Ridge to be the new Secretary of the Department, and on Wednesday the Senate voted unanimously to confirm Secretary Ridge in his new position. Gordon England will join Secretary Ridge at the helm of the new Department, which officially opens its doors today. My hope is that we will act very quickly to put the other half of this impressive team in place.

The time for an ad hoc approach to homeland security has long since passed. We may not have fully realized how outmoded our approach truly was before September 11, but we certainly do now. And there is much work still to be done.

The establishment of the new Department of Homeland Security will be the most significant restructuring of the Federal Government in more than 50 years. It will involve the merger of 22 agencies and some 170,000 Federal employees. Managing this new Department will pose extraordinary challenges. Indeed, in my judgment, Congress has not created two more challenging positions than Secretary and Deputy Secretary of the Department of Homeland Security since it established the Department of Defense in 1947.

I have no doubt whatsoever that Secretary England is extremely well qualified for this challenge. Gordon England currently serves, as Senator Stevens indicated, as Secretary of the Navy, a position that he has held since May 2001. I have had the honor of working very closely with Secretary England in my position as a member of the Seapowers Subcommittee of the Senate Armed Services Committee so I can attest firsthand to his character and his extraordinary ability.

Secretary England came to the Navy with an impressive portfolio of management experience. He served as executive vice president of General Dynamics Corporation at which he was responsible for two major sectors, information systems and international affairs. Earlier in his career, he served in various executive capacities at a number of divisions of General Dynamics. He holds a bachelor of

science degree from the University of Maryland and a master's degree in business administration from Texas Christian University.

But regarding his preparation for becoming Deputy Secretary for the Department of Homeland Security, it would be difficult to beat a tour as Secretary of the Navy. As Secretary, Gordon England headed a department with a budget of over $100 billion and consisting of 372,000 active-duty and 90,000 Reserve Sailors, and 172,000 active-duty and 40,000 Reserve Marines.

The Department of Homeland Security will bring together a civilian workforce of about 170,000. That figure always causes us to question how this Department could be managed. Secretary England has already overseen 190,000 civilians in the Navy. His extensive experience in managing large complex operations in both the public and the private sectors will serve him well as Deputy Secretary for the Department of Homeland Security.

Moreover, Secretary England's understanding of the Department of Defense will prove invaluable in developing the appropriate communications links and levels of coordination between the two Departments. The Department of Defense recently established the U.S. Northern Command, or NORCOM, to oversee and further develop land, aerospace, and sea-based military defenses of our homeland. It has also established a new Assistant Secretary of Homeland Security.

It will be critical for the new Department of Homeland Security to have free-flowing and constant communication with the Department of Defense as each Department performs its mission in defense of our homeland. Secretary England's knowledge will help ensure that the two departments work as a team, not at cross purposes.

Secretary England, I want to tell you that I believe our Nation is extremely fortunate to have you and Secretary Ridge leading this new Department. Both of you have the experience, the background, the conviction, and the character to take on this incredible challenge. I want to thank you for being willing to step up to the plate, and I also want to assure you that, as Chairman of this Committee, that I am committed to working with you and Secretary Ridge to make this new Department a success.

At this point I would like to give Secretary England the opportunity to introduce his family members. Senator Stevens did that to some extent but if we could have them stand as you introduce them.

Mr. ENGLAND. Senator, thank you. Also, thank you for those very nice words. Yes, let me introduce my wife Dottie and my daughter Megan from Austin, Texas. She is the mother of my two great grandchildren.

Chairman COLLINS. One of whom has been renamed Ted this morning, I believe. We are pleased to have you here this morning.

Secretary England has filed responses to a biographical and financial questionnaire, answered prehearing questions submitted by the Committee, and had his financial statement reviewed by the Office of Government Ethics. Without objection, this information will be made part of the hearing record with the exception of the financial data which are on file and available for public inspection in the Committee offices. Our Committee require that all witnesses

in nomination hearings give their testimony under oath, so Secretary England, I would ask that you stand and raise your right hand.

[Witness sworn.]

Secretary England, I believe you have a statement and I would call upon you to give it to us at this time.

STATEMENT OF HON. GORDON R. ENGLAND[1] TO BE DEPUTY SECRETARY OF THE DEPARTMENT OF HOMELAND SECURITY

Mr. ENGLAND. Madam Chair, thank you. First of all, thank you for the opportunity to be here, and all the Members of the Committee for giving me an opportunity to testify today. I do have a brief oral statement but I would ask that my written statement be submitted for the record.

Chairman COLLINS. Without objection.

Mr. ENGLAND. Thank you.

Before beginning, let me first thank President Bush and Secretary Tom Ridge for their leadership and vision, and for placing their confidence in me. Homeland security relies on partnerships and it is an honor and most humbling that they would make me a partner in this great national effort.

The Secretary has brought together an extraordinary team of patriots and public servants many of whom I have had the privilege to meet. No matter what agency or bureau they may hail from, they are resolute and united by the mission of homeland security, to protect the American people and our way of life from terrorism. For the first time we now have a single department whose primary mission is exactly that and which will help them do their jobs even better.

The effort to secure the homeland can be summed up as follows: Prevent terrorist acts, identify and reduce our vulnerability to terrorist threats, and ensure our preparedness to effectively respond and recover while saving as many lives as possible in the event of a future attack. To achieve those goals, the President's national strategy for homeland security, the Nation's first, identifies six critical mission areas the new Department will focus on, intelligence and warning, domestic counterterrorism, border and transportation security, the protection of critical infrastructure and key assets, defense against catastrophic threats, and emergency preparedness and response. Significant progress has already been made and continues to be made in each of those mission areas.

As Secretary Ridge indicated before this Committee, since September 11 this Nation has clearly improved its protective capabilities. Our maritime borders have been pushed farther from shore, our land border security has been tightened and walls torn down between the law enforcement and intelligence communities so we better know who is in our country and why. Tens of thousands of professional screeners have been deployed at every one of our commercial airports and thousands of air marshals are on our planes.

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[1] The prepared statement of Hon. England appears in the Appendix on page 23.
Biographical and professional information appears in the Appendix on page 28.
Responses to pre-hearing questions appears in the Appendix on page 37.
Responses to post-hearing questions appears in the Appendix on page 72.

We have acquired 1 million doses of antibiotics and instituted a major smallpox vaccination program.

Working with Congress, billions of dollars have been allocated for bioterrorism training and food and water security, and the President continues to work with the Congress on his proposed 1,000 percent increase in funding for first responders. In short, as Secretary Ridge said, the homeland is indeed safer and better prepared today than on September 11, but it will be safer tomorrow as we develop new capabilities through the Department of Homeland Security.

As Deputy Secretary, I will do whatever the President and the Secretary ask of me in order to achieve those goals and accomplish our mission of protecting the American people from terrorism. They have placed their confidence in me and I will do my utmost to repay that confidence. I believe my record and experience show that I am qualified for this task. I thank this Committee for their support and I look forward to taking your questions.

Chairman COLLINS. Thank you very much, Mr. Secretary.

Senator Pryor, in Senator Lieberman's absence you get to be the Ranking Member today and I wondered if you had any opening comments that you would like to make.

Senator PRYOR. I don't, thank you.

Chairman COLLINS. Secretary England, your responses to all the prehearing questions are going to be placed in the record but pursuant to Committee practice before we begin questions there are three standard inquiries that I ask of all nominees.

First, is there anything that you are aware of in your background which might present a conflict of interest with the duties of the office to which you have been nominated?

Mr. ENGLAND. No, Madam Chairman, I do not know of any conflicts in my background.

Chairman COLLINS. Second, do you know of anything personal or otherwise that would in any way prevent you from fully and honorably discharging the responsibilities as Deputy Secretary of Homeland Security?

Mr. ENGLAND. No, I am not aware of anything.

Chairman COLLINS. Third, do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of Congress if you are confirmed?

Mr. ENGLAND. Yes, I do agree. In fact, Senator, I will tell you in my experience as Secretary of the Navy, it is very important that we have this very close relationship with the Senate because I know that the people in the field rely on that relationship for them to get their job done.

That said, I have read that there are 88 committees in the Congress, so hopefully there are not 88 committees associated with it, but reasonably we will indeed interface with all the committees that is reasonable and practical to do so.

Chairman COLLINS. Thank you. Secretary England, the Directorate of Information Analysis and Infrastructure Protection within that new Department in some ways is the central nervous system that will receive intelligence and information as required from the intelligence and law enforcement communities. The Department then decides what the appropriate response to that information is.

Numerous reports have pointed to the need for better information sharing among Federal agencies and their State and local counterparts. In particular, just last month the Gilmore Commission concluded that intelligence and information sharing has only marginally improved since September 11.

How do you intend to work with the intelligence and law enforcement communities and other Federal agencies to improve this information sharing?

Mr. ENGLAND. Madam Chair, first of all you are absolutely right, this is a cornerstone of the Department because, in my judgment, the way the Department will operate we will do vulnerability assessments, we will understand the consequences of those vulnerabilities, and then we need to understand the threat. That will provide us an analytical basis in terms of how we proceed in this Department. So you are absolutely right, this information sharing is absolutely crucial.

Now the act itself makes all the intelligence data available to the Department of Homeland Security so we will receive all the data from all the agencies. We will work to have a collaborative environment to make sure the data is shared with us and that we also share data with other intelligence agencies.

So in my judgment, we will have the process in place and we will work very hard to make sure we have this sharing because it is the foundation of how we will proceed in the Department of Homeland Security, but it does appear to me that the act puts in place the appropriate regulation and requirement that all this data be shared among the intelligence agencies. So I am confident that we will indeed be able to proceed very effectively in that area, Senator.

Chairman COLLINS. One concern that I hear frequently expressed at the State and local level is that local law enforcement lacks access to information that might be useful in identifying terrorists in their midst. The police chief in Portland, Maine, Mike Chitwood, has told me many stories about his efforts to coordinate with the FBI, with other Federal law enforcement officials on matters of homeland security and he has told me that information sharing is the biggest obstacle that he faces.

Similarly, in a recent report by the Council on Foreign Relations, which was led by former Senators Hart and Rudman, the statement was made that some 650,000 local and State police officers continue to operate in a virtual intelligence vacuum. How do you balance the need to get information data down at the lowest possible level with concerns that the more people who have access to sensitive information, the more vulnerable it may be to being compromised?

Mr. ENGLAND. Senator, yesterday I had the opportunity—Secretary Ridge invited me to be on a phone conversation with him and he spoke to the homeland security advisors in all the States and he in fact addressed this issue because it is critical that we get the right intelligence at the local level. This is indeed a local program. It is very important that we make this program, not a Federal program, but a national program with local roots. Therefore, we will need to provide intelligence data at the local level.

We will have to determine what is appropriate in each case and, frankly, I have not had the opportunity to look at all those areas.

But it is evident to me that we do have to make information available at the local level if they are to be effective in carrying out their responsibilities. So there will be a program in place, and as you are aware, we do have an office for local and State government coordination so that office will be very important in working with the local personnel, both public and private, to make sure that we have the appropriate program in place. But it is important that we do this and we will have a program to bring this about.

Chairman COLLINS. I am very glad to hear you say that. I had suggested, along with my colleagues Senator Carper and Senator Feingold, that we actually have a Department employee stationed in each of the 50 States. I think at a minimum we need a good point of contact in each State, and we do need to remember that the ones who are on the front lines and are the first responders are not people working at headquarters in Washington. They are our police officers, firefighters, and our emergency medical personnel. I am very pleased to hear you state that commitment.

I want to raise just one other question with you before I turn to Senator Pryor for his questions during this round, and that has to do with privacy concerns about the new Department. Many of us have read about the project undertaken by the Department of Defense which has been called Total Information Awareness. On the one hand, Congress often criticizes Federal agencies for not having their computers talk to one another. On the other hand, when they do talk to one another and you start combining massive databases it raises concerns about the privacy rights of average Americans against whom there are no allegations of wrongdoing or suspicions.

How will you ensure that the new Department, in its need to gather and assess more information, does not tread on the privacy rights and the civil liberties of Americans, rights that are the very foundation of our country?

Mr. ENGLAND. Senator, first of all, as Secretary of the Navy I have been acutely aware that for 226 years Americans have gone forth to protect this Nation, and protecting this Nation is protecting our liberties and our freedoms and our privacy and all those things we hold dear. So it is very important in this environment that we not sacrifice what we have fought for for 226 years.

My feeling in this regard is that the privacy officer—as part of this Department there is a privacy officer—should be involved early in any programs, be involved early so we can make appropriate decisions, or bring those decisions to the Congress and the American people if indeed it is necessary that we have some sort of constraint, if that proves important in some circumstance, bring it before the American people so we can make those types of decisions. But we should have these vetted very early so they should not be issues as we proceed to protect and defend America.

But you are absolutely right, this is very important to our people, this is fundamental to our Nation, so we will have to be very careful in terms of how we balance this. I can assure you, however, I am very sensitive to this matter and it will get my full attention and we will consult with the Congress and other parts of the government as we proceed with programs that would have any aspect of privacy invasions for Americans.

Chairman COLLINS. Thank you, Mr. Secretary. Senator Pryor.

OPENING STATEMENT OF SENATOR PRYOR

Senator PRYOR. Thank you, Madam Chair. Thank you for being here this morning.

The first question or line of questions I have for you this morning is about your experience. You have a great resume and you bring a lot into this position. it is very encouraging to see what you have done and the things you have been involved with in the past. It seems like you have almost been preparing your whole life for this, and it is very encouraging to me as a member of this body. Have you ever been involved in establishing and setting up a new organization?

Mr. ENGLAND. Yes, I have, Senator, and I guess on both ends of this. At one point I was president of General Dynamics, now Lockheed, but at the time it was General Dynamics. It was about 26,000 employees and we were bought by Lockheed. So we were basically merged into another company. So at that point I was being merged into another company, so I understand and recognize the difficulties of doing that if you happen to be someone who is being brought into another organization.

Also, as the executive vice president of General Dynamics we bought a number of companies and we merged those into General Dynamics, and that was my responsibility. That was a new sector of the corporation. So I have worked on both sides of merging employees and responsibilities and I do understand the difficulties in that arena.

Senator PRYOR. You know from your corporate experience and your government experience, that in corporations there is what is subjectively known as a corporate culture where different companies over time pick up personalities and values that they have, that they run by and there is sort of a feel that you get inside a company when you work for a company or when you deal with a company. I think the same is true for government agencies. There is an agency culture.

It seems to me one of your challenges will be to take the best of the cultures of the employees and the divisions that are coming together and try to harmonize those, but to try to take the best and to establish at the foundation of this agency a great agency culture. Would you agree with that?

Mr. ENGLAND. You are absolutely right, Senator. I agree with you. What you would like to do, in my judgment, is you want to create a culture superior to any of the other cultures so that people will want to be part of this new culture. So that is a leadership issue. It is a management issue to establish that new culture that people want to be part of. But you are absolutely right.

Senator PRYOR. How do you do that?

Mr. ENGLAND. You do, as you said, you provide an environment for people to excel. So in my judgment, you create this whole environment for people to excel and that means you give them authority and responsibility, you provide them the correct work environment, the correct tools, you respect their contributions. So you provide an environment of mutual respect.

So, again, I believe this is a leadership issue that starts at the very top to set those standards that are important for the people who work there. But leaders do and can create better cultures for

people, and I believe all successful organizations have leaders who are very sensitive to that.

Senator PRYOR. I agree with you on that. I do think that falls on your shoulders and a small handful of people's shoulders to take the agency and get it established and launched in a very positive and productive way. Really, you have a rare opportunity, in my mind—I do not want to say to set up an ideal agency. There maybe is no such thing as an ideal agency, but to take an agency from the ground up and make it a model agency for all the others to look to and see as the way the Federal Government should work and ought to work. I hope you will take that challenge and go to work every day and try to get the Department of Homeland Security launched in the way it should be.

Mr. ENGLAND. I can assure you that is the objective of the Secretary and myself. We would like this to be a model agency going forward for the Federal Government.

Senator PRYOR. In your written statement you said, success must be measured by the capabilities we create with the resources we have. Now I am not trying to put words in your mouth but are you implying there that you need more resources than you currently have?

Mr. ENGLAND. No, I am not. I am really implying that you need to be able to measure what you are achieving before you put more resources into something. So they are linked but we need a system of measuring capability. That is not organization, not the fluff. We need to actually measure capability; what have we done to protect and defend America. That is what is important.

Senator PRYOR. What measure will you use? What standard, what system, how do you establish that?

Mr. ENGLAND. Typically when you establish standards and metrics you do this with the people doing the work itself because they need to buy into these measures. So you establish the measures with the people themselves. It is very important that you have the right metrics and measures because it drives the behavior and the direction of the organization. So this will be something that is both a top-down and a bottom-up type process and it is something that is to be accomplished.

My expectation is we would have some measures and metrics early in terms of the top level, but this is a long process. We will have to work this with the under secretaries, with the workforce themselves, but we will need measures and metrics. Definitely we will need to do that.

Senator PRYOR. It seems to me that one of the measures, and this is subjective and always the devil is in the details and in the definitions of trying to determine this, but it seems to me that one of the overarching measures should be that the new Department does the job better than the old system. That however you measure it, there should be some quantifiable way to determine that we are actually doing it better than we were in the old system because that is the whole purpose of the Department.

Mr. ENGLAND. You are absolutely right, sir. You do have to have that. You had the key words, a quantifiable way to measure. So when you say, something better than the old system, first you need a baseline to go from. So we need to establish that baseline and

have measures as we proceed into the future. But you are absolutely right, Senator.

Senator PRYOR. I think you are up to the challenge and I look forward to watching you operate over the next few years there. It is just so important to our country, I believe it is important to the country that we get this established in the right way, and get it off firm footing, and I am excited about the prospect of you being there. Thank you.

Mr. ENGLAND. Thank you very much, Senator.

Chairman COLLINS. Thank you, Senator Pryor. Senator Levin.

OPENING STATEMENT OF SENATOR LEVIN

Senator LEVIN. Thank you very much, Madam Chairman. Let me welcome Gordon England, an old friend. We worked together when he was working in Michigan, and then recently as Secretary of the Navy, where he has done a wonderful job. I look forward to your stewardship, your position here with this new Department. I think it is going to make it really critical in the success of this Department that the Secretary has a deputy such as yourself. I welcome you and your family. I congratulate you on your appointment.

The challenge I know has been laid out by our Chairman, Senator Pryor, and Senator Stevens who introduced you, and perhaps others. You know very well what the challenge is before you, how many agencies have to be pieced together, how many employees have to work together, be coordinated, have to be protected in their legitimate rights. That is going to be a major issue that we are going to be looking at.

There are a few things that I have raised along the way that have concerned me that I just want to highlight here for you. I cannot expect you to have the detailed answers to questions but I just want to share with you some of the concerns that I have had as this agency has been put together. Some of the privacy concerns I think have already been mentioned by our Chairman. I share those concerns.

Yesterday we adopted an amendment which Senator Wyden introduced along with Senator Grassley and myself and others relative to a project called the Total Information Awareness program which has been funded to some extent by DARPA, which the Congress, at least through the Senate's action last night has indicated we have got some real problems with. This is a program to develop and integrate information technology enabling the intelligence community to sift through multiple databases, sources, passports, visas, work permits, driver's licenses, credit card transactions, airline tickets, car rentals, and gun purchases to detect and classify and to identify potential terrorist activities, which is fine. But the potential for the invasion of privacy into the lives of ordinary citizens is huge.

We want you to be aware of the privacy concerns that this Committee and I think members of Congress generally have. We want to go after terrorists in the way which does not undermine or jeopardize the traditional rights of American citizens. We do not have to impinge on those basic rights and freedoms to do what we need to do to go after terrorism. So I just want to highlight that for you. I doubt even that you are familiar—perhaps you are—with that

one program that I mentioned, but that general concern I know has been highlighted by Senator Collins and others and I just wanted to add my voice to it.

One of the major concerns that I have had along the way has to do with where is the responsibility going to be located for the analysis of foreign intelligence? There was a major failure prior to September 11 in terms of the CIA and FBI sharing information with each other, with local law enforcement, and with other parts of the law enforcement community. We had a major gap there. If that gap did not exist and if the communication had occurred linking information which various agencies had about people who were involved in the attack, that attack may have been prevented. That is how serious an issue this is.

Currently that analysis is done at the CIA, at a place called the Counterterrorist Center, or the CTC, at the CIA. All of the law enforcement agencies are represented around the table at that CTC, and your agency will be represented.

There is language in the law creating the new agency which suggests that the new agency will duplicate that function. When we had the new Secretary, Governor Ridge, in front of us, he made it very clear that is not the intention—that it is not his intention. That is well and good and I applaud him for it because we have got to focus responsibility and accountability. We cannot blur it. We cannot diffuse it. We have got to focus it, wherever it is going to be. I think it is probably in the right place, by the way, and that the CTC is the principal place for the analysis of foreign intelligence. But you are talking about thousands of pieces of information coming into hundreds of analysts. If we do it right once we will be lucky. If we just do that right once. But it is critically important. Probably the most important thing we can do is to get our intelligence act together.

So as you undertake these new responsibilities I would hope that you would work with the governor to clarify where that responsibility is, through a statement of the governor, through, if necessary, an amendment to the statute. I can only say this, when that bill creating the Homeland Security Department came through this Committee there was a bipartisan effort to make it clear that that responsibility to analyze foreign intelligence would be focused, located principally in one place. We said where it is now, we want to improve it, streamline it, make sure it works well, but that was the place. If that is the wrong place, put it somewhere else. But we must have accountability. We must focus responsibility.

That language was dropped when the bill went through the Congress. That helped to create a legislative record, which also can create some confusion. So it is not just the final language which is not clear and suggests that maybe you are going to duplicate the function that the CIA has, but the legislative history here, dropping language which would have clarified also helps to create, it seems to me, some confusion about that issue.

So I again want to highlight that as a concern. Governor Ridge indicated very clearly what his understanding and intent was, and his willingness to make sure that there is no confusion in the law or in practice relative to where that responsibility is to analyze foreign intelligence. So I would ask you whether you will take a look

at that issue and work with the Secretary to clarify anything that needs to be clarified.

Mr. ENGLAND. Absolutely. Understanding the Secretary did make that commitment to you to work with you, and that is my understanding, and certainly I will support the Secretary in that regard, Senator.

Senator LEVIN. My final question, Madam Chair—oh, my time is up.

Chairman COLLINS. If you would like to proceed, go ahead.

Senator LEVIN. I just have one additional question. Thank you.

There has been some concern at the General Accounting Office about access to records and information in this agency and as far as I am concerned, they have a good basis for their concern. My question to you is, will you pledge that you will work with the General Accounting Office, give them access to records and other information and to other Federal officials as necessary?

Mr. ENGLAND. I certainly will. I guess I do not understand all the security aspects. There are obviously some things perhaps we cannot discuss. But I have been working with the General Accounting Office for a lot of years and I have a good relationship and I will certainly continue that relationship, Senator.

Senator LEVIN. They have the kind of clearance necessary, I can assure you. But just so long as you are aware of that problem. They are a watchdog. You folks are going to need some watchdogs.

Chairman COLLINS. In addition to this Committee? [Laughter.]

Senator LEVIN. Despite the, may I say, tenacity and brilliance of our Chairman—it is unsurpassed, and she is a fabulous watchdog in this Committee and some of its subcommittees have a good reputation in that regard—we need some watchdogs. We need some help, by the way. This Committee has used the GAO, as have some of our subcommittees as part of the oversight process. You need some oversight. You need some watchdogs. There is always resistance and there is always reluctance in the bureaucracy. It gets to the whistleblowing issue, it gets to a whole host of issues here which were not well done in the statute. But the GAO is critically important to us and I just want you to understand that and to work with them to help make it possible for you to have the oversight that you ought to welcome, any agency ought to welcome, and I hope that you will welcome it as well.

Mr. ENGLAND. I understand your point.

Senator LEVIN. Thank you.

Chairman COLLINS. Thank you, Senator Levin.

Secretary England, I want to turn to the issue of port security. Last August, Robert Bonner, the Commissioner of the Customs Service, described the security problem posed by shipping container traffic. He stated, there is virtually no security for what is the primary system to transport global trade. The consequence of a terrorist incident using a container would be profound. If terrorists used a sea container to conceal a weapon of mass destruction and detonated it upon arrival at a port, the impact on global trade and the global economy would be immediate and devastating.

Moreover, we all know that al-Qaeda likely knows how to use shipping containers. In October 2001, Italian authorities discovered a suspected operative hiding in a shipping container headed for

Montreal. He had cell phones, a computer, an airplane mechanic's certificate and a plane ticket from Montreal to Egypt.

We have taken some steps over the past few months to try to improve our port security, but what other initiatives or what priorities would you have in this area?

Mr. ENGLAND. First of all, Madam Chair, as Secretary of the Navy I do have a sensitivity about the whole port issue because it is also an issue with our Navy ports both here and around the world. But I do understand a number of initiatives have been taken. I do know, even our Navy worked with the Coast Guard immediately after September 11 to put some measures in place. I do not want to discuss in this open forum, but we did put measures in place after September 11, and understand that there have been measures put in place in terms of inspecting cargo at the source, not necessarily as it arrives in the United States, which certainly seems to be a very valid initiative.

I think long term though, this is going to be a technology issue because there is a limit as to how many places you can physically inspect. So I think this will be, long term, a technology issue; better sensors, better detectors, better ways to inspect. In the meantime, we will rely, I believe, on the inspection overseas at the source and selective inspections as cargo comes into the United States.

In terms of priorities, we do need to establish priorities and as I commented earlier, we need to look at the infrastructure vulnerabilities and then the consequences of our problem, and the probability of something happening in that area so we can establish some priorities in the Department, because it will not be possible for us on day one to just look at every single threat to America. So it is vitally important that IAIP section come up to speed very quickly and do this analysis so we can establish these priorities. That will drive the efforts of the Department, that analysis.

Chairman COLLINS. I do believe that your experience as Navy Secretary is extremely helpful in this area. I view port security as being an extremely high priority and I look at our ports as being our biggest vulnerability. So I do hope that your actions will reflect that concern.

Mr. ENGLAND. They will. Thank you, Senator.

Chairman COLLINS. The Maritime Transportation Security Act requires the implementation of background checks for a variety of port workers. That is another part of improving port security. Similarly, the USA Patriot Act requires those kinds of background checks for truckers carrying hazardous waste, yet a recent story in the *Wall Street Journal* suggests that not a single trucker nor a single longshoreman has been screened or has undergone any kind of background check, and that there is a lot of disagreement over who should be checked and whether individuals with a criminal history should be allowed to even have these kinds of jobs.

Do you have any kind of timetable for implementing those regulations? The USA Patriot Act, in particular, has been law for quite some time now and it is of concern that it appears there is no progress in implementing these background checks.

Mr. ENGLAND. Senator, I am not familiar with that specific plan. I just have not been with this agency long enough to understand those specific schedules. But it is the law so it needs to be complied

with, and I can assure you—I know when TSA comes into the Department that will be our responsibility and we will follow up on that. It is very important that we do those types of background checks so I will definitely have this as one of my action items, and as soon as I understand that schedule and the approach we will indeed get back with you, Senator.

Chairman COLLINS. I would appreciate that. Finally, Secretary England, the new Department includes an Office of International Affairs and I think we can learn a lot from other countries, particularly Israel, which unfortunately has a long history of preparing for and responding to terrorist attacks. Recently I met with two constituents who worked for the Maine Community Policing Institute, and much to my surprise both had been to Israel for training for first responders dealing with a terrorist attack.

How do you see the role of this office as far as harvesting the techniques or technologies that are available in other countries which might be useful to us in improving our homeland security?

Mr. ENGLAND. Madam Chair, this is international terrorism, so this is terrorism around the world, so a lot of countries are affected by international terrorism. It is important that we have a network around the world so we can share best practices, share technology, understand the kind of threats. The better we understand this internationally, we will be in a better position to protect and defend America. So I believe that is very important. We do have the special office for international. That office will be very important in terms of sharing our science and technology, understanding techniques developed in other countries, training could be shared between countries.

So again, this is a global threat and it will require a global response. So a fundamental approach of this Department will be to work internationally in this regard, Senator.

Chairman COLLINS. Thank you. Senator Pryor.

Senator PRYOR. Madam Chair, let me follow up on one of your questions a moment ago on port security. Now Arkansas is not really known as a port State but I do share your concerns about security and the overall impact it has on America's security. You mentioned that you think it may just boil down to a technology issue. Tell me what you mean by that.

Mr. ENGLAND. I am not sure it is just a technology issue, but it would seem to me that as time goes on we will need to develop better sensors and approaches. We do baggage screening at the airport today. That is basically technology does the baggage screening as opposed to people physically inspecting everyone's baggage. That would be very difficult, so technology has made that possible. We will need to look at similar approaches for international, and particularly detectors against specific types of threats.

So the S&T will be the foundation, at least long term. I hope it provides us some benefit even short term, but certainly long term we need to focus our energies on better detectors and non-invasive type of inspection. So I believe that will be important for cargo coming in, also for personal baggage and the like. So technology long term will be the answer, I believe.

Senator PRYOR. Do you know where we are in developing that technology? Does it already exist or is being worked on right now?

Mr. ENGLAND. Senator, one of the first efforts of the S&T Department will be literally to survey all the Federal labs, all the universities, see what is available in private industry to see if we cannot bring together some new disparate technologies into one cohesive integrated approach. So we may be able to make some progress. That is my hope. I am not sure it is my expectation, but it is at least my hope that we can bring different technologies together to solve some of these problems. We will have to wait and see. That is still work to be accomplished.

Senator PRYOR. Right, I understand that.

Now second line of question here relates to the collection of intelligence. It is kind of a practical question and that is, I know that the President gets very regular intelligence briefings. Will you all have a role in those briefings, do you believe?

Mr. ENGLAND. Senator, I do not know. I do not know what our role will be. I can get back to you with that answer but I have not been part of any of those conversations.

Senator PRYOR. One thing I am thinking of is that the Department of Homeland Security may from time to time have a different interpretation of intelligence information than do other agencies possibly. I am just wondering if there is a conflict of interpretation between your Department and other departments and other agencies. I guess I am wondering who will have the President's ear or will he get both interpretations, or do we know how that is going to work yet?

Mr. ENGLAND. Senator, I guess I would be surprised if there are different conclusions, because of I believe this is a very collaborative effort. I believe these are people of good faith working together to get the best answer. So I do not see that there is different analysis going on and arriving at different answers. This is the very best people we have working together to get the best answer for the Nation. So hopefully we are not going to have that situation that you are mentioning. My view is, again, very collaborative, very best people and we arrive at the very best answer for the country.

Senator PRYOR. I think that certainly should be the goal. It just seems to me that you all should have a seat at the table as the President and the White House are being briefed on all the intelligence and all the gathering that we are doing, not just in this country but around the world, and it should filter through your Department. Also I think you should have a seat at the table there when that is happening at the White House.

Mr. ENGLAND. We definitely have a seat at the table, I just do not know how data gets briefed to the senior executive of the country. But we definitely have a seat at the table.

Senator PRYOR. Madam Chair, that is all I have.

Chairman COLLINS. Thank you very much, Senator Pryor.

Secretary England, I have a few more questions but I am going to submit them for the record for you to answer in writing. I want to thank you very much for appearing before the Committee today. I think I can speak for my colleagues when I predict your speedy confirmation. I hope that the Committee will be able to have a markup on your nomination next week. I would ask that you promptly prepare answers to any questions that are submitted for the record. The hearing record, without objection, will be kept open

until 5 p.m. today for the submission of any written questions or statements. I do intend to schedule a markup on your nomination next week and my hope is that the Senate will act very shortly thereafter to confirm you.

Again, I want to thank you very much for being here today and for your willingness to continue to serve your country in such an important role.

Mr. ENGLAND. Madam Chair, thank you very much for your support and I look forward to being confirmed and working and contributing to the defense of America is this new capacity. Thank you very much for your support.

Chairman COLLINS. Thank you. This hearing is now adjourned.

[Whereupon, at 10:20 a.m., the Committee was adjourned.]

APPENDIX

PREPARED STATEMENT OF SENATOR LIEBERMAN

Thank you, Madame Chair. It's a pleasure to welcome Secretary England, who has earned my appreciation and respect as Secretary of the Navy. We have met in oversight hearings conducted by the Senate Armed Services Committee on which I serve, and by the Airland Subcommittee I have been privileged to chair.

Based on that experience, I have no doubt, Secretary England, that you will earn this Committee's confidence and make a highly honorable and effective Deputy Secretary of Homeland Security. Your qualifications are not in question, nor is your dedication. Throughout your entire professional career, you have demonstrated a unique readiness, willingness, and ability to help make America safer.

However, let me repeat something I said at the confirmation hearing for Governor—now Secretary—Ridge. It will not be enough for this Department to be led by public servants with good judgment, strong experience, and in-depth expertise in homeland security. Of course that helps tremendously. But more important than the quality of the officers is the quality of the orders—and in my view, since September 11, the Bush Administration has not proven itself bold enough, aggressive enough, or visionary enough to make America significantly safer.

Let me give you three quick examples.

First, intelligence. This Administration's failure to confront, much less fix, the fundamental problems that plague our intelligence community has been discouraging, disappointing, and I believe potentially dangerous.

The Homeland Security Act requires the new Department to create a single, all-source intelligence unit that will analyze information regarding any and all terrorist threats against Americans here at home. Its job, according to the legislation, is to prevent any type of terrorist attack against American civilians in the United States.

I'm troubled—and all Americans should be troubled—that the Administration seems to have decided, unilaterally, that the mission of the intelligence unit will be much narrower than that. Secretary Ridge is asserting that it will be focused on protecting our critical infrastructure—meaning our roads, information networks, energy grids, food distribution systems, and the like. Of course this is a critical priority, but I want to know—and the American people deserve to know—how other types of threats will be handled.

Right now, it appears that this Administration is designing an intelligence unit that in some cases will be more focused on protecting highways, bridges, and tunnels than on men, women, and children. But what happens if our government learns of a possible smallpox attack against the citizens of a major American city—an attack that isn't against our critical infrastructure at all? Under the Administration's current understanding of the new Department—which appears to have been shaped in deference to the FBI, CIA, and other entrenched interests inside the intelligence community—makes preventing such an attack secondary or peripheral responsibility of the new intelligence unit. To me, that's unbelievable and unacceptable.

Second, the role of the military. As Secretary England understands well, our armed forces have tremendous resources. There are 1.3 million people on active military duty, most of them in the United States, and about 900,000 members of our Reserves and Guard. That's 2.2 million defense personnel. We expect the Department of Homeland Security to employ about 170,000 people.

Taxpayers will invest almost $393 billion this year, money well spent, in their Department of Defense. The new homeland defense department will probably have a budget, and total resources, about one tenth that.

Now of course our military's principal activities will be and must be outside our borders. As we are learning in the effort to disarm Iraq, we need our forces to be strong. We need them to be flexible. We need them to be ready at any time.

But I believe at the same time we can and must us some of our defense assets more effectively here at home. Our Department of Defense has trained, disciplined, cohesive units with more experience in responding to crisis, more technology, and more expertise in dealing with chemical, biological, nuclear, and radiological weapons,than anybody else in government. It has created a new Northern Command to defend the United States. In this new kind of war taking place on a homeland battlefield, we must use all those resources optimally.

I've put forward some ideas on how to do that, primarily by applying some of the expertise and experience of our National Guard. I hope the Administration engages in this discussion and comes forward with some idea of its own. Secretary England, your experience will make you an invaluable contributor to this discussion, and I look forward to hearing your views.

Third, let me briefly discuss the role of the private sector.

"United we stand, divided we fall" is not a cliché. In the case of the war against terrorism, it is a truism—and a warning for us all to heed. This war cannot be won by government alone. We must be one nation under collaboration, one nation under cooperation. I hope Secretary England, who has extensive experience as an engineer and executive in the aerospace industry, is ready to think creatively about how best to engage private industry to better protect us from terrorism—because in the past 16 months, the Bush Administration has been far too passive on this front.

We're paying a price for that passivity. According to a report issued by the Council on Competitiveness in December, the vast majority of U.S. corporate executives do not see their companies as potential targets of terrorism. Only 53 percent of survey respondents indicated that they had made any increased security investments between 2001 and 2002.

And most of the security changes in the past year in the private sector have focused on "guards, gates and guns"—in other words, on protecting the physical security of buildings alone. Despite 80 percent of the respondents to the council's survey indicating they had conducted vulnerability assessments related to their physical plants, barely half have studied the vulnerabilities in their telephone and shipping networks, electric power supplies, and supplier companies—and even fewer companies had made any changes based on these assessments.

With 85 percent of our critical infrastructure owned by the private sector, this slow action ought to be a national concern, and correcting it ought to be a national priority.

Another are I believe we should instantly expect more productive public-private partnerships is in vaccine development. I've put forward a comprehensive proposal to ignite private development of the countermeasures we'll need to protect ourselves from the dozens and dozens of bioterror agents that might be used against us. Those medicines, antidotes and vaccines won't materialize by accident. Getting that done will take leadership from Washington.

Secretary England, thank you for your commitment to serve. Your country appreciates your public and private service over the course of the last 40 years, and values you focusing your experience, expertise, and management skill on this urgent new challenge.

I look forward to being a partner in your efforts—but I also look forward to pushing and prodding this Administration, which has so far moved too slowly and cautiously in closing our dramatic homeland security vulnerabilities.

Thank you.

PREPARED STATEMENT OF SENATOR SHELBY

Thank you, Madame Chair. I am glad to be here today.

As I supported Governor Ridge's nomination to be Secretary of the new Department of Homeland Security (DHS), I too will support Gordon England to be its Deputy Secretary. I have known him for many years and firmly believe that he possesses the personal qualities to make him the strong leader this office requires. In addition, his experience as Secretary of the Navy and in the corporate private sector make him more than well-qualified for the difficult job he will face in the formation and day-to-day operations of the Department of Homeland Security.

As we all know, the continuing threat of domestic terrorist attacks has placed the creation of the Department of Homeland Security on an accelerated schedule. In our haste to establish this Department, however, it is imperative that we do not lose sight of Department's mission—to protect Americans from the threat of terrorism. For the Department to truly make our country a safer place, it is crucial that the reorganization accomplish more than a mere shifting of agencies into one centralized bureaucracy/

I am glad to see that Homeland Security Act enacted into law last year provides at least the statutory framework to avoid this pitfall by creating an all-source fusion center for terrorism-related intelligence within the new Department. I wish that I could say that I am confident that the establishment of this analytical center will lead to an open and trouble-free flow of information between the Intelligence Community and DHS. Unfortunately, my 8 years of experience on the Intelligence Committee, leads me to conclude otherwise. I have seen agencies such as the CIA hoard information from other agencies to the detriment of national security. I have also observed incidents where the FBI did not "know what it knew" because of poor internal intelligence sharing. These sorts of breakdowns were a major problem identified by the joint Senate-House inquiry into the intelligence failures of September 11. If we do not learn from the mistakes that led to the tragic events of that infamous day, I believe we are destined to repeat them.

In order to avoid the failings of the past, the Department ofHomeland Security will need to challenge the status quo. The institutional habits of the CIA, FBI, NSA and others in Intelligence Community will no doubt be hard to break. DHS must not allow the difficulty of doing so to prevent it from accomplishing its mission of protecting the homeland. As I have said before, the success of this department depends on its ability to effectively analyze unevaluated intelligence. For this reason, it is crucial for DHS to exercise the full extent of the powers granted to it by the Homeland Security Act—especially § 202 which gives the Secretary statutory authority to access all needed reports, analyses, and unevaluated intelligence collected by Federal agencies.

While I am concerned about the willingness of the Intelligence Community to share information with DHS, I have no reservations about the abilities of Secretary England. In his capacity as Secretary of the Navy, he has served our country with honor and distinction. I believe that he will provide the leadership and wisdom needed to accomplish the enormous job he has been given. I therefore urge the Committee to act on Secretary England's nomination expeditiously so that it may be considered by the full Senate.

I thank you Madame Chair for the opportunity to address the Committee this morning.

PREPARED STATEMENT OF SENATOR LAUTENBERG

Madam Chair, I am pleased to be joining you, Senator Lieberman, and the other members of the Governmental Affairs Committee to consider the nomination of Navy Secretary England to be Deputy Secretary of the new Department of Homeland Security (DHS).

Secretary England and I had a good visit the other day, and I look forward to supporting his nomination. I expect that his nomination will move through the Senate as quickly as Governor Ridge's did earlier this week.

I would note that Secretary England had a distinguished career in the private sector at General dynamics before President Bush nominated him to head the Navy. I have always felt that successful businessmen make the best public servants!

Secretary England is well-suited for his new position. He has an academic background in engineering and business. His private sector experience was with one of the Nation's principal defense contractors. And, as Secretary of the Navy, he has been managing nearly 900,000 active duty and reserve Sailors and Marines and civilian employees. Moreover, as they say—there is the right way, the wrong way, and the Navy way. He certainly should be no stranger to dealing with strong-willed government agencies.

I would make several points for Secretary England as he takes on this new leadership role:

First: Make sure the new Department works effectively with the FBI, CIA, and other intelligence agencies.

It turns out that we had intelligence prior to 9–11 pointing to the potential targets, the method of attack, and even when they might occur. But because of the conflicting missions of our intelligence and law enforcement agencies and the unfortunate tendency to hoard information rather than share it we were caught unprepared.

It is still very unclear how intelligence and law enforcement information will be integrated. Your Department faces an enormous challenge to insure the right information gets to the right people at the right time.

In all candor, if we can't do that, then establishing the Department of Homeland Security will be an enormous waste of time and treasure. Even worse, it will promote a false sense of security.

Second: Keeping America safe will be a challenge. Keeping America safe without trampling on the civil liberties that make us a free people will be an even bigger challenge. Even as you aggressively pursue getting the information you need, you must be aware of and guard our citizen's constitutional rights and protections.

Finally, on a note closer to home, don't forget New Jersey.

Nearly 700 New Jerseyans lost their lives as a result of the 9/11 attacks. Because many New Jerseyans work in New York and Philadelphia, New Jerseyans would suffer from a terrorist assault on either city. New Jerseyans would be among the first responders arriving at the scene of an attack. New Jersey's medical and emergency response capabilities would be needed in the case of a severe attack.

New Jersey itself has 8.5 million people and several large population centers.

Moreover, we have plenty of critical infrastructure targets: ports, airports, tunnels, rail lines, chemical and nuclear power plants, etc.

I want to make sure that New Jersey's critical role in defending against and responding to terrorist attacks in he Northeast is taken into account when the DHS allocates resources to the States to bolster their security.

Secretary England, I want to wish you the best of luck in this new job, and I offer my pledge to work with you to meet these challenges that we all face together.

Thank you, Madam Chairman.

WRITTEN TESTIMONY OF SECRETARY GORDON ENGLAND
Senate Governmental Affairs Committee
January 24, 2003

Thank you Senator Collins, Senator Lieberman and all the Members of the Committee for giving me the opportunity to testify today.

Before I begin, I want to first thank President Bush and Secretary Tom Ridge for their leadership and vision -- and for placing his confidence in me. Homeland security relies on partnerships and I am honored and humbled that they would make me a partner in this great national effort.

The Secretary has brought together an extraordinary team of patriots and public servants. I have met a great many of them. No matter what agency or bureau they may hail from, they are resolute and united behind the mission of homeland security: to protect the American people and our way of life from terrorism. For the first time, we now have a single Department whose primary mission is exactly that – and which will help them do their jobs even better.

The effort to secure the homeland can be summed up as follows: prevent terrorist acts; identify and reduce our vulnerabilities to terrorist threats; and ensure our preparedness to effectively respond and recover while saving as many lives as possible in the event of a future attack.

To achieve those goals, the President's National Strategy for Homeland Security – the nation's first -- identifies six critical mission areas the new Department will focus on: intelligence and warning; domestic counterterrorism; border and transportation security; the protection of critical infrastructure and key assets; defense against catastrophic threats; and emergency preparedness and response.

Significant progress has been, and continues to be made in each of those mission areas. As Secretary Ridge indicated before this committee, since 9-11 this nation has clearly improved its protective capabilities. Our maritime borders have been pushed farther from shore. Our land border security has been tightened, and walls torn down between the law enforcement and intelligence communities, so we better know who is in our country and why.

Tens of thousands of professional screeners have been deployed at every one of our commercial airports, and thousands of air marshals are on our planes. We've

acquired a billion doses of antibiotics and instituted a major smallpox vaccination program. Working with Congress, billions of dollars has been allocated for bioterrorism training and food and water security -- and the President continues to work with Congress on his proposed thousand-percent increase in funding for first responders.

In short, as Secretary Ridge said, the homeland is indeed far safer and better prepared today than on 9-11 – and will be safer still tomorrow as we develop new capabilities through the Department of Homeland Security.

As Deputy Secretary, I will do whatever the President and the Secretary ask of me in order to achieve those goals and accomplish our mission of protecting the American people from terrorism. They have placed their confidence in me – and I will do my utmost to repay that confidence.

I believe my record and experience show I am qualified for this task.

As Secretary of the Navy, I managed a force of nearly 900,000 active and reserve troops and civilian employees, and a budget of more than a hundred billion dollars. In that role, I was charged by Secretary Rumsfeld with finding and eliminating waste and using the savings to improve our fighting capability. Such an effort, I believe, is critical in any large, complex organization. And as Deputy Secretary of the Department of Homeland Security, I will work with Secretary Ridge, the Under Secretaries and Congress to ensure that the resources allocated toward the protection of Americans from terrorism are actually used to protect Americans from terrorism.

Secretary Ridge said he would insist that measurable progress be made by the new Department and its component agencies. I could not agree more. At the Pentagon, a new initiative had to meet several criteria: does it benefit our troops and improve their ability to fight? Does it provide common good across the entire Department of Defense? And does it result in identifiable savings? Measuring our programs on how well they meet the criteria we assign to them must be a constant and consistent emphasis.

I believe the key test for homeland security is not inputs, but outcomes. Success must be measured by the capabilities we create with the resources we have. Capabilities to protect more people -- deter more terrorist acts -- and reduce and eliminate more vulnerabilities.

Our first and most immediate challenge, of course, is the merger. We must blend 22 separate work cultures and operating and management procedures into one cohesive organization, as seamlessly and expeditiously as possible to meet our deadlines. We must create a mindset in which each agency and the people within them calibrate their missions and responsibilities toward the primary mission of homeland security. At the same time, as Secretary Ridge has indicated, we cannot lose sight of the individual missions of each agency and our need to carry them out both during and after the merger.

I believe I offer some expertise on the matter. In addition to my public service, I have spent more than four decades working in the private sector. Part of that time I was a merger and acquisitions consultant. Later, at General Dynamics, I helped facilitate the merger of the Fort Worth Company with Lockheed.

I know from direct experience that merging large organizations takes great patience and open and constant communication. We must ensure that those affected are fully invested in the process and aware of its progress. After all, we are not moving chess pieces; we are moving people.

As Secretary Ridge has indicated, we must not allow invisible barriers to get in the way of our overall mission. As we build the Department, we will foster teamwork and a strong sense of pride behind our primary mission.

And we must act always with the understanding that homeland security is not just a federal effort, but a national one. We will continually cultivate partnerships with other agencies, state and local governments, the private sector and academia, and the American people themselves.

This is the largest reorganization of government in more than half a century. It is a great challenge. But the Transition Planning Office has laid the framework for a strong and sound organizational structure to accomplish these goals. I believe we are well on our way to creating a professional workforce focused on the protection of our homeland from terrorism.

Let me now talk about one of our greatest allies in this effort: technology. In fact, we have an entire directorate dedicated to Science and Technology. As a former member of the Defense Science Board, I especially look forward to "standing up" that Directorate.

Our ability to improve communication vertically and horizontally – to spot and capture terrorists and their deadly cargo – to quickly identify an outbreak of disease – and, of course, to merge 22 agencies into one Department -- all rely on technology.

As an Executive Vice President of General Dynamics, I was responsible for Information Systems throughout the company and I saw the transformative power of technology first-hand. I also learned the importance of ensuring that the technology was accessible and understandable by the entire company and those we worked with. We face the same challenge, on a much larger scale, with the creation of the Department of Homeland Security. As Deputy Secretary, I will work to ensure that challenge is met.

Science and technology are some of America's greatest weapons in this fight. They are a direct result of our innovative, entrepreneurial spirit. I believe that innovation and risk must be rewarded. In my experience, a good idea can come from anywhere. And that good idea must be able to travel up and down the chain of command, where it can be examined and acted upon for the good of the entire Department.

Finally, I want to echo the comments Secretary Ridge made on what he believes is the most valuable asset of the Department of Homeland Security: its people. I cannot say it better than he did: "New funding, technology and equipment are important – but no more so than the people who willingly serve in the new Department."

Secretary Ridge has done a superb job of ensuring that the federal employees whose jobs and lives are affected by this merger are at all times informed and engaged in the process, and that their workplace rights are protected.

As for myself, my door will be open to all 170,000 employees. I believe in treating public servants with the dignity and respect they deserve. Their support can make the difference between success and failure. And so they have my support.

As Secretary of the Navy, I traveled 75,000 miles, visiting more than 50 bases and I heard the hopes and fears of our men and women in uniform. I also, on several occasions, had to write letters of condolence to their families. These patriots risked and sometimes gave their lives for our freedom. Unfortunately, many of the employees of the Department of Homeland Security may also face similar risks.

You have my vow to do what it takes to make their jobs easier and safer. What they do for all of us will not be taken for granted.

Let me make one final point. One of the most promising aspects of homeland security, in my opinion, is something that President Bush and Secretary Ridge continually emphasize: its potential to make us not just a safer nation, but a better and stronger nation.

In creating new capabilities to protect the homeland, new spinoff benefits in science, technology, health and medicine, trade, and the economy may well emerge.

The terrorists who sought to make us weak with fear, will instead find that they have spurred us on to greater heights.

We face another defining moment in history. Our nation is at war with the third "ism" of my lifetime. It took a World War to defeat fascism and a Cold War to defeat communism. Now we are at war with terrorism.

History has not yet recorded how this war will be won. But we have an opportunity to begin writing that history today. And, with your approval, I look forward to being a part of it.

Thank you.

BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

A. BIOGRAPHICAL INFORMATION

1. Name: (Include any former names used.)

   Gordon Richard England

2. **Position to which nominated:**

   Deputy Secretary, Department of Homeland Security

3. **Date of nomination:**

   November 25, 2002 (intent to nominate)

4. **Address:** (List current place of residence and office addresses.)

   Permanent residence:

   Leased VA residence:

   Office: The Honorable Gordon R. England
   Secretary of the Navy
   1000 Navy Pentagon
   Washington, DC 20350

5. **Date and place of birth:**

   September 15, 1937
   Baltimore, Maryland

6. **Marital status:** (Include maiden name of wife or husband's name.)

   Married
   Dorothy Marie Hennlein

7. **Names and ages of children:**

8. **Education:** List secondary and higher education institutions, dates attended, degree received and date degree granted.

   Graduate, Mount St. Joseph's High School, Baltimore, Maryland – June 1955
   Graduate, University of Maryland, College Park, Maryland, BSEE – June 1961
   Graduate, Texas Christian University, Fort Worth, Texas, MBA – May, 1975

9. **Employment record:** List all jobs held since college, including the title or description of job, name of

employer, location of work, and dates of employment. (Please use separate attachment, if necessary.)

Engineer
General Electric
Light Military
Syracuse, NY
June 1961 to October 1962

Engineer
Honeywell Corporation (Gemini space program)
St. Petersburg, FL
October 1962 to October 1966

Avionic Design Engineer
General Dynamics Fort Worth Company
Fort Worth, Texas
October 1966 to July 1972

Program Manager
Litton Industries (E-2C Hawkeye Aircraft program)
College Park, Maryland
July 1972 to July 1973

Avionics Design Engineer and Director Avionics Systems (F-16)
General Dynamics Fort Worth Company (GDFW)
Fort Worth, Texas
July 1973 to July 1986

Vice President, Research & Engineering
General Dynamics Land Systems
Sterling Heights, Michigan
July 1986 to December 1990

President and General Manager
General Dynamics Land Systems
Sterling Heights, Michigan
January 1991 to July 1991

President & General Manager
General Dynamics Fort Worth Company
Fort Worth, Texas
July 1991 to March 1993

President & General Manager
Lockheed Fort Worth Company (GDFW prior to sale to Lockheed)
March 1993 to March 1995

Self employed
President
GRE Consultants, Inc.
Fort Worth, Texas
March 1995 to March 1997

Executive Vice President
General Dynamics Corporation
Falls Church, Virginia

March 1997 to May 2001

Secretary of the Navy
Department of the Navy
Washington, DC
May 2001 to present

10. **Government experience:** List any advisory, consultative, honorary or other part-time service or positions with federal, State, or local governments, other than those listed above.

Benbrook Texas City Council and mayor pro tem
1982-1986
no party affiliation

Member of the Defense Science Board from 1991 to 1996.

Member of the Defense Science Board Acquisition Sub-Panel
1997-1998

Member of the Defense Science Board Task Force on Globalization and Security
1998-1999

National Research Council	Vice Chairman of study on the Future of U.S. Aerospace Infrastructure 2000-2001

11. **Business relationships:** List all positions currently or formerly held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.

General Dynamics Corporation	Officer & Executive Vice President (formerly held)
GMM Investments, Ltd. (family partnership)	Managing Partner (formerly held)
Boeing Company	Consultant (unpaid – formerly held)
Texas Christian University	Member of Board of Visitors Neeley School of Business (formerly held)
Steyr Daimler Puch Spezialfahrzeuh AG	Vice Chair of Board of Directors (formerly held) (a business in which General Dynamics held a minority interest for the production and sale of armored vehicles in Europe)

12. **Memberships:** List all memberships and offices currently or formerly held in professional, business, fraternal, scholarly, civic, public, charitable and other organizations.

United Service Organization (USO)	Member of Board (formerly held)
National Defense Industrial Assn.	Member of Board (formerly held)
Goodwill Industries of Fort Worth	Member of Board (formerly held)
Goodwill International	Vice Chairman (formerly held)

13. **Political affiliations and activities:**

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

None

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

None

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $50 or more for the past 5 years.

GD PAC contributions (withheld from paycheck)

1997 - $2,600
1998 - $2,600
1999 - $2,600
2000 - $1,000

Personal Contributions

2002 – RNC President's Club - $1,000
2002 – Good Government Fund (Senator Kay Bailey Hutchinson, sponsor) - $5,000
2002 – Congressman Joe Barton Committee - $2,000
2001 – Kay Granger Re-Election Campaign Event, April 11, 2001 - $1,000
2000 – Johnson for Congress 2000 - $1,000
2000 – Texas Freedom Fund - $1,000
2000 –Friends of Max Cleland _$1,000
2000 – Tiahrt for Congress - $1,000
2000 – Re-Election Campaign of Cong. Chet Edwards - $1,000
2000 – Common Sense, Common Solutions PAC - $500
2000 – Lazio 2000 - $2,000
2000 – RNC Victory 2000 - $2,000
2000 - Texas Freedom Fund PAC, Inc. - $1,000
2000 – Kay Granger Campaign Fund - $1,000
2000 – Kay Granger Campaign Fund _ $1000 (by Dorothy H. England)
1999 – George Bush for President Exploratory Committee - $1,000
1999 – Feinsten 2000 - $1,000
1999 – Texas Freedom PAC - $1,000
1999 – Murtha for Congress - $1,000
1999 – Kay Granger for Congress - $1,000
1999 – Joe Barton for Congress - $1,000
1999 – Kay Granger Campaign Fund - $1,000
1999 – Re-election Campaign of Cong. Todd Tiahrt - $1,000
1998 – Snowe for US Senate - $1,000
1998 – Leahy for U.S. Senate - $1,000
1998 – Carol Keaton Rylander Campaign (Texas) - $500
1998 – Leahy for US Senate - $1,000
1998 – Governor Bush Committee - $500
1998 – Murtha for Congress - $500
1998 – 6th District Republican Association - $1,000

1998 – National Republican Congressional Committee Operation Breakout - $10,000
1997 – Shelby for US Senate - $1,000
1997 – Kennedy for US Senate - $500
1997 – Governor Bush Committee - $1,000
1997 – Joe Barton for Congress - $2,000
1997 – Kay Granger for Congress - $2,000
1997 – Kay Granger Campaign - $2,000
1996 – Friends of Ed Harrison - $1,000
1996 – Re-Elect Sheriff Williams - $250
1996 – RNC - Victory '96 - $1,000
1996 – Republican National Committee - $1,000
1996 – Gramm '96 Senate Re-Election Campaign - $1,000
1996 – Kay Bailey Hutchison for Senate Committee - $4,000
1996 – Norman Robbins for School Board - $500
1996 – Kay Granger for Congress - $1,000
1996 – Campaign to Elect Elaine Klos - $100
1996 – Democratic National Party - $500
1996 – Kay Granger for Congress - $1,000
1996 – Wendy Davis for City Council - $500
1996 – Norman Robbins for School Board - $500
1996 – Joe Barton for Congress - $1,000
1996 – Joe Barton for Congress - $1,000
1996 – David Williams for Sheriff - $250

14. **Honors and awards:** List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.

University of Maryland 2002 Distinguished Graduate Award

Henry Jackson Award for Public Service

Silver Knight of Management Award
National Management Association

Silver Beaver Award
Boys Scouts of America

Silver Award
National Defense Industrial Association

Selected to Aviation Heritage Hall of Fame

Institute of Electrical and Electronics Engineering Centennial awardee

Member, Beta Gamma Sigma (business)

Member, Omicron Delta Kappa (leadership)

Member, Eta Kappa Nu (engineering)

15. **Published writings:** List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.

Boston Herald – USS Constitution a reminder of our heroes, July 4, 2002

Washington Times – Chief Executive Transformed – September 10, 2002
Naval Institute Proceedings – One Team – One Fight – November/December 2002
Sea Power Magazine – Our Mission is Clear – December 2001
(copies attached)

16. Speeches: Provide the Committee with four copies of any formal speeches you have delivered during the last 5 years which you have copies of and are on topics relevant to the position for which you have been nominated.

Attached (also attached listings of all speeches made while Secretary of the Navy)

17. **Selection:**

(a) Do you know why you were chosen for this nomination by the President?

Successful leadership of the Navy-Marine Team in the war on terror and effective and efficient management of the Department of the Navy.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

As Secretary of the Navy, responsible for a large, diverse organization (380,000 Sailors, 176,000 Marines, 190,000 civilians and 120,000 reservists), covering an extensive range of technologies, programs and complexities. Position required very extensive management ability to plan, organize and equip the military in the war against potential conventional threats and also activity in the war on terror. Prior to becoming Secretary of the Navy, a career in the defense industry in increasingly senior positions producing superior defense systems for America's men and women in uniform.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate?

Already severed

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

No

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?

No

4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

No

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

Yes

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None

2. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy other than while in a federal government capacity.

None

3. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?

Yes

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. To your knowledge, have you ever been investigated, arrested, charged or convicted (including pleas of guilty or nolo contendere) by any federal, State, or other law enforcement authority for violation of any federal, State, county or municipal law, other than a minor traffic offense? If so, provide details.

No

3. Have you or any business of which you are or were an officer, director or owner ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No

4. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

E. FINANCIAL DATA

All information requested under this heading must be provided for yourself, your spouse, and your dependents. (This information will not be published in the record of the hearing on your nomination, but it will be retained in the Committee's files and will be available for public inspection.)

1. Please provide a personal financial statement which identifies and states the value of all assets of $1,000 or more and liabilities of $10,000 or more. If the aggregate of your consumer debts exceeds $10,000, please include the total as a liability.

   Please see attached approved SF278 financial disclosure form dated 1/03, approved by the Office of Government Ethics

2. Provide the identity of and a description of the nature of any interest in an option, registered copyright, or patent held during the past 12 months and indicate which, if any, have been divested and the date of divestment unless already indicated on the personal financial statement.

   None

3. Provide a description of any power of attorney which you hold for or on behalf of any other person.

   Power of attorney for my spouse, Dorothy Hennlein England

4. List sources and amounts of all gifts exceeding $500 in value received by you, your spouse, and your dependents during each of the last three years. Gifts received from members of your immediate family need not be listed.

   None

5. Have you filed a Federal income tax return for each of the past 10 years? If not, please explain.

   Yes

6. Have your taxes always been paid on time including taxes paid on behalf of any employees? If not, please explain.

   Yes

7. Were all your taxes, federal, State, and local, current (filed and paid) as of the date of your nomination?

   Yes

8. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

   No

9. Have any tax liens, either federal, State, or local, been filed against you or against any real property or personal property which you own either individually, jointly, or in partnership? If so, please give the particulars, including the date(s) and the nature and amount of the lien. State the resolution of the matter.

   No

10. Provide for the Committee copies of your Federal income tax returns for the past 3 years. These documents will be made available only to Senators and staff persons designated by the Chairman and Ranking Minority Member. They will not be available for public inspection.

    Attached

AFFIDAVIT

GORDON R. ENGLAND being duly sworn, hereby states that he/she has read and signed the foregoing Statement on Biographical and Financial Information and that the information provided therein is, to the best of his/her knowledge, current, accurate, and complete.

Subscribed and sworn before me this 2nd day of January, 2003

County of Arlington
State of Virginia

Notary Public

My commission expires 31 March 2004

PRE-HEARING QUESTIONNAIRE
FOR THE NOMINATION OF GORDON ENGLAND
NOMINEE DEPUTY SECRETARY OF THE DEPARTMENT OF HOMELAND SECURITY

I. Nomination Process and Conflicts of Interest

1. **Were any conditions, expressed or implied, attached to your nomination? If so, please explain.**

A. No

2. **Have you made any commitments with respect to the policies and principles you will attempt to implement as Deputy Secretary of the Department of Homeland Security (DHS or Department)? If so, what are they and to whom have the commitments been made?**

A. No

3. **If confirmed, are there any issues from which you may have to recuse or disqualify yourself because of a conflict of interest or the appearance of a conflict of interest? If so, please explain what procedures you will use to carry out such a recusal or disqualification.**

A. I do not anticipate any conflicts but will continue to endeavor to be alert to potential issues. Toward this end, I have completed SF278, the Executive Branch Public Financial Disclosure Report for 2002 for the Office of Government Ethics and for this Committee to review. I have also signed a separate ethics agreement that details any potential conflicts of interest and my commitment to recuse myself from any activities that may present a conflict of interest. However, to the best of my knowledge, there are no issues that will require my recusal or disqualification. In addition, I am happy to continue to work with the Committee regarding these submissions.

II. Role and Responsibilities of the Deputy Secretary of Homeland Security

4. **How do you view the role of the Deputy Secretary of Homeland Security? What would you highlight from your experience in the public sector as well as the private sector that will enhance your effectiveness in this role?**

A. The Deputy Secretary, along with the Secretary of Homeland Security, constitutes the office of the Secretary in the new DHS organization. Accordingly, the responsibilities of the Deputy Secretary are the same as the Secretary's; namely, the protection of the American people. We will not be able to stop all attempts by those who wish to do harm to America, but we will ensure that everything possible is done to deter terrorists, protect our nation, and be prepared to respond to incidents if they do occur.

Currently, I serve as Secretary of the Navy with responsibilities for approximately 190,000 civilians, 375,000 Sailors, 175,000 Marines, 80,000 Naval reservists, 20,000 Marine reservists and a contractor workforce of approximately 200,000 people and an FY '03 budget of approximately $110B. Accordingly, I have experience dealing with very large, complex organizations.

Prior to becoming Secretary of the Navy (confirmed May 2001), my industry experience was running complex organizations, including mergers and acquisitions.

5. **What do you expect the role of the Deputy Secretary will be in relation to the Secretary and his statutory responsibilities?**

A. Clearly, my main responsibilities will be to support the Secretary in implementing plans to better secure the United States. If confirmed, the Secretary and I will define these roles; however, my expectation is that the Deputy Secretary will deal with planning, organizing, directing and controlling the organization on a day-to-day basis.

6. **What would be your priorities as Deputy Secretary?**

A. My priorities are the same as the Secretary's – to prevent future terrorist incidents from occurring on American soil, protect the American people and their assets, and should another terrorist attack occur, ensure that every level of society is as prepared as possible to respond to those incidents.

III. Policy Questions

Transition and Reorganization Planning

7. **Field structures, policies, and operations vary considerably among the agencies transferred to DHS. Different field structures and authorities may be necessary for federal homeland security support and oversight. Under the Homeland Security Act of 2002 (HSA), DHS is to submit to Congress, within one year, a plan for consolidation and co-locating all or portions of regional offices or field offices affected by the DHS change.**

   - **How should DHS approach assessment of existing regional and field structures?**
   - **What criteria should be used to determine which offices will be consolidated or co-located?**

   A. Congress, through the HSA, provided some direction with respect to consolidation and location of regional field offices. As a matter of policy, we

should decentralize the decision making within the Department to provide as much authority and responsibility as possible at the local level.

While definitive criteria need to be established, the criteria should consider the density of critical infrastructure within a region, similarity of critical infrastructure, population density and the like. While we have made some initial internal assessments with respect to the regional structure, I am not able to provide a full review at this time, but will be happy to come back and brief the Committee when the plan is fully developed.

8. **DHS, in addition to its homeland security responsibilities, will be responsible for carrying out the other functions of transferred agencies and programs, while creating an effective and efficient structural unit. How should DHS ensure that overall homeland and non-homeland security performance is maintained during the transition?**

A. In my preliminary judgment, the reorganization of the DHS should be transparent to the men and women who perform both the overall Homeland and non-Homeland Security functions currently being undertaken by independent agencies. By way of policy, once the DHS organization is determined, the processes of that new organization should be reasonably well defined and verified prior to making changes that could affect performance.

9. **The HSA requires DHS to ensure that agency functions not directly related to homeland security are not diminished or neglected. Some have expressed concerns that non-homeland security missions over time may not receive adequate funding, attention, visibility, and support within the Department. What will you do as Deputy Secretary to ensure that proper attention is given to non-homeland security missions?**

A. The responsibility of the management team at DHS is to ensure that both Homeland Security and non-Homeland Security missions receive adequate funding, attention, visibility, and support within the Department. A management approach that works well in all successful organizations is to establish goals, objectives, measures and metrics to assure that performance levels are being achieved. As Deputy Secretary, I would work to implement such a system across the Department.

10. **The initial phases of the DHS transition efforts--such as planning for consolidating multiple financial and management information systems among agencies— are scheduled to have begun. What, if any, transition efforts have been accomplished to date?**

A. While understanding that considerable transition planning efforts have been accomplished, I am not familiar with specific planning for consolidating the multiple financial and management information systems among the various agencies. In my judgment, this will take considerable time to accomplish. While consolidation is

certainly desirable, it is only necessary that they be interoperable until a new financial and management consolidation system is incorporated. Further, the new system should likely be commercial based to assure rapid and high confident implementation. Should I be confirmed by the Senate, then I will become more familiar with the efforts of the transition planning office and how those efforts might be used to accelerate implementation activities within the new Department.

11. **According to the General Accounting Office, research suggests that failures to consider and address many people and cultural issues are at the heart of unsuccessful mergers, acquisitions, and organizational transformations. Key practices that the GAO believes can successfully address many issues, including (1) ensuring top leadership drives transformational change, (2) establishing a coherent mission and integrated strategic goals to guide the transformation, (3) focusing on a key set of principles and priorities at the transformation's outset, (4) setting implementation goals and timeline from day one, and (5) dedicating an implementation team to manage the transformation process. How are these practices reflected in current DHS transition planning and activities?**

A. My experience parallels the General Accounting Office report regarding the need to consider and address many people and cultural issues if a successful merger, acquisition and organization transformation is to be made. These were the same principles that I personally espoused during my corporate experience and as Secretary of the Navy. During my limited time consulting with the transition planning office, these same issues have been stressed and will be a key part of implementation within DHS. These are leadership issues, and they will be addressed directly by both the Secretary and Deputy Secretary.

12. **Communications with the DHS workforce will be especially critical during transition to align employee efforts and organizational goals and allay and address employee concerns. What steps have been taken and are planned to establish two-way communications designed to achieve a shared vision and develop appropriate human capital policies and practices?**

A. I was impressed that Governor Tom Ridge has already addressed an employee cross section of the affected agencies to allay concerns. Two-way communications between employees and the management team is essential for any successful merger, and, as Deputy Secretary, I will work closely with the Director of Public Affairs and the Chief Human Capital Officer to ensure that communication channels are direct and unimpeded.

13. **Communications with partners external to the DHS community are also important as the transition proceeds. What communications strategy is underway, or planned, with other stakeholders such as Congress, other federal agencies, state and local governments, and key private sector industries?**

A. My view is that keeping our external partners, including Congress, informed is a critical component to the success of this endeavor. Indeed, the Homeland Security Act calls for

the establishment of an Office of State and Local Coordination within the Office of the Secretary to ensure that State and local governments and the private sector have a single point of contact with the Department. Further, the Department of Homeland Security will fully participate in the interagency process at the White House to ensure government-wide policies are coordinated with the affected agencies. These are the procedures that I employed while Secretary of the Navy, and will continue to do so, should I be confirmed as Deputy Secretary of the Department of Homeland Security.

14. Effective DHS oversight will be critical to ensuring accountability. The HSA contains numerous implementation-reporting requirements to the Congress by DHS and the Congress' General Accounting Office (GAO). How should DHS institute a productive working relationship between DHS, Congress, and the GAO so that Congress can effectively carry out its oversight responsibilities?

A. I fully recognize the importance of Congress' oversight responsibilities with respect to DHS. Indeed, without close cooperation with and support from Congress, the Department will hardly be able to perform its difficult duty of protecting the American homeland. I also recognize that the GAO has unique responsibilities in keeping Congress informed by carrying out investigations and evaluations of the performance of the agencies involved in homeland security, including now DHS. In expect to have good working relationships with both Congress and the GAO during my tenure as Deputy Secretary, and will make doing so a high priority.

15. As Secretary of the Navy, what interactions have you had with the Office of Homeland Security?

A. As Secretary of the Navy, there have been no interactions with the Office of Homeland Security other than as the recipient of overview briefings. However, I have been reading materials and consulting with OMB's Transition Program Office since the President's intent to nominate me was announced on November 25, 2002.

16. The Hart-Rudman report concluded: "A year after September 11, 2001, America remains dangerously unprepared to prevent and respond to a catastrophic terrorist attack on U.S. soil." What is your assessment of the federal government's current efforts to protect the country against terrorism?

A. I have not been involved in the civilian response to the attacks on the United States on September 11, 2001, and, therefore, without speculation, I cannot provide an accurate assessment of the current efforts. However, as Governor Ridge has said many times, much progress has been made in many areas, but much more needs to be done. Prospectively, the *National Strategy for Homeland Security* will help to prepare our Nation for the work ahead in several ways. It provides direction to the federal government departments and agencies that have a role in homeland security. It suggests steps that state and local governments, private companies and organizations, and individual Americans can take to improve our security and offers incentives for them to do so. It also recommends certain actions to the Congress. In this way, the *Strategy* provides a

framework for the contributions that we all can make to secure our homeland. The *National Strategy for Homeland Security* is the beginning of what will be a long struggle to protect our Nation from terrorism.

Strategic Planning and Reporting

17. **Inevitably DHS will need to set priorities in addressing risks. For example, concerns related to border security or visa processing may have priority over other areas in which current approaches may be more effective, or in which fewer risks are apparent.**

- **How has the federal government set priorities for addressing risks in the period since September 11?**
- **Who has been involved in this decision-making?**
- **Has there been, or if not, should there be, an independent evaluation of this process?**
- **In your view, what are the areas facing the greatest risk and thus the highest priority?**
- **How should these risk areas be initially approached by DHS?**

A. As I stated in a previous question, I have not been involved with the civilian response to the attacks on the United States on September 11, 2001. Additionally, I do not think it is appropriate for me to comment in an open forum on the risks to the United States relative to funding priorities. It is evident to me, however, that in a general sense, the Department will need to establish many priorities as a function of the greatest risk to the citizens and national assets. Indeed, as part of the President's *National Strategy for Homeland Security*, and in conjunction with our private sector partners, vulnerability assessments of our Nation's critical infrastructure has already begun. This cooperation has included the identification of infrastructures and assets of national-level methodologies and best practices, and enabling cooperation between federal departments and agencies, state and local governments, and the private sector. The creation of the Department of Homeland Security will provide greater uniformity and comprehensiveness to these efforts. Specific timetables for conducting comprehensive vulnerability/risk assessments and the setting of action priorities will be included as part of the National Infrastructure Protection Plan mandated in the Homeland Security Act of 2002. If confirmed by the Senate, I will address these issues and be happy to respond to you after priorities are identified and established.

18. **The Government Performance and Results Act (GPRA) provides a framework for federal agencies to achieve greater program and operational accountability. There has been ongoing difficulty with many federal agencies setting adequate performance goals, objectives, and targets.**

- **What specific direction and criteria should DHS managers be provided regarding setting performance goals and measures?**

A. In all organizations, performance goals and measures are foundations to efficiency and effectiveness. Therefore, I will strive to require DHS managers to establish specific goals and measures.

- **How should DHS go about setting strategic and annual performance goals?**

A. My experience is that the setting of the strategic and annual performance goals is both a bottom up and top down process requiring the involvement of top managers and those responsible for achievement. If confirmed, I will establish a similar process within DHS.

- **What planning consultation should DHS do internally and externally?**

A. Clearly, the establishment of strategic and annual performance goals will require the input of all levels of the workforce.

- **How should DHS ensure that GPRA principles are implemented and sustained within DHS?**

A. As previously cited, GPRA principles are fundamental to any organization's efficiency and effectiveness. It is important to have metrics and measures throughout the organizations for top managers to assess organizational effectiveness and for the organization to know what actions are to be taken at each level of the organization to meet top level goals and objectives.

19. Strategic goals provide direction for the Department, and are the starting point for annual performance goals and measures. What strategic goals should be set for DHS in its first year?

A. Clearly, the overall goals of the Department will be to prevent further terrorist incidents from occurring on American soil, protect the American people and their assets, and should another terrorist attack occur, ensure that every level of society is as prepared as possible to respond to those incidents. However, we need to refine these strategic goals into measurable, discrete objectives. Governor Ridge and I are currently working with the staff to establish goals specific to each of the Directorates.

20. The Director of the Office of Management and Budget (OMB) has indicated that federal agencies—especially those agencies with homeland security missions—can expect increased oversight and more pressure to demonstrate performance in order to receive funding increases.

- **What, if any, risks might there be associated with linking funding for homeland security activities directly to agency performance?**

A. For some aspects of the Department of Homeland Security, it could be quite logical to link funding directly to agency performance. However, as threats to America are better understood or new threats develop, it could be very important to provide funding without any prior performance baseline. These policies will need to be developed as better experience is gained within the Department.

- **What specific steps should be taken to hold DHS executives accountable for performance?**

A. Once performance goals and objectives have been established, DHS executives should be held accountable. Recognize, however, that this is a shared responsibility. It is important that a partnership exist between the Congress, DHS and other agencies for many of the Department programs to be successful.

21. The Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, sometimes referred to as the Gilmore Commission after its chairman, former Virginia Governor Jim Gilmore, concluded in a report released on December 15, 2002, that a "system must be designed to define priorities, set standards, and measure progress to advance to real preparedness."

- **Do you agree with the Panel's premise that no such system to "define priorities, set standards, and measure progress" currently exists?**

A. While I am not familiar with the specific recommendations of the report by the Gilmore Commission, as my responsibilities as Secretary of the Navy have been more focused on the international war on terrorism, I do know that the President's *National Strategy for Homeland Security* provides a roadmap that is focused on producing results. In addition, the Department of Homeland Security was created to clarify lines of responsibility for homeland security in the executive branch and will take responsibility for many of the initiatives outlined therein. If confirmed as Deputy Secretary, I will work with the Secretary and the management team to implement the initiatives outlined in the National Strategy.

- **Would you agree that such a system is necessary?**

A. Yes.

- **How should such a system be designed and implemented?**

A. This is a top down and bottom up process. It requires a team approach to assure that goals are demanding yet can be achieved.

- **What role do you foresee for DHS in this process?**

A. The new Department would take responsibility for many of the initiatives outlined within the *Strategy*. When possible, the *National Strategy for Homeland Security* designates lead executive branch departments or agencies for federal homeland security initiatives. The Strategy also makes recommendations to Congress, state and local governments, the private sector, and the American people.

Acquisition Management

22. DHS will be faced with the challenge of integrating the procurement functions of the transferring agencies. Each incoming procurement office is likely to have its own procedures and policies and ways of doing business.

- **What plan should DHS have to accomplish the task of integrating the various incoming procurement organizations?**

A. It may not be necessary to integrate all of the various incoming procurement organizations but rather to provide policies, strategies, direction and oversight to assure that standards of performance across the organization are met. However, as Section 701 specifies, the Secretary, acting through the Under Secretary for Management, is ultimately responsible for procurement at the Department.

- **Should DHS centralize the procurement function across DHS, or should each constituent organization handle its own procurements?**

A. My own management style favors decentralization for implementation and centralization for policy, strategy, oversight and standards. However, the approach depends on the complexity of the service or product being procured, the complexity of the operating systems themselves, etc. As we begin to stand up the Department and work with procurement officials from across the 22 agencies, we will strive to ensure that an effective and efficient operation that is also conscious of wise expenditure of taxpayer resources is implemented.

23. According to the GAO, at many leading companies, a high-level procurement executive or chief acquisition officer plays a critical role in implementing a strategic approach to acquisition.

- **Where in the organization should DHS place its top procurement official?**

A. My understanding is that the HSA (Section 701) specifies that the Secretary, acting through the Under Secretary for Management, is ultimately responsible for procurement at the Department.

- **How will you as Deputy ensure that this official can exercise the right degree of leadership and "clout" to ensure that duplication and inefficient procurement practices are avoided?**

A. A close working relationship between the Under Secretary for Management and the Office of the Secretary would be a good start to ensuring that the procurement system is effective and efficient. Although firm decisions in this area will not be made until a better understanding of the various procurement activities across the various parts of the organization is gained, it is my general philosophy that the procurement official will establish policy, strategy, oversight and standards.

24. In the HSA, Congress provided DHS with a range of new authorities to acquire goods and services in a streamlined manner. In other federal agencies, GAO has raised issues about cost and schedule overruns, inadequate oversight of contracts, and an inability to hold contractors accountable. In exercising the provided procurement flexibility, DHS needs the right internal controls to ensure that its streamlined procurements address DHS' true needs.

- **What specifically should DHS put in place to ensure strong systems and controls for acquisition?**

A. In my judgment, the most important aspect of procurement for control of cost and schedule is to assure that from the beginning of the process, the requirements are accurate, complete and fully understood by the contractor. Cost and schedule overruns can generally be avoided if all parties understand requirements and the contract is clear and unambiguous.

- **What specific steps should DHS plan to create a strong DHS capability to oversee and manage contractors?**

A. The procurement official reporting to the Under Secretary of Management will be an expert in this area, and I will look to that official to define a process to manage and oversee contractors. Additionally, I believe that there should be additional mechanisms in place, stipulated prior to the project's commencement, to assure that the project has been completed to the Department's specifications. While each project may require a different set of requirements, if, at the outset of the establishment of the new procurement system, we are able to create a department-wide culture that does not tolerate cost and schedule overruns, we will be well on our way to ensuring an effective and efficient system. Again, clear and unambiguous requirements are the foundation.

25. Many federal agencies transferring to DHS will bring with them renewable contracts. What should be the DHS strategy in dealing with these contracts?

A. In my judgment, the Under Secretary for Management, assisted by the Office of General Counsel and the Under Secretaries of the four Directorates, and representatives of other

DHS divisions, should conduct an internal audit and inventory of such contracts in order to determine which of them can and should be renegotiated or extended and which of them might be consolidated for purposes of efficiency and cost savings.

Information Technology Management

26. The HSA Act makes the Secretary responsible for ensuring that the information systems and databases of the various agencies being moved into the Department are compatible with one another and with appropriate databases throughout the Federal government. If you are confirmed as Deputy Secretary, do you anticipate playing an active role in effectively managing DHS's vast information technology resources? What role do you believe the Deputy Secretary should play in information technology management vis-à-vis the Department's Chief Information Officer? What are the major challenges you foresee in accomplishing this objective?

A. I agree with Governor Ridge's approach regarding Information Technology Management. The Department's CIO, working with the CIOs from the incoming agencies, will create a plan within 120 days following March 1, 2003, to address integration and interoperability of the department's information systems. Based upon the priorities and mission objectives set by each Under Secretary of the new department, and approved by the Secretary and myself, the CIO plan will identify and prioritize opportunities for integration and interoperability across mission critical systems, department-wide systems, and information technology infrastructure.

Management Philosophy

27. A major challenge facing the new Department will be finding the balance between management centralization and decentralization as they pertain to where organizational decisions will be made, constraints imposed on individual decision makers, and who will be involved in making decisions. What management philosophy do you believe DHS should follow regarding centralization and decentralization?

A. My management philosophy is generally leaning toward more decentralization for implementation. However, it will require study and analysis to determine the appropriate organization structure for DHS. Governor Ridge and I have begun this review with the heads of the affected agencies, with the Under Secretary-designees, and other key leadership. It is important to establish these foundations early so that everyone in the new Department understands the new direction.

Civil Rights within DHS

28. Ensuring the civil rights of the 170,000 employees being transferred into the Department will be a critical challenge, as it is at other agencies, and will have a

major effect on the morale of the employees charged with protecting our nation's domestic security.

- **If you are confirmed as Deputy Secretary, how will you ensure that DHS develops into a model federal agency with respect to civil rights and anti-discrimination policies and performance?**

A. Governor Ridge has clearly expressed his views on this subject, and the Governor and I are in complete agreement. From the earliest discussions of the creation of the Department, the Administration has placed a high priority on ensuring that our homeland security efforts are fully consistent with the traditional rights and liberties of American citizens. While I intend to make certain that all employees of the Department take care to respect the civil rights and civil liberties of our fellow citizens, appointing an officer for Civil Rights and Civil Liberties is a good way to maintain focus on this important set of concerns.

I view the role of this officer as one who will review and evaluate any and all allegations that employees and officials of the Department have violated civil rights or civil liberties. Additionally, this person should reach out to the public to ensure that affected citizens will know how to make such allegations or complaints. As such, I will, subject to the ultimate review and control by myself and the Secretary, direct the Department's constituent agencies and programs to cooperate with inquiries and actions by the Officer.

Clearly, respecting the civil rights and civil liberties is an important part of the job of the Department as it goes about strengthening our homeland security. Should I be confirmed by the Senate, I will use my tenure to look for opportunities to communicate this view internally, as well as meet with groups from outside the Department concerned about these issues.

- **What has been your experience in addressing this issue in other institutions and what have been your major accomplishments?**

A. As both an industry executive and as Secretary of the Navy, my management philosophy has always been to treat everyone equally and with dignity and respect, recognizing that no one in the organization is more important than anyone else. As in industry, in the Department of the Navy, we have individuals of many races and faiths, and we value their individuality, diversity and civil liberties.

Preparation and preparedness

29. **The Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction concluded, in its report issued December 15, 2002, that the "threat of an attack on the Homeland is increasing." Consequently, the Panel concluded, "we must accelerate the pace of preparation to prevent, respond to, and contain an attack."**

- **Do you agree with this assessment? Why or why not?**
- **What progress has been made since September 11, 2001?**
- **What are the benchmarks for determining whether the nation is making progress in reducing the threat of an attack on our homeland?**
- **What specific benchmarks should be used for measuring our ability to a) prevent an attack, b) respond to an attack, and c) contain an attack?**
- **What specific area(s) of preparedness do you believe should be accelerated first?**

A. As I stated in a previous question, I have not been involved domestically with the response to the attacks on the United States on September 11, 2001, as my duties as Secretary of the Navy have been more focused on the international war on terrorism. However, as Governor Ridge has said, America is safer and better prepared today than on September 10, 2001. We do know that we are only at the beginning of what will be a long struggle to protect our Nation from terrorism. While much has been accomplished, there is much more work to do.

The *National Strategy for Homeland Security* will help to prepare our Nation for the work ahead in several ways. The *Strategy* provides a framework for the contributions that we all can make to secure our homeland. It establishes a foundation upon which to organize our efforts and provides initial guidance to prioritize the work ahead. We will not be able to stop all attempts by those who wish to do harm to America, but we will ensure that everything possible is done to deter terrorists, protect our nation, and be prepared to respond to incidents if they do occur.

30. On December 24, the *Washington Post* reported that late last year, the Administration conducted a "large-scale operational trial" of a defense against nuclear terrorism in the nation's capital. This experiment, called "Ring Around Washington," has since been shut down. *The Post* reported that under some conditions, the neutron and gamma ray detectors utilized in the project failed to identify dangerous radiation signatures. In other conditions they reportedly raised alarms over low-grade medical waste and the ordinary background emissions of stone monuments. According to *The Post* the Energy Department's national laboratories "learned a lot about how to operate a distribute network of sensors" but – one official said – "not enough to keep it in place."

- **What is the current status of efforts to defend Washington and other cities in America from acts of nuclear terrorism?**

- **Do you envision a role for DHS in ensuring that Washington, D.C. and other major cities, quickly put in place protective measures against nuclear terrorism?**

A. As I have previously stated, I have not been involved domestically with the response to the attacks on the United States on September 11, 2001 and therefore I cannot respond to the current status of these efforts. Prospectively, however, advances in science and technology will assist us in these preparedness and response efforts. Our new S&T directorate will be based on customer-focused portfolios for countering chemical, biological, radiological and nuclear attacks and for conducting and enhancing the normal operations of the Department. The research, development, test and evaluation programs will address the greatest threats and highest priorities needs based on assessments of threats, customer requirements and technological capabilities. These will be executed competitively across the spectrum of intramural and extramural assets of the directorate, including the Homeland Security Advanced Projects Agency, the Office of National Laboratories, and the technology clearinghouse. The S&T Directorate will be a responsive, flexible agent for developing and nurturing a national homeland security enterprise sufficient in scope to meet the threat.

31. **One of the most urgent issues that we must address in order to help local communities prepare to respond to acts of terrorism is the lack of interoperability of communications systems. Currently, in many jurisdictions, local police, fire, emergency management, and other first responders are hampered by their inability to communicate across incompatible communications systems. For example, according to recent press reports, on September 11 New York Police Department helicopter pilots reported their assessment that the towers were likely to collapse imminently, however, they were unaware that the firefighters in the buildings could not hear their transmissions. Most recently, different jurisdictions in the Washington D.C., area had difficulties with cross-communications during the sniper attacks in October. To immediately address this issue, some have recommended that the federal government provide certain American cities with off the shelf interconnector technology that makes radio frequencies compatible through instantaneous patching systems.**

- **Do you agree with this recommendation? Please explain.**

- **What other steps do you believe we should take immediately to address this issue?**

A. I do not have detailed knowledge of this recommendation to respond definitively with a positive or negative response on interconnector technology. It has been my experience, however, that compatible and effective communication systems require more than just similar systems. For example, saturation of a common system has the same consequence as lack of interoperability unless there communication protocols are established. In addition, communications between first responders will consist of more than strictly radio frequencies. Project Safecom, currently managed by FEMA, is taking the lead in

addressing the issue of communications interoperability and has made significant progress in developing a short, mid and long range approach. Given that FEMA will be transferred in total to the Department of Homeland Security, this project will now be under its purview. In my judgment, this is one of the critical areas that we must address not just on the federal level, but with our state and local partners.

32. There is also significant concern that we have done too little to protect the air intakes in large buildings, subways, and similar sites which could be used by terrorists to introduce anthrax or other biological agents into heating, ventilation and air conditioning systems in the country. Many of these are unprotected and at ground level, and are not currently cordoned off by locks, doors and fences, or being patrolled or monitored. What do you believe DHS should do to address this problem?

A. While I was Secretary of the Navy, I was not party to the work of the Office of Homeland Security and the EPA in this regard. However, the issues you cite are serious and we should work to ensure the safety of the nation's critical infrastructure. It is a priority for the Administration to work to harden potential terrorist targets and I look forward to further looking into this matter should I be confirmed.

33. Currently, it is primarily the responsibility of the private sector to improve the preparedness of the nation's chemical plants and trucking system. However, given the serious consequences for our nation that could result from a successful attack on a chemical plant or a truck carrying hazardous materials, there is significant concern that the federal government must do more in this area.

- **What role do you believe DHS should play in improving protections for chemical plants and trucks carrying toxic materials?**
- **Do you believe that stricter federal regulation is required for chemical plants and trucks carrying hazardous materials?**

A. Clearly, the Department will continue to work with the effected federal, state, local, and private sector entities that are currently responsible for these areas. Additionally, the Department's new Information Analysis and Infrastructure Protection (IA&IP) Directorate will provide much needed assistance in this area. The IA&IP Directorate will not only have access to information, and be able to analyze information but it will take appropriate action to prevent terrorist attacks. The IA&IP will receive significant resources specifically for the purpose of developing and implementing remedial and mitigating actions to better secure America.

Additionally, it is my understanding that the agencies are conducting vulnerability assessments so a true picture of the nature of the threat can be rendered. I will reserve judgment on whether stricter regulations are required until after I am able to review all the relevant documentation. That having been said, issues such as critical infrastructure

protection is a priority for the Administration to work to harden potential terrorist targets and I look forward to further looking into this matter should I be confirmed..

34. **The Hart Rudman Commission has reported that, from 1996 to 1999, the federal government provided weapons of mass destruction training to only 134,000 out of some nine million first responders in the nation. There is also a concern that most local training regimens are inadequate. As a partial and quick remedy some have proposed that emergency weapons of mass destruction training for local law enforcement officers should be conducted on U.S. military bases to take advantage of the training resources being deployed to prepare U.S. troops for encounters with chemical and biological weapons. The goal is that the military's knowledge and tactics about responding to weapons of mass destruction attacks be shared immediately with local emergency personnel through immediate crash courses.**

- **Do you agree with this recommendation?**

A. This will require considerable analysis before a judgment can be rendered. In my experience as Secretary of the Navy, I can say that our military bases are generally sized for the military mission. If this policy were to be pursued, we will need to coordinate such an analysis with our counterparts at NORCOMM.

- **If not, what alternative steps would you propose to quickly enhance the capacity of our nation's first responders to save lives in the event of an attack by weapons of mass destruction?**

A. The First Responder Initiative as proposed by the President in the FY2003 budget and in the *National Strategy for Homeland Security* sought to improve dramatically first responder preparedness for terrorist incidents and disaster. Inherent in this proposal was the recognition that there was a significant role for the federal government to play in training and equipping first responders as they prepare to respond to terrorist attacks. The key to achieving the vision for assistance to the State/local responders will be in the swift passage of these federal funds and quick distribution of those grant dollars.

35. **According to many observers, our nation's ports and harbors represent a major vulnerability that must be addressed to improve our defenses against possibly catastrophic terrorist attacks. Each year, more than 7.5 million containers enter the U.S., but only two percent are inspected. Thus, millions of opportunities exist for smuggling weapons of mass destruction and other terrorist weapons into our cities. Just two ports, the Ports of Los Angeles and Long Beach, handle more than 43 percent of our nation's cargo, including industrial and petrochemical supplies. In addition, suspicious containers must be trucked some 15 miles through the city before inspectors have the opportunity to examine their potentially lethal cargo.**

- **Do you agree that this is an urgent problem that must be at the top of our government's agenda?**

A: Based on my experience and knowledge as Secretary of the Navy, security at our nation's ports is a problem that requires attention. Risk analyses will need to be completed to fully determine what vulnerabilities need to be addressed and in what priority order. However, if confirmed as Deputy Secretary I will work to ensure that we take these important issues are addressed.

- **If so, why have we not made more progress in addressing this vulnerability?**

A: My duties as Secretary of the Navy have been focused on security at military ports and on the international war on terrorism. Therefore a full and accurate assessment of the progress in our commercial ports relative to September 11, 2001, would be speculative. However, knowing that ensuring that our ports of entry are open and efficiently processing legitimate commercial traffic and closed for terrorists and the smuggling of terrorist weapons is a priority for the Administration and the Congress, I will work to ensure that these important issues are addressed.

- **If so, what steps do you believe we should take to immediately enhance the security at our nation's ports and harbors? What are the benchmarks for evaluating progress?**

A. Clearly, port security will be a priority of the new Department. Should I be confirmed, I will work with the Coast Guard, the Customs Service, and the other agencies involved in this arena to make an initial assessment of the immediate needs and to implement what enhancements we are able to at this time.

- **If you are confirmed as Deputy Secretary, what role do you envision playing in addressing this issue?**

A. If confirmed as Deputy Secretary, I will work closely with the Secretary and the affected Under Secretaries to ensure that an infrastructure analysis risk assessment program is implemented within the Department as the basis for the Department to establish priorities and allocate funding.

36. **A December 31, 2002 article in *The Wall Street Journal* states that no hazardous waste transporters or port workers have received background checks, which are required, respectively, by the USA PATRIOT Act and the Maritime Transportation Security Act of 2002. What is the timetable for the development of regulations to implement the background check requirements of the Maritime Transportation Security Act?**

A. Clearly, security at our nation's ports is a priority with the Administration and with the Congress. However my duties as Secretary of the Navy have been focused on the military response to the war on terrorism. The Department of Homeland Security Transition Planning Office is currently working with the incoming agencies to assess

what regulatory actions are pending and which regulations will need to be pushed forward when we assume operational control on March 1, 2003. However, knowing of the Committee's concern regarding this issue, I will be pleased to report back to you as soon as possible.

37. The Hart-Rudman Commission concluded that "the system that provides Americans with a basic element of life – water – remains vulnerable to mass disruptions." What immediate steps do you believe the Department should take to address this vulnerability?

A: While I was Secretary of the Navy, I was not party to the work of the Office of Homeland Security and the EPA in this regard. However, the issues you cite are serious and we should work to ensure the safety of the nation's critical infrastructure. It is a priority for the Administration to work to harden potential terrorist targets and I look forward to further looking into this matter should I be confirmed

Federal Interagency Cooperation

38. One barrier to effective homeland security is weaknesses in interagency cooperation, which has been largely attributed to "turf" issues. What incentives have been provided to or could be used by agency managers to encourage more effective homeland security cooperation and coordination between DHS and other agencies outside of the Department? What do you believe will be the keys, from a management perspective, to forging the kind of interagency cooperation necessary to maximize our homeland security efforts?

A: Based on my experience in industry and as Secretary of the Navy, it is important that all agencies of the federal government recognize their roles and responsibilities to protect and defend America. This is a responsibility for all Americans, and it is important that a sense of teamwork, cooperation and collaboration be formed with other agencies of the federal government. "Turf issues" are no longer acceptable. All agencies, including the Department of Homeland Security, should have one common objective to protect and defend America. If confirmed as Deputy Secretary, I will promote outreach, cooperation and collaboration with other agencies of the federal government, private sector, local and state governments.

39. Under the HSA (Sec.885), the DHS Secretary may establish a permanent Joint Interagency Homeland Security Task Force composed of representatives from federal military and civilian agencies to anticipate terrorist threats and taking action.

- **If DHS did establish a Task Force, what should be its membership and initial responsibilities?**

A. I have not had the opportunity to specifically address this issue with the Department of Homeland Security Transition Planning Office. As move to create the Department, and we address the specific "action items" contained in the legislation, I will be pleased to address this issue.

Science and Technology Directorate

40. The Homeland Security Advanced Research Projects Agency (HSARPA) will be a component of the Science and Technology Directorate. HSARPA is modeled after the Defense Advanced Research Projects Agency (DARPA) which is administered in the Department of Defense. In recent months significant privacy concerns have been raised about the development of the Total Information Awareness Project by DARPA. What are the challenges in ensuring that the development of HSARPA projects does not raise legitimate concerns about the privacy of American citizens?

A. Personal privacy is of great concern to Governor Ridge and me. Additionally, we both regard the mission of the Department's privacy officer as an extremely important component to its success. If confirmed I would work to ensure that the privacy officer is able to evaluate the legislative and regulatory proposals involving collection, use, and disclosure of personal information by the Federal government. As for questions surrounding the development and use of TIA, however, I defer to DARPA.

41. The Science and Technology Directorate will be responsible for developing countermeasures to terrorist threats involving weapons of mass destruction—including chemical, biological, radiological, and nuclear attacks.

- **What are the major management challenges in developing this new directorate, including coordination and reliance on universities, federal laboratories, and other entities?**
- **What should be the Department's immediate, specific policy and operational priorities in setting up this Directorate?**

A. Although I have not studied this area extensively, the issue with most science and technology endeavors is to identify those technologies that hold the most promise for success and are also economically viable. It is also important to establish a legal foundation and clarify issues such as intellectual property rights to gain the broadest private sector and university involvement. Further, it will be important to provide seed funding for promising technologies until they reach an identified commercial opportunity. However, most importantly in the S&T area is to have personnel of very high caliber with experience and aptitude for this type of scientific endeavor.

42. The final passage of the HSA included an expansive Directorate of Science and Technology (S&T) with a new $500 million funding source. How will the funding source be managed for effective use in the areas of R&D and the application of technologies?

A. The Department of Homeland Security will be proactive in developing interagency collaborations where appropriate, and expects, in its role for developing and articulating a national strategy and national priorities for homeland security R&D, to foster close working relationships with the relevant agencies. Furthermore, the S&T Directorate recognizes the need for new areas of investigation that fall outside the traditional national security scientific communities or traditional agency missions (e.g. setting standards for biopathogen sensors), and will thus take the lead for establishing those programs, collaborating across agencies as is appropriate and practical.

43. **The Directorate of S&T will include a Homeland Security Advanced Research Projects Agency (HSARPA), similar to DARPA, its DoD counterpart. Certain language in the HSA might be interpreted to require HSARPA to emulate specific DARPA programs.**

- **How will you arrange that HSARPA serves as a productive means for technological development towards the larger goal of Homeland Defense?**

- **What do you see as the major differences between the overall goals of HSARPA and those of DARPA?**

A. The HSARPA program will be developed in consonance with the priorities identified in the DHS S&T roadmap, which in turn is based on identified needs across the Department's directorates, and an assessment of our vulnerabilities and the state of our capabilities. Many differences between HSARPA and DARPA can be cited. For example, systems developed for homeland security will require very low support and maintenance costs and turnkey operation, since operations and support cannot assume the existence of dedicated personnel, constantly trained, and dedicated logistics chains. There will be clear differences in performance requirements, such as tolerance for false alarms. Importantly, homeland security systems must where practical enhance the commonplace, day to day operations of first responders and federal agencies conducting traditional missions while at the same time enhancing our security against the rare terrorist event.

44. **As the Directorate of S&T will bear primary responsibility for developing new technologies and mapping available technologies to the needs of other Departmental entities and first responders, it is crucial that the Department coordinate its activities between the various directorates and their Under Secretaries. For example, regarding border and port security, the Directorate of Border and Transportation Security will have an urgent need to quickly acquire new technologies for detecting and tracking cargo that may contain nuclear, radiological, biological, or chemical agents. This need will require the Directorate of S&T to support the development of innovative sensor and tracking technologies, or to identify and acquire commercial available technologies capable of providing the required functions.**

- **How will you ensure that the activities of various Directorates are coordinated with other Directorates during both the transition phase and after the final implementation on the Department?**

- **How you will ensure that the R&D, funding, and technology acquisition efforts of the Directorate of S&T will be tightly coordinated and aligned with the needs of the other Directorates?**

A: It is my objective to have a closely knit management team consisting of the Secretary and me, the Under Secretaries, and other key personnel within the Department to assure that our objectives are tightly coordinated and aligned. It will be the responsibility of the Under Secretary of Science and Technology to respond directly to the needs of the other Under Secretaries to provide solutions for their problems with existing technologies and to also provide seed funding for longer term solutions when current technology is not available.

45. To assist with the identification, acquisition, and deployment of technologies developed in the private sector, the Department must coordinate with extra-Departmental entities to initiate and fund appropriate R&D. This is especially important as a large amount of research and technology efforts relevant to homeland security will continue to occur outside the direct control of the Department – in other agencies and in corporate or university laboratories.

- **How do you plan to promote interagency collaboration on homeland security R&D, particularly in areas that may fall outside traditional agency missions or scientific disciplines?**

A. DHS expects to become a core member with the Technical Support Working Group (TSWG), alongside its founding members, the Departments of State and Defense. TSWG has a well established and successful process for articulating priorities, soliciting for and evaluating proposals, and rapidly prototyping technologies with the operational community. HSARPA will provide the prime venue for articulating needs, and soliciting and developing solutions from the private sector and academia.

- **In regard to using resources from the private sector and academic community, what steps will you undertake to identify, support, acquire, and deploy commercially available or near-mature technologies that are capable of servicing the missions of the Department or its Directorates, such as the port security mission of the Directorate of Border and Transportation Security, or the risk analysis functions of the Directorate of Information Analysis and Infrastructure Protection?**

A. It is vitally important that DHS rely heavily on the commercial sector for technologies to serve the missions of the Department or its directorates. Private

sector R&D far exceeds that of the federal government, and DHS needs to encourage private sector involvement. If confirmed as the Deputy Secretary, I will encourage outreach programs to encourage university and private sector participation.

- **If the Department is unable to acquire appropriate technologies in the commercial or academic sector, how will you undertake partnerships with industry or academia in developing such technologies?**

A. The Director of HSARPA will be tasked to develop effective systems and technologies based on sound science. Appropriations to HSARPA will be allocated in consonance with the priorities identified in the DHS S&T roadmap, which in turn is based on identified needs across the Department's directorates, and on an assessment of our vulnerabilities and the state of our capabilities. The Director of HSARPA will also have the discretion to develop programs in response to emerging threats or innovative proposals from industry that address issues unanticipated by the S&T roadmap. In some cases technology is readily available, or can be available in the near term. In others, the solution to a problem identified as a priority will require an investment in applied research and development, often at the cutting edge. The Department understands that a full exploration of the technical solution space, and hence the opportunity for leapfrogging, high payoff capabilities, entails accepting the risk of failure.

- **How should the Secretary of Homeland Security utilize the National Science and Technology Council in ensuring coordination across the federal government on the development of new technologies relevant to homeland security?**

A. I am not familiar with the National Science and Technology Council and therefore can provide no judgment at this time. However, if confirmed by the Senate, I will be pleased to comment at a later date.

Emergency Preparedness and Response Directorate

46. The Emergency Preparedness and Response Directorate will be responsible for helping local communities prepare for and recover from natural disasters, and prepare for, respond to, and recover from terrorist attacks.

- **What are the major management challenges the Department will face in integrating specific agencies, programs, or functions transferred from other federal departments into this Directorate and coordinating its activities with other involved key federal agencies?**

- **What should the Department's immediate, specific policy and operational priorities in setting up this Directorate?**

A: The creation of the Department of Homeland Security represents an opportunity for the United States to have one department with the primary mission being the protection of the American people. Certainly, the integration of agencies that have heretofore been separate, and whose systems, cultures, and procedures are different, presents a challenge. However, what is consistent among all of the incoming agencies is that these employees have been doing the work of "homeland security" long before September 11, 2001, and long before this Department was created.

One of the first things that the new Emergency Preparedness and Response Directorate must do is implement the National Incident Management System which will ensure that federal, state, and local entities are capable of an integrated response to emergencies.

The System will include the following elements: incident organization (using Incident Command System principles), training, certification of qualifications, communications, logistics, and multi-agency coordination systems. A national system will ensure that personnel and equipment from any agency (federal, state, or local) are able to be integrated into a single response organization. By establishing a common language, common resource typing and a common command and control system we will truly be able to say we are united in our ability to respond no matter what the hazard. In order to ensure that our cities are able to fully participate in this kind of system, future federal assistance to state or local entities, through grants, training programs, and assistance during incidents, will require that those entities adopt the National Incident Management System.

Border and Transportation Security Directorate

47. Prior to passage of the HSA, inspection of travelers was the primary responsibility of two agencies, the Immigration and Naturalization Service (INS) and the Customs Service. Several reports over the years have noted the need for improved cooperation between the two. Both will now be part of DHS.

- **What are the critical elements for ensuring a single management structure for inspection of travelers at our nation's ports of entry under a consolidated DHS?**

A. Through the establishment of the Department of Homeland Security, the President sent a clear signal regarding our nation's borders: we must prevent terrorists from entering or bringing instruments of terror, while at the same time facilitating the legal flow of legitimate goods on which our economy depends, and people who wish to enter our county legally. This responsibility is currently dispersed among 5 different entities, including Customs and INS. Under the new structure in the Border and Transportation Security directorate, we will be able to share intelligence in a more efficient manner, unify the border structure so as to minimize existing gaps in coverage, and promote a seamless approach to federal border security. The Secretary and I, along with the Under Secretary for Border

and Transportation Security must establish clear goals and objectives, provide ways in which we can measure progress, and provide adequate feedback to ensure that the President's and the Department's vision is understood.

- **What will you do as Deputy to ensure that (1) culture differences between INS and Customs are overcome and (2) border inspections are efficient and effective?**

A. It is my experience that overcoming cultural differences is a leadership issue, and I will work closely with the Under Secretary for BTS to ensure that processes, procedures and expectations are aligned. Our strategic goal for the borders is twofold; improve border security while facilitating the unimpeded flow of legitimate commerce and people in and out of the United States. With this national goal in place, the various border agencies put in place supporting programs with benchmark measures to show progress.

Many of the benchmarks we are using to establish our immigration programs are set by Congress in five separate pieces of legislation. The Entry Exit System (EES) will use biometric identifiers and tamper-proof travel documents to assure the identities of certain individuals arriving at our borders. The Border Security Enhancement Act established some very tough goals to install an EES at our ports of entry – for example, deploying the system at air and sea ports by December 2003, at the 50 busiest land crossings by December 2004 and at all ports of entry by December 2005. The Department of Homeland Security will continue the aggressive analysis and development of the EES with the goal of establishing a safe, secure system for allowing individuals to enter our country and monitoring their status while they are here.

48. **The Border and Transportation Security Directorate, which will include the border inspectors from the Animal and Plant Health Inspection Service, will have significant responsibility for protecting our nation's food supply from deliberate attack. The Gilmore Commission has concluded that there is a lack of overarching appreciation for the true threat to America's agriculture, that the nation's agricultural and food industry may be vulnerable to terrorism in ways that we may not yet fully understand, and, without a broad threat assessment, it is difficult to prioritize resources to counter the terrorist threat. Similarly, the Hart-Rudman report concluded "confusion over reporting obligations, who has jurisdiction, and to what extent they can provide adequate response to a potential attack promises to seriously compromise America's ability to contain the consequences of attacks on U.S. crops and livestock." The Gilmore Commission recommends that the President direct the National Intelligence Council, in coordination with DHS, USDA, and the Department of Health and Human Services to perform a National Intelligence Estimate on the potential terrorist threat to agriculture and food.**

- **Do you agree with this conclusion and recommendation?**

- **What is your understanding of our nation's current level of preparedness for a terrorist attack on our food and agricultural systems?**

- **What benchmarks should be used to measure our success?**

A. While my duties as Secretary of the Navy have been more focused on responding to the international war on terrorism, the inclusion of portions of APHIS into the new Department of Homeland Security reflects an absolute commitment to protecting American agriculture from agro-terrorism and foreign plant/animal pathogens which could have devastating effects on plan/animal health and the viability of that sector of our economy.

APHIS' additional elements beyond its border inspections also contribute to the shared homeland security mission. Its overseas officials provide information about foreign pests and diseases and inform foreign exporters about the measures we are taking to protect domestic crops and herds. Finally, APHIS' extensive communications with state and local public health agencies will contribute to our nation's overall domestic preparedness.

49. The Homeland Security Act establishes a number of protections for the Coast Guard's non-homeland security functions. Section 888 of the Act explicitly states that the functions and assets of the Coast Guard will be maintained intact and without significant reduction as a result of the Coast Guard's transfer into the Department. As Deputy Secretary of Homeland Security, how would you work with the DoD to make sure that the intent and purpose of the Coast Guard provisions of the DHSA are carried out?

A. We are currently examining the new relationship between the Coast Guard, the Department of Defense and the Department of Homeland Security. Given the statutory construct that the Coast Guard must operate within, we will work to ensure that all components are operating within that outline. Clearly, formal processes will be managed through Memorandums of Understanding and Memorandums of Agreement.

Intelligence Analysis

50. One of the major challenges facing the Department is the establishment of a Directorate of Information Analysis and Critical Infrastructure Protection which, among other things, will be responsible for fusing intelligence from across the intelligence community, law enforcement, and other sources in order to prevent acts of terrorism on our homeland. Significant portions of our nation's intelligence resources, perhaps as much as 85% by some estimates, are controlled by the Department of Defense.

- **Given this reality, what specific challenges do you believe must be overcome in order for the Department to successfully interface with and utilize DoD's intelligence assets?**

- **Are you aware of any specific areas where DoD can provide assistance to the Department as it creates its Information Analysis and Infrastructure Protection Directorate?**

A: The Administration is committed to ensuring that homeland security information is appropriately and efficiently shared among the federal branch, and where appropriate, to state and local officials. DHS will receive all the information that it needs to perform its critical missions. Indeed, according to Section 202 of the Homeland Security Act, the Department will receive, and the federal departments and agencies will provide all necessary information to carry out the Department's mission.

- **If you are confirmed as Deputy Secretary, do you anticipate playing a major role in this area?**

A: Yes. If confirmed as Deputy Secretary, I will work closely with the Under Secretary of IA&IP to assure that the Department's information analysis section is fully coordinated with other intelligence agencies of the U.S. government.

51. **The Department will be a major intelligence collection entity, primarily through the intelligence assets of the Coast Guard, Customs Service, and other entities moving into the Department. Even so, most of the intelligence on domestic terrorist threats will continue to be collected by the Federal Bureau of Investigation with information on foreign threats coming from the Central Intelligence Agency.**

- **Given current sources, do you believe that the Department will have access to the intelligence it needs in order to fulfill its mission of preventing and protecting against terrorist attacks at home?**

- **Do you have any recommendations for changes in the domestic collection of the intelligence that the Department will need to be successful?**

A: The Information Analysis and Infrastructure Protection Directorate will not only have access to, and be able to analyze information, it will take appropriate action to prevent terrorist attacks. The IAIP will receive significant resources specifically for the purpose of developing and implementing remedial and mitigating actions to better secure America. In addition, DHS, through entities being transferred to the Department, including the Coast Guard, Customs Service and other components with authority to take preventative and pre-emptive action, will have a substantial operational role in the prevention and pre-emption of terrorist acts.

Department of Defense

52. The U.S. Northern Command (NORCOM) will be responsible for land, aerospace, and sea defenses. NORCOM will also help DoD deal with natural disasters, attacks on U.S. soil, or other civil difficulties, and provide a more coordinated military support to civil authorities such as the Federal Bureau of Investigation (FBI), the Federal Emergency Management Agency (FEMA), and state and local governments. How should DHS approach coordination with DoD, particularly NORCOM, regarding homeland security missions?

A. U.S. Northern Command (NORCOM) will be responsible for land, aerospace, and sea defenses. NORCOM will also help the Department of Defense deal with natural disasters, attacks on U.S. soil, or other civil difficulties.

The Department of Homeland Security, through the Emergency Response and Preparedness division, will be responsible for the National Incident Management System and look to NORCOM to provide military support in exceptional cases to civil authorities. This relationship will be managed through Memorandums of Understanding and Presidential Directives and through the cooperative efforts that will start at the top between the Secretary of Defense and the Secretary of Homeland Security.

In addition, the Department of Defense has established an Assistant Secretary of Homeland Security within the office of the Secretary of Defense. That office will be the coordinating activity between the Department of Homeland Security, the Department of Defense, and NORCOM regarding homeland security missions.

53. The National Guard has also played a key role in homeland security following the September 11 terrorist attacks. How should DHS work with the nation's governors and DoD in utilizing the National Guard in future homeland security activities?

A: The primary mission of the new Department will be to protect the American homeland. The Department of Defense's mission is to fight and win wars. The National Guard is a component of the Department of Defense's war planning. However, both the active and reserve components of the armed forces have important homeland security missions, as was demonstrated by the military's activities following the September 11 attacks. Military support to civil authorities is and will continue to be a key component of the federal government's emergency response plans.

As the Department of Homeland Security moves forward with the establishment of a National Incident Management System, which will work to ensure that federal, state, and local entities are capable of an integrated response to emergencies, the Secretary and I will work with Secretary Rumsfeld and with our nation's governors to ensure appropriate coordination so that the National Guard's role continues as a provider of immediate military resources to support responses to natural and man-made disasters.

54. The Gilmore Commission recommended that, given the unprecedented challenges created by the Sept 11 attacks and the war on terrorism, the nation should re-

examine the role of the military in responding to domestic threats. However, it said that any use of the military domestically must be carefully planned and controlled, and should be clearly relegated to the support of civilian authorities. The Department of Defense is working on extensive R&D relevant to homeland security and has a major role to play in first responder training and capabilities through the National Guard, and in other areas. Moreover, DOD, without question, undertakes activities that protect our homeland from attack. But these are primarily military activities, which will continue to be undertaken separately from DHS. Indeed section 876 of the Act forbids DHS from engaging in military activities. And the Posse Comitatus Act, reaffirmed by section 886 of the Act, prohibits the use of the Armed Forces as a posse comitatus to execute the laws except in certain exceptional cases.

- **Given the Posse Comitatus Act, what roles do you believe the military can and should play in helping civilian agencies and state and local governments prepare for and respond to terrorism?**

A: Congress reaffirmed in Section 886 of the Homeland Security Act that the Posse Comitatus Act has served the Nation well in limiting the use of the Armed Forces to enforce the laws and that nothing in the Homeland Security Act should be construed to alter is applicability. I do not support altering that section of the Act.

However, the legislation also reaffirms the idea that by its express terms, the Posse Comitatus Act is not a complete barrier to the use of the Armed Forces for a range of domestic purposes. This includes law enforcement functions, when the use of the Armed Forces is authorized by Act of Congress or the President determines that the use of the Armed Forces is required to fulfill the President's obligations under the Constitution to respond promptly in time of war, insurrection, or other serious emergency.

- **How will your experience in the armed forces help DHS forge the appropriate relationships with DoD?**

A. I have a strong personal relationship with all the senior leadership in the Department of Defense and with General Eberhart, the current Commander of NORCOM. These relationships could prove valuable in forging the appropriate construct between DHS and the Department of Defense.

- **Do you envision that any functions now undertaken by DoD will be undertaken, at least in part, by DHS? If so, what functions?**

A. No.

- **Do you see any overlap in the homeland security responsibilities of DoD and DHS? Please explain.**

A. The Secretaries of the Departments of Defense and Homeland Security are both member of the President's Cabinet and both report to him. As such, there will be policy areas where the two Departments will be required to work together to ensure that appropriate policy decisions are made and implemented. There are many legal avenues, such as Memorandums of Understanding, Executive Orders, and Presidential Directives, for the Department of Defense and the Department of Homeland Security to coordinate. In addition, both departments will serve on joint Policy Coordinating Committees at the White House through the National Security Council and the Office of Homeland Security.

State and Local Governments

55. State and local government organizations have raised serious concerns about the level of federal collaboration in certain areas, and with certain obstacles, such as access to critical data. A single contact point has been needed for state and local governments to obtain direction and assistance in meeting their preparedness needs. The HSA requires establishment of the Office for State and Local Government Coordination to coordinate DHS activities relating to state and local government. This office is also to develop a process for receiving meaningful input from state and local governments to assist the development of the national strategy for combating terrorism and other homeland security activities.

- **What priorities should DHS set for this office to address coordination and collaboration concerns?**
- **How should it be integrated with other DHS activities?**

A: We know that much more needs to be done to develop a more robust relationship between the federal government and state and local governments. I pledge that both consistent with the Homeland Security Act and with the important work that has already been started by the Office of Homeland Security in this area, the Office of State and Local Government Coordination will be a key component to our homeland security effort. As Governor Ridge has said on many occasions, homeland security is not just a federal effort, but a national one that will require the input and cooperation of all levels of government and the private sector.

56. Interface with the first responder community will be critical, particularly for emergency preparedness and response.

- **Should the Office for State and Local Government Coordination primarily fulfill that role? Please explain.**
- **How should DHS structure this office or any other DHS component contact point to ensure there is an effective system for the first responder community to interface with DHS? For example, should there be a single point of**

contact, a form of "one-stop" shopping for obtaining assistance for the first responders?

A: The key to achieving the vision for assistance for State/local response will be in the implementation of the grant program once the Department of Homeland Security is operational. Through close internal coordination and coordination with other federal agencies, assistance can be delivered in a comprehensive, coordinated manner that is tailored and responsive to State/local needs

57. There are many state governments and thousands of local governments, not to mention regional authorities. These entities are highly diverse and often not with a common position on federal policies and operations. How should DHS address the problem of developing a common understanding that DHS would use in its policies and operations that affect state and local governments?

A. In my judgment, it will be important for DHS to have strong local and regional relationships to deal with highly diverse local governments and regional authorities.

58. The national strategy describes the use of state homeland security task forces for DHS coordination.

- **Should centralized state homeland security task forces remain the primary vehicles for DHS coordination?**
- **Is so, what are their strengths and weaknesses in fostering coordination at the state level? Local level?**
- **If DHS establishes guidelines for the roles and composition of the task forces, what should be the preliminary standards that might be proposed?**
- **If state task forces will not be the primary coordination vehicles, what should replace or complement them, and why?**

A. As previously stated, in my judgment, the Department of Homeland Security should have strong local and regional relationships. The inherent characteristic of local governments and regional authorities to be highly diverse is a strong argument for decentralization and reliance at the local level. Typically, local and regional authorities understand their own capabilities and have strong relationships with large segments of the business, government, and citizen populations. Accordingly, regional authorities can be much more sensitive to the local needs and respond more effectively. Standards of performance need to be established, but those standards should be developed in consultation with local governments and regional authorities.

59. The Gilmore Commission concluded, "it is imperative that a plan to enable State and local response be designed, funded, implemented, and exercised."

- **Do you agree with this conclusion?**
- **If so, why has such a plan not yet been developed?**
- **What should be in the plan?**
- **What role do you envision for DHS?**

A. Again, it is my conclusion that state and local authorities need to play a key role in the implementation of DHS policies. However, this should be a collaborative effort and will likely differ between regions to reflect the individual characteristics of each region. Accordingly, this plan will take some time to develop, and as we work to formulate and implement this kind of structure, I would be pleased to discuss its progress with the Committee in the future.

Private Sector

60. **Private sector efforts will be important, particularly in the areas of critical infrastructure protection and maintaining border security. However, there are challenges such as information sharing, business continuity, and customer protection. The HSA establishes a Special Assistant to the Secretary responsible for activities such as strategic private sector communications, advising on the private sector impact of DHS policies and operations, and promoting existing and developing new public-private partnerships. What should be the role of this Special Assistant?**

A: The HSA statement of responsibility clearly defines the role for the Special Assistant. The Special Assistant is one who will create and foster strategic communications with the private sector to enhance the primary mission of the Department to protect the American homeland, advise the Secretary on the impact of the Department's policies, regulations, processes, and actions on the private sector, interface with other relevant Federal agencies with homeland security missions to assess the impact of these agencies' actions on the private sector, and create and manage private sector advisory councils composed of representatives of industries and associations designated by the Secretary.

61. **Some private sector entities may raise objections to changes that are sought by DHS for homeland security reasons. For example, there has been tension between the desire of commercial importers for swift processing of imported goods at ports and the interest of agencies such as the Customs Service in greater screening of incoming shipping containers for dangerous materials. How should DHS respond to the private sector objections if they arise?**

A. There will have to be a careful balance between the desires of the private sector and the need to protect and defend America. It is my understanding that the Special Assistant to

the Secretary for the private sector will deal with the various industry groups to reach the best balance between commercial and security issues.

62. **On January 7, 2002, *The Washington Post* reported that the Administration's upcoming plans to improve cyber security no longer contains a number of voluntary proposals for America's corporations to improve security for vital computer networks. Is the article's description correct? If so, why were these eliminated?**

A: The Cyber Security Strategy is currently in draft form, and should be released in its final form in the near future. Therefore, speculation on its contents is not appropriate at this time. The issue of cyber security is one, however, that the new Department will take very seriously. The Department of Homeland Security creates the first focal point for cyberspace security and infrastructure protection in the Federal government. Considerable benefits will be derived by through integrating the operations, policy, planning and outreach functions of the Critical Infrastructure Assurance Office, National Infrastructure Protection Office, Federal Computer Incident Response Center, and the Office of Energy Assurance.

The Department of Homeland Security will continue to work closely with other agencies that continue to play important roles in infrastructure protection. For example, OMB will still be in charge of Federal information security; the Department of Treasury will still be the lead agency for interacting with the financial services industry; and Department of State will lead our international efforts on infrastructure protection.

63. **The article also states that the new draft plan eliminated an earlier proposal to consult regularly with privacy experts about civil liberties. Instead, the plan will call on the Privacy Officer of the Homeland Security Department to ensure that privacy is adequately protected as the government monitors the Internet for cyber-attacks.**

- **Is the article's description correct?**
- **What authority and resources would the Department's Privacy Officer be given to carry out these responsibilities?**
- **How could the Department's Privacy Officer adequately ensure privacy with respect to policies and practices pursued by other federal agencies, and by the private sector?**
- **How would this delegation to the Privacy Officer substitute for regular consultation with privacy experts? Why was the proposal to consult with privacy experts removed from the draft National Strategy?**

A. The Cyber Security Strategy is currently in draft form, and should be released in its final form in the near future. Therefore, speculation on its contents is not appropriate at this time. With respect to staffing and budget allocations, the President's Fiscal Year 2004

budget will be released in early February, and the Secretary and I will be happy to return at that time to brief the Committee. In general, however, the Secretary and I regard the mission of the privacy officer as an important once, and if confirmed I would work to ensure that the privacy officer succeeds in that mission. It is critical that the officer have the mechanisms to ensure personal information contained in the Privacy Act systems of records is handled in compliance with fair information practices set out in the Privacy Act of 1974. In addition the privacy officer must be able to evaluate the legislative and regulatory proposals involving collection, use, and disclosure of personal information by the Federal government.

International Organizations

64. International activities will have a considerable bearing on homeland security. For example, improving the security of our borders entails cooperation with the governments of Mexico and Canada. Enhancing port security requires working with countries that export products to the United States. What should be the scope of DHS' international role?

A: A key component to the homeland security mission will be interaction between the new Department of Homeland Security and the international community. In fact, the Homeland Security Act establishes an Office of International Affairs to promote information and education exchange with nations friendly to the United States so that we can share best practices and technologies relating to homeland security. In addition, this office will help facilitate the exchange of information on research and development on homeland security technologies, joint training exercises of first responders, and the exchange of expertise on terrorism prevention, response, and crisis management.

Additionally, this office will identify areas for homeland security information and training exchange where the United States has a demonstrated weakness and another friendly nation or nations have a demonstrated expertise, plan and undertake international conferences, exchange programs, and training activities, and manage international activities within the Department in coordination with other Federal officials with responsibility for counter-terrorism matters.

65. The national strategy for homeland security says the oversight of international cooperation initiatives, which include international law enforcement and intelligence cooperation and the protection of critical infrastructure networks, will be shared between the government's homeland security and national security structures. What should be the most effective mechanism(s) to share oversight?

A. Oversight of such initiatives — which include international law enforcement and intelligence cooperation and the protection of critical infrastructure networks—will be shared between our government's homeland security and national security structures to reduce seams in our defenses that may be exploited by our enemies.

The United States will work with traditional allies and new friends to win the war on terrorism. We will sustain a high level of international commitment to fighting terrorism through global and regional organizations (such as the United Nations and the Organization of American States), major international for a (such as the G-8), specialized organizations (such as the World Health Organization, the International Civil Aviation Organization, and the International Maritime Organization), multilateral and bilateral initiatives, and, where needed, new coordination mechanisms. As we implement the *National Strategy for Homeland Security,* we will be sensitive to treaty and other obligations; however, where we find existing international arrangements to be inadequate or counterproductive to our efforts to secure our homeland, we will work to refashion them. Throughout these efforts, we will harmonize our homeland security policies with our other national security goals

IV. Relations with Congress

66. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of the Congress if you are confirmed?

A. Yes, consistent with the constitutional prerogatives of the Congress and the Executive Branch, I agree if confirmed to respond to any reasonable request to appear and testify before any duly constituted committee of the Congress.

67. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress if you are confirmed?

A. Yes, consistent with the constitutional prerogatives of the Congress and the Executive Branch, I agree if confirmed to reply to any reasonable request for information from any duly constituted committee of the Congress.

V. Assistance

68. Are these answers your own? Have you consulted with other agencies or any interested parties? If so, please indicate which entities.

A. Yes, these are my answers, and I take responsibility for them. That said, I have had to reply based on my knowledge of homeland security and my broad management experience to arrive at these preliminary conclusions. Accordingly, I have asked personnel within the Transition Program Office to review my answers to assure that I have not misinterpreted the questions and to ensure that my answers are as reasonably responsive as possible at this time.

AFFIDAVIT

I, GORDON R. ENGLAND, being duly sworn, hereby state that I have read and signed the foregoing Statement on Pre-hearing Questions and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

Subscribed and sworn before me this 22 day of Jan, 2003.

Notary Public

My commission expires: 31 March 2004

Post-Hearing Questions for the Record
Submitted by Chairman Susan M. Collins
to the Honorable Gordon England

Nomination Hearing for The Honorable Gordon England
to be Deputy Secretary for the Department of Homeland Security

January 24, 2003

Bioterrorism Preparedness

1. In order to ensure that there will be a sufficient supply of smallpox vaccine as well as health care professionals who are willing to administer it, the Homeland Security Act rightly provides liability protection for manufacturers and those administering the vaccine under the Federal Tort Claims Act. This Act, however, sets a high standard and holds that the federal government cannot be held liable for injuries caused by a smallpox vaccine unless the plaintiff proves that the vaccine manufacturer or other "covered person" has been negligent.

   We know that there is a good chance that some people who receive the vaccine will get sick – some seriously sick – and that some small number could die. While I understand that liability protections are critical to the success of the smallpox program, concern has been expressed that individuals who suffer harm from the vaccine will not have sufficient redress. We are hearing that this is one of the reasons that some health care providers and other first responders are reluctant to participate in the smallpox vaccination program.

   Last week, a panel of experts convened by the Institute of Medicine echoed concerns that fear about the financial burden of caring for the adverse reactions of the smallpox vaccine could greatly decrease the number of people who volunteer for smallpox vaccination, which could damage our bioterrorism preparedness efforts.

   I have also asked the General Accounting Office to examine the Administration's smallpox plan and monitor its implementation. I asked that this study give particular attention to an evaluation of the risks from innoculation, and how management of liability for and cost of care associated with adverse events from vaccination and exposure to vaccinated people are handled.

   Do you believe that we need to do more to provide assurance to public health providers and emergency responders that they will have a means of fair and timely redress if they are injured by the smallpox vaccine or any other bioterrorism countermeasure? For example, should we consider creating a special program modeled after the Vaccine Injury Compensation program? Do we need to do more to make certain that health care workers and others are making informed decisions regarding vaccinations?

Ans. The Administration has addressed this concern in a recent proposal by the President. This proposal, drafted by the Administration and HHS, provides for disability and death benefits similar to a 1968 law that compensates police officers injured in the line of duty. Individuals who die or suffer a permanent disability would be eligible for $262,100 in benefits. Lost wages as a result of temporary or minor illness would available up to $50,000 and would be paid after an individual had missed five days of work. The same benefits would be available to a hospital patient or family member who becomes ill after contact with an inoculated health care worker.

If approved by Congress, the payment plan would apply to the 500,000 medical personnel in the first phase of the vaccine program and as many as 10 million rescue workers who would be inoculated in the second phase.

2. Smallpox is just one of a number of biological weapons, including plague, botulism and tularemia, that the Centers for Disease Control warns could be used against Americans. We currently do not have vaccines or other countermeasures to protect against all of these current – not to mention future – biological threats. As we work to put in place broad protections against smallpox, aren't we just giving terrorists the incentive to use another type of biological weapon? How will the new Department help to protect us against these risks?

   Ans. The Department of Homeland Security, in accord with its responsibilities in Sec 304(a)&(b) of the Act, is working with HHS to develop priorities and metrics for developing medical countermeasures to current and emerging threats. A significant portion of this effort is being conducted through a White House led working group that is developing these priorities and coordinating activities not just with HHS, but also DoD, and other agencies associated with countering biological terrorism. Furthermore, DHS will have with HHS streamlined procurement capabilities under the President's Bioshield Initiative.

3. In addition to widespread medical consequences, a bioterrorist attack could also bring about horrific social, economic and psychological consequences. In the summer of 2001 – just a few months before the terrorist attacks of September 11th – the Centers for Strategic and International Studies conducted a war game – code-named Dark Winter – that began with a report of a single case of smallpox in Oklahoma City. Iraqi-financed Afghan terrorists had sprayed smallpox viruses into shopping malls in Oklahoma City, Atlanta, and Philadelphia. The act went unnoticed until a few weeks later when people started showing up in emergency rooms in Oklahoma City complaining of fever and rash. By the time it was over, the imaginary epidemic had spread throughout the country, killed several million people, and crippled every critical infrastructure in the country. Commerce came to a halt, nationwide air travel and the stock market shut down, and, all the while, the epidemic continued to grow.

How much better prepared are we today to cope with a bioterrorist attack like the one laid out in *Dark Winter*? How will the creation of the new Department of Homeland Security help us to be better prepared? In your new role at the Department, how would you respond to the kind of scenario outlined in the *Dark Winter* exercise? What steps would you take to ensure that there was a different outcome?

A: We are developing comprehensive plans for the federal responses to such an incident. The creation of DHS will bring together the response expertise from several agencies into a clearer response team. We will also be able to leverage the efforts and resources of all federal agencies through the developing National Response Plan and the existing Federal Response Plan.

Coast Guard

The Coast Guard's Role in Homeland Security and its Relation to the DoD

4. Part of your responsibility as Deputy Secretary of Homeland Security will be to carry out protections for the Coast Guard's traditional, non-homeland security missions that Senator Stevens and I established. I have said this many times, but we created these protections because the Coast Guard is a vitally important part of coastal communities throughout America. In 2001 alone, the Coast Guard performed over 39,000 search and rescue missions and saved more than 4,000 lives. I have tremendous faith in the men and women serving in the Coast Guard. Nevertheless, balancing the Coast Guard's homeland security and non-homeland security missions along with its responsibilities in the war on terrorism will be a difficult task.

Part of the challenge that the Coast Guard faces is that it simply does not have enough assets. The President's FY 2003 and the omnibus appropriations bill included approximately $6 billion in Coast Guard funding. In your estimation, is this enough for the Coast Guard to perform its homeland and non-homeland security missions as well as its military responsibility? Do you expect that the President's Budget will call for a further increase in the Coast Guard's budget in FY 2004?

Ans. The FY04 budget provides the CG the capability and capacity to perform increased Maritime Homeland Security (MHLS) operations and sustain non-HLS missions near pre-September 11, 2001, levels. Specifically, it will enable the Coast Guard to accomplish three primary objectives:

1. RECAPITALIZE LEGACY ASSETS AND INFRASTRUCTURE:
Integrated Deepwater System: $500 million in FY04 will enable the Coast Guard to fund conversion of five 110' patrol boats to more capable 123' patrol craft, seven Short Range Prosecutor small boats, the first National Security Cutter (to be delivered in FY 2006), and the continued development of a Common Operating Picture (COP), command and control system at four shore-based command centers.

Rescue 21: $134 million will continue funding for the Coast Guard's primary communications system in the coastal zone area; it will be 35% complete at end of FY04 and fully completed at end of FY06. This will impact SAR as well as all our other mission areas.

2. BUILD-OUT HOMELAND SECURITY OPERATIONS

Maritime Domain Awareness: $34 million in FY04 will fund leased satellite channels for cutters and network connectivity for smaller assets, Universal Automated Identification System (UAIS) for large cutters in accordance with carriage requirements initiated by the International Maritime Organization for certain commercial vessels, and a prototype Joint Harbor Operations Center (JHOC) in Hampton Roads, VA, to provide surveillance of Navy-centric critical infrastructure.

Homeland Security Operations: $172 million in FY04 will fund six deployable Maritime Safety and Security Teams (MSSTs), over 50 Sea Marshals, 43 Response Boats (Small) & 8 Response Boat (Mediums) to increase the organic presence in our ports and waterways, the creation of Stations Boston and Washington (DC) to provide additional resources in these critical locations, two new Port Security Units to support domestic and overseas operational planning and nine 87' Coastal Patrol Boats for maritime HLS and our other important missions.

3. SUSTAIN NON-HLS MISSIONS:

Search and Rescue (SAR): $26 million in FY04 will fund over 390 new personnel towards achievement of a 68-hour workweek at small-boat stations a 12-hour watch standard at command centers, as well as training enhancements at the National Motor Lifeboat School and Boatswainmate "A" school to increase the training throughput at both locations.

The Coast Guard has developed plans to mitigate the impact of deployments on other Coast Guard missions. Some mission trade-offs will occur commensurate with the nation's war preparation. However, Operational Commanders are planning to increase operational tempo of remaining assets to backfill for lost patrol hours, utilize eleven 170' Navy Patrol Coastal (PC) craft (under Coast Guard tactical control) that will provide additional resource hours and offer considerable operational flexibility and adaptability. Coast Guard Operational Commanders also intend to reposition operational assets and utilize the Selected Reserve (SELRES) to rebalance our domestic mission effort. This rebalancing, to be successful, assumes any expeditionary activity is completed within FY03, and that a supplemental funds the total costs of the inconus/outconus expeditionary/mobilization buildup.

4. Senator Stevens and I took pains to include in the Homeland Security Act language that ensures the Coast Guard will be able to perform its traditional functions – like search and rescue – even after its transfer to the Department of Homeland Security. The law will

require the active participation of you and Secretary Ridge to ensure that the Coast Guard's traditional missions are not eviscerated.

Let me give you an example. When war is declared or the President directs, the Coast Guard operates as a service in the Department of the Navy. This longstanding authority, last exercised in World War II, is not changed by the Homeland Security Act.

But there is another mechanism through which Coast Guard assets may be provided to the Navy, and it is used more often – indeed, the authority was exercised just last month, as you, no doubt, are familiar. Under this authority, the Secretary of the Navy and the Secretary of Transportation can make assets like Coast Guard Cutters and personnel available to each other as necessary to preserve military readiness. Under the Homeland Security Act, the Secretary of Homeland Security will now decide whether to approve transfers of Coast Guard assets and personnel to the Navy.

In helping to make such decisions, how will you balance the needs of military readiness with the imperative of maintaining the Coast Guard's capabilities to undertake its search and rescue and other non homeland-security missions?

Ans. Per title 14, the Coast Guard is a military service and branch of the Armed Forces at all times. The Coast Guard has a longstanding tradition, duty, and responsibility to support National Security requirements both at home and abroad.

The Department of Homeland Security will ensure that the Coast Guard remains an active participant in the Department of Defense's (DoD) deliberate and crisis planning process that supports the global war on terrorism and other military contingencies. This process allocates forces, including Coast Guard forces, to the Combatant Commanders to enable them to conduct contingency planning. Coast Guard forces are not committed to DoD by this process. When DoD prepares to execute operations, it must first request and receive permission to employ Coast Guard forces. This process will be closely monitored by the Department of Homeland Security to ensure that the impact of deployments on other Coast Guard missions is fully assessed and mitigation strategies are developed prior to approving the deployment of Coast Guard forces.

The Coast Guard derives great support from the Department of Defense in addressing its Maritime Homeland Security requirements. The Coast Guard is working with the Navy and US Northern Command to identify select/specialized DoD capabilities that can support Coast Guard security needs in our nation's strategic seaports. This effort builds upon excellent relationships that were already in place well before September 11, 2001 that facilitated the timely transfer of Navy Patrol Coastals to the Coast Guard for homeland security operations. The Department of Homeland Security will work to enhance this relationship.

The Department of Homeland Security and Coast Guard are committed to meeting the security requirements of our nation, and we are equally committed to ensuring the Coast

Guard possesses the capability and capacity to perform all missions, including non-security functions.

Immigration

6. During the debate on the Homeland Security bill, a number of Senators, including Senators Brownback and Kennedy, expressed concern about separating immigration enforcement functions from the service functions. The concerns stem from that fact that both functions are charged with interpreting and carrying out U.S. immigration laws; hence, they must effectively communicate and coordinate with one another.

- What do you believe the proper role of the Deputy Secretary will be in ensuring that there is a consistent application of immigration policy?

  Ans. I appreciate the critical importance of ensuring consistent application of immigration policy and am in the process of establishing formal mechanisms to ensure that appropriate coordination takes place. Possible mechanisms being considered include a formal concurrence process; regularly scheduled policy meetings including representatives of key immigration policy development components, such as policy and strategy teams and General Counsel staff; and a formal communications process.

- What steps do you plan to take to ensure continued communication and coordination between immigration enforcement and immigration service functions?

  Ans. The Bureau of Citizenship and Immigration Services and the Bureau of Immigration and Customs Enforcement have established high level liaison offices to maintain constant and effective communication and coordination with one another. In addition, the bureaus are in the process of formalizing shared processes for transfers of work in which both play a role. Sharing of Significant Incident Reports will also serve to ensure that bureau leaders are aware of relevant and timely issues. The Bureau of Customs and Border Protection is also developing a working group to liaison with and ensure appropriate connectivity between BCIS and BICE.

Science and Technology

7.. The development of new technologies will play an important role in meeting our nation's homeland security challenges. With this in mind, the Homeland Security Act provides for the establishment of a Science and Technology Directorate. Since 9/11, a number of federal agencies have already moved forward aggressively in identifying technologies that might have homeland security applications. The commercial sector also has a great deal to offer. My office has been approached by a number of companies that have technology that could contribute to our homeland security.

Do you believe that an initial focus of the Science and Technology Directorate should be harvesting technologies already being developed in the public and private sector, or should the emphasis be on basic research?

Ans. The Department needs to focus on delivering to the field as rapidly as possible capabilities for protecting the homeland from the threat of modern terrorism. In many cases that means prototyping and testing off-the shelf or nearly off-the-shelf technologies, while at the same time providing research and development aimed at delivering improved capability. In other cases a research effort is needed to provide cost-effective protection. Thus, I anticipate a mix between short, mid, and long range development projects.

8. Under section 308 of the HSA, as amended by H.J. Res. 2, the Secretary is authorized to establish one or more university-based centers for homeland security in order to effect a system of "coordinated," university-based research on issues important to the protection of our nation. The Act enumerates several criteria for the Secretary to consider in establishing centers.

   In your interview with Committee staff, you articulated a general preference for establishing a number of (as opposed to one) university-based research centers, dispersed geographically. Would you please elaborate on the statements you made on this issue during the staff interview.

   Ans. The Act, and the subsequent amendments to the Act, provides a set of criteria for the selection of one or more university-based centers of excellence. A merit-based review process requires clearly stated requirements for each center, transparent source selection procedures and criteria approved by the Departments Source Selection Authority, and a source selection panel free from bias or the perception of bias. One university may be particularly strong within an area of interest to the Department, while another university equally strong in some other area. If we are able to identify more than one University, that would enable us to draw upon multiple areas of academic expertise.

9. The Department of Defense has a number of ongoing projects that could be used not only for the protection of our deployed military forces, but also for the protection of the American people. For instance, within the Defense Advanced Research Projects Agency (DARPA), has established a Biosensor Technologies office to "enable the development of fast, highly sensitive, and highly specific biosensor systems."

   It is important that there be transparency between the research activities of the Pentagon and the new Department of Homeland Security. This will both help to leverage existing technology, and avoid duplication of effort. Given your experience as the Secretary of the Navy, how do you intend to ensure that there is adequate coordination between the Pentagon and the Directorate for Science and Technology?

A: The Department will become a major partner in the Technical Support Working Group (TSWG), a joint State-DoD enterprise dedicated to rapidly transitioning counter-terrorism technologies to the DoD and also to law enforcement agencies. The TSWG will provide a mechanism to allow small and large companies to respond to a variety of identified needs. Furthermore, DHS is providing support to the TSWG to enable their capacity for evaluating unsolicited concepts and proposals. The TSWG will thus act as a clearinghouse for evaluating new technologies and proposals, funding those that are technically feasible and consistent with Department priorities, and bringing prototypes to the field.

For those technologies and systems concepts that are of insufficient maturity for rapid transitioning, companies would approach the Homeland Security Advanced Research Projects Agency (HSARPA). Like the Defense Department's DARPA, HSARPA will be on the lookout for promising technologies from industry and academia that are consistent with the Department's mission and require some investment to bring to fruition.

Emergency Preparedness

Division of Preparedness Responsibilities Within the Department

10. The Homeland Security Act divides preparedness responsibilities between three areas of the Homeland Security Department. General emergency preparedness will be handled by the Emergency Preparedness and Response directorate, terrorism preparedness will be handled by the Border and Transportation Security directorate, and coordination of preparedness activities with the state and local government will be handled by the Office of State and Local Government Coordination. How will you ensure that these three offices work together and not at cross purposes?

Ans. The Homeland Security Act created these entities and brought existing agencies, such as FEMA and the Office of Domestic Preparedness (ODP), into the Department of Homeland Security to ensure coordination amongst agencies and focus their missions. The President's budget for FY-04 further advances this effort by placing $3.5B dollars intended for enhancing first responder preparedness under the oversight of ODP. This will ensure that these important funds are allocated in accordance with priorities developed in a coordinated and cross-programmatic fashion.

Inspector General

Role of the DHS Inspector General

11. As you are aware, President Bush recently nominated Clark Kent Ervin to be the Inspector General for the Department of Homeland Security (DHS). If confirmed, Mr. Ervin will have responsibility for conducting investigations and audits within the department. In order for an IG to be effective, there must not be interference from an agency head.

What is your view of the role of the DHS IG?

Ans. The DHS Inspector General's role is to provide policy direction for and to conduct, supervise and coordinate audits and investigations relating to the programs and operations of the Department; to review existing and proposed legislation and regulations relating to programs and operations of the Department and to make recommendations in the required semiannual reports concerning the impact of such legislation or regulations on the economy or efficiency of the administrations of the Department; to recommend policies for, and to conduct, supervise, or coordinate other relationships between the Department and other Federal agencies, State and local governmental agencies and nongovernmental entities with respect to all matters relating to the promotion of economy and efficiency in the administration of, or the prevention and detection of fraud and abuse and the identification and prosecution of participants in such fraud and abuse; and to keep the head of the department and the Congress fully and currently informed, by means of the required reports and otherwise, concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of programs and operations administered or financed by the Department, to recommend corrective action concerning such problems, abuses, and deficiencies, and to report on the progress made in implementing such corrective action.

12. Have you discussed with Secretary Ridge what your role will be with respect to the Department's IG?

Ans. Yes. My role will be to support the IG in any way possible with the resources necessary to fully perform his functions as described above, to maintain open lines of communications so that through his counsel we can avoid problems before they occur, and to utilize my position as Deputy Secretary to ensure the authority and autonomy of the IG is understood, respected and valued throughout DHS.

Prohibition of Certain Investigations

13. The Homeland Security Act prohibits the DHS IG from engaging in certain investigations or audits if the Secretary of Homeland Security determines that such a prohibition is necessary to prevent the disclosure of information that would threaten national security.

I am aware that concern has been raised regarding that provision. However, it is important to note there is precedent for placing an IG under the direct authority and control of the agency head in certain areas involving intelligence matters and other sensitive matters. Specifically, the IGs for the Departments of Justice, Defense, Treasury and the Central Intelligence Agency currently operate under such a restriction.

Certainly this type of authority is not conferred lightly and must be used judiciously. Have you and Secretary Ridge developed a criteria that will be used to determine if such authority should be exercised regarding an ongoing investigation or audit?

A. I see this provision being used in only the most extraordinary circumstances, where the furtherance of an IG investigation or audit would clearly be injurious to national security.

Continuation of Ongoing Investigations

14. The Homeland Security Act allows for the Inspectors General of the transferred agencies to continue to exercise oversight until the appointment of the Department of Homeland Security IG.

    Have you and Secretary Ridge discussed how the ongoing investigations and audits will be managed? And if so, please elaborate.

    Ans. Yes. The Secretary, the Inspector General and I have spoken on this issue. The Inspector General has made arrangements with other Inspector Generals affected by the creation of the Department of Homeland Security to ensure continuity of all ongoing legacy investigations.

    The Homeland Security Act establishes within the Department (sec 1515) that the Inspector Generals that exercised oversight of their respective transferred agencies shall continue to exercise said oversight during the period of time, if any, between the transfer of the agency to the Department and the appointment of the Inspector General of the Department of Homeland Security in accordance with section 103(b).

Relations with Unions

15. As Secretary of the Navy, you have led a Department consisting of 383,000 active duty and 89,000 Reserve Sailors; 172,000 active duty and 40,000 Reserve Marines; and 186,000 civilians. Obviously, you understand the importance of a strong, high- morale, work force. What would you describe as key elements of the Department of Homeland Security's new personnel system that would ensure positive labor-management relations are forged?

    Ans. As Secretary of the Navy, I did have the opportunity to lead a strong, high-morale force. I know that it is absolutely critical for the personnel system to support the workforce and promote excellence, esprit, and positive relations between leadership and personnel. In establishing the system, we will focus on key values to that end.

    First, workers must feel they are part of an organization dedicated to priorities, ideals and core values that are consistent with their own. They must also be secure in the knowledge that their compensation and success or failure will be based upon their performance alone; that their performance will be fairly evaluated against known standards, and that they are working within a system where only those who perform well will be rewarded.

Contracting with Inverted Companies

16. The legislation that created the Department of Homeland Security contains a provision that prohibits it from contracting with companies that have "inverted," or moved their headquarters overseas to avoid paying U.S. taxes. Under the new law, the Department cannot contract with those companies that invert after the act becomes effective. However, the bill authorizes the Secretary to waive the restriction if required in the interest of homeland security, or where there would be substantial additional cost or significant numbers of U.S. jobs would be lost. Senators Chafee, Snowe, and I worked hard to tighten this waiver language so that the new Department could contract with an inverted company only where required in the interest of homeland security.

- Under what circumstances would you counsel Secretary Ridge to exercise this waiver authority?

  Ans. I would only counsel Secretary Ridge to waive such authority if he determines that the waiver is required in the interest of homeland security, or to prevent the loss of jobs in the United States, or prevent the Government from incurring any additional costs that otherwise would not occur, pursuant to Sec. 835 of the Homeland Security Act.

- Would expanding this provision to those companies that had inverted in the past or expanding the definition of an inverted company, as some are proposing, create problems for the Department in fulfilling its critical mission of protecting the homeland?

  Ans. It is difficult to predict the impact of yet-to-be finalized language. The types of provisions described above may shrink the pool of companies most immediately available to the Department for goods and services. That said, the waiver authority would, I presume, be extended to any of these additional companies, thus providing a mechanism to "fulfill critical missions," if needed.

First Responders

17. I am concerned about how the new department will communicate and coordinate with states, communities, and our police officers, fire fighters, and emergency medical technicians; those who are on the front lines.

The Homeland Security Act creates a new Office of State and Local Coordination, which I think is a step in the right direction. But it does not include language I developed with Senators Feingold and Carper to ensure that all fifty states have a designated homeland security liaison. As the National Strategy for Homeland Security points out, the United States has more than 87,000 different federal, state, and local jurisdictions. It seems to me that, at a *minimum*, we need a Department point of contact in each state.

Will you work with us to ensure that state and local officials and first responders in each state have a point of contact they can go to receive or share information and to coordinate activities?

Ans. The Office of State and Local Government Coordination is currently up and running and in the process of being staffed to respond to this very need. The office already has regular contact with the Governor's Offices and periodic conference calls with the State and Territorial Homeland Security Advisors and other State and Local Officials. As a matter of fact, at the end of February, the Office of State and Local Government Coordination hosted a meeting with the State and Territorial Homeland Security Advisors, where they were introduced to each of the Under Secretaries and Under Secretary Designates and engaged in discussion about key issues facing the states and local jurisdictions. That same week, we also hosted a meeting with the Homeland Security Advisors and representatives from state and local associations representing police, fire, emergency medical, and public works officials, where the group discussed ways to improve the Homeland Security Advisory System with Secretary Ridge and FBI Director Mueller. Since the Department's inception at the end of January, we have hosted almost daily meetings and discussions with state and local officials from across the country, providing unprecedented and immediate access to the Department. While there is still more to do as we build the Department's capability to support the needs of state and local governments, feedback has been universally positive on the steps taken to date. We intend to continually improve our capability to provide this service, and welcome continued feedback from the Committee.

Border Security/Immigration

18. The new Department will face many challenges in trying to improve our nation's security. Nowhere will the challenge be greater than at our borders.

Each year, the United States admits 330 million non-citizens through our borders. In Maine, some 4.6 million cars and trucks cross over the border from Canada each year. And the Ambassador Bridge between Detroit, Michigan and Windsor, Ontario alone carries $250 million worth of merchandise per day, which is 27 percent of the total daily trade between the U.S. and Canada. That is a lot of traffic, and a lot of opportunities for our enemies.

But there is another side to the coin. For many in Caribou, Maine, less than an hour's drive from the Canadian border, traveling back and forth between Maine and Canada to work or visit friends or family is a regular occurrence and a way of life. Family members live across the border from one another and businesses in one country depend on suppliers and customers from another in order to survive.

How do you intend to balance the imperative of securing our homeland with the need to allow the free flow of people and commerce between the United States and our neighbors?

A. *BTS agency enforcement and investigations functions are being split and re-coupled in the Bureau of Customs and Border Protection (BCBP) and the Bureau of Immigration and Customs Enforcement (BICE). The BCBP will consolidate the inspection functions now found at points of entry to ensure proper coordination among the agencies with jurisdiction at those entry points. As a result, people and goods entering the country will now be met by officials from one agency who are coordinating inspections at points of entry.*

Consolidation of investigation functions within BICE will provide us the ability to better coordinate with inspectors within the BCBP, coordinate other state, local and federal law enforcement agencies, and surge investigative resources where needed.

Clearly, there are areas along our Northern Border, and nationwide, where we will constantly need to be assessing our resource levels and making appropriate adjustments as necessary. We will also pursue use of new and emerging technologies to enhance the efficiency of our border security mission.

Information Technology

19. One of the most difficult challenges for the new Department of Homeland Security will be to create an effective information technology system that can be deployed in a timely fashion. The success of the Department will depend upon breaking down barriers and sharing information among the constituent parts of the Department. It will also depend upon sharing information outside the Department, both with other federal agencies and with state and local officials and first responders.

Creating a unique "proprietary" information technology system for the Department would be a time-consuming activity which would delay the Department's ability to execute its mission. It would also not produce an information technology system that would have any advantage over technologies which are currently available commercially.

For these reasons, the Congress included Section 509 in the legislation creating the Department. Section 509 expresses the sense of Congress that "the Secretary should, to the maximum extent possible, use off-the-shelf commercially developed technologies to ensure that the Department's information technology systems allow the Department to collect, manage, share, analyze, and disseminate information securely over multiple channels of communication" and that "in order to further the policy of the United States to avoid competing commercially with the private sector, the Secretary should rely on commercial sources to supply the goods and services needed by the Department."

The success of the Department will depend on putting in place an information technology system that will facilitate information sharing within your Department and with other federal, state and local officials. To what extent do you intend to utilize currently-available commercial technology to do so?

The department's CIO has been working for several months with the CIOs of the incoming agencies, and with representatives of state and local governments, and the private sector, to provide input to the department's enterprise architecture. We have now begun to involve program area experts within the department to validate work done to date, and to develop the desired state business processes. We will identify existing, commercially available information technologies that can and will be used in deploying solutions necessary to achieve our strategic missions and objectives. In discussions with the department's CIO, I know he concurs with industry experts that we can and must leverage commercial technology, both existing and emerging. This is the fastest, and most cost-effective approach to delivering the "network of networks" that will enable us to share information with state, local, tribal, and other federal officials, and with the private sector responsible for our critical infrastructure.

Post-Hearing Questions for the Record
Submitted by Senator Specter
to Secretary Gordon England

Nomination Hearing for Secretary Gordon England
to be Deputy Secretary for Homeland Security

January 24, 2003

Your responses to questions by Senators Levin and Pryor at your nomination hearing of January 24, 2003, before the Senate Committee on Governmental Affairs, suggest that you may favor a different approach than Secretary Ridge to the form in which intelligence analysis is presented to the President and senior policymakers.

While your responses suggest a "collaborative" approach which would incorporate all views of the various relevant agencies into one analytical product that is presented to the President, Secretary Ridge has consistently focused on an approach involving "competitive" analysis, which would present potentially diverse interpretations of certain intelligence, thereby allowing the President to compare and weigh all analytical products.

What is the policy of the Department of Homeland Security with regard to the form in which intelligence analysis will be presented to the President and senior policymakers?

In what way does your view regarding the form of the analytical product presented to the President and senior policymakers differ from Secretary Ridge?

If your views deviate in any way, please explain the rationale that underlies any departure from the competitive analysis approach, and whether this departure represents either the policy of the Department of Homeland Security or any agreement that has been reached between the relevant agencies that provide intelligence analysis to senior policymakers, or both.

If your views do not deviate from those of Secretary Ridge, please harmonize your responses to the Committee on January 24, 2003, with the responses consistently given by Secretary Ridge prior to his confirmation.

Answer: My view on the form analytical intelligence products should take does not differ from that of Secretary Ridge. We view the products produced by intelligence organizations as both complementary and collaborative. DHS' primary analytical focus, for example, will be on mapping threats to the homeland against vulnerabilities, a function not performed elsewhere. The Counter Terrorism Center in CIA, on the other hand, has a broader analytical focus: global plans, intentions, and capabilities of international terrorist organizations, along with analysis to support specific foreign intelligence operations. To the extent that these analytical missions and products overlap and result in competing analysis, we believe that will only enhance the ability of the President and other senior policymakers to make informed decisions to protect the homeland. Analytical products will continue to be presented to those persons in daily briefings, and will include intelligence from all participating agencies on general global threats as well as specific risk assessments on vulnerabilities at home and abroad.

Post-Hearing Questions for the Record
Submitted by Senator Shelby
to the Honorable Gordon England

Nomination Hearing for The Honorable Gordon England
to be Deputy Secretary for the Department of Homeland Security

January 24, 2003

Question One:

Secretary England, several recent news stories have highlighted the potential danger the student visa program presents to our national security. Because international students are growing in number and pay out-of-state tuition, they are a large source of revenue for America's higher learning institutions. Therefore, it comes as no surprise that many colleges and universities have opposed stricter regulation of the student visa program based on a fear that they would lose this profitable source of income.

While I believe that the student visa program provides certain benefits to our country, I am concerned about its potential for abuse. Specifically, while schools and universities are now required to share certain information such as name, date of intended graduation, and program of study with the federal government, there currently is no system to track students after they graduate, leave school early, or fail to show up for registration. I believe that such a loophole unjustifiably puts our nation at risk.

If confirmed by the Senate, what recommendations would you make to Congress on how to reduce the risk that terrorists will enter the country under the guise of being a student? What can the Department of Homeland Security do to address this issue under the authority granted to it in the Homeland Security Act?

Answer: The Homeland Security Act provides for the Department of Homeland Security, specifically the Under Secretary for Border and Transportation Security, to develop regulations governing the issuance of Student and other types of visas by Consular Officers of the Department of State. Toward this end, the Department of Homeland Security (DHS) is already working with the Department of State and others to strengthen its processes for identifying individuals who pose a security risk and denying them access to the country. The Department of Homeland Security is responsible for the admission of students at the port of entry, and the tracking of students in the United States.

In the meantime, the Administration has taken a great step forward in the enforcement of the terms of the student and exchange visitor programs. On January 1, 2003, the US Government - at that time the former Immigration and Naturalization Service - deployed a new student tracking system called SEVIS (Student and Exchange Visitor Information System). This system, which is accessible through the Internet, is a central database of information about individuals who enter the United States as students or exchange visitors. Schools and exchange visitor programs, the Department of State, and several components of the Department of Homeland Security enter the data in SEVIS. The system is designed to house certain basic information about applicants for a student or exchange

visitor visa and to alert the INS (now BICE) when the holder of such a visa violates the terms of that visa. Upon notification of any violation, each case is analyzed for potential risk. High-risk subjects are referred for investigation, apprehension and removal.

SEVIS will, for the first time, be used by inspectors at United States ports of entry to compare and verify electronic data in the system with documentation presented by arriving students seeking admission to the U.S. Further, it will help identify students who do not maintain their status or commit other violations.

Question Two:

Secretary England, Congress wrote the Homeland Security Act in order to give the Secretary of Homeland Security statutory authority to ensure that DHS analysts get everything they feel they need. Under the law, the only person who can tell the Secretary "no" is the President himself. CIA Director George Tenet has said publicly that he does not intend to allow Homeland Security analysts to have any access to so-called "raw" intelligence. This statement, along with my experience on the Intelligence Committee lead me to believe that members of the Intelligence Community will resist efforts to share their raw intelligence openly with DHS analysts.

Do you believe that DHS should have unfettered access to raw, unevaluated intelligence collected by the Intelligence Community rather that just reports prepared by those agencies? If not, how do you reconcile that belief with the text of §202 of the HSA?

How do you plan to address and resolve intelligence sharing problems between DHS and the Intelligence Community?

Answer: We are ensuring proper access to information in a number of ways. As a formal matter, we are entering into formal agreements for the sharing of information. We also are making sure that we co-locate DHS analysts with personnel from the CIA, FBI, NSA, and other agencies both in the Homeland Security Center and also in the TTIC, in order to promote DHS access to information and, as well, to ensure that other agencies have access to our information. Finally, we will constantly review our information sharing needs against what we are obtaining, and develop and coordinate any recommendations or training that is necessary to ensure the full extent of information sharing permitted by law.

Post-Hearing Questions for the Record
Submitted by Senator Joseph I. Lieberman
to Secretary Gordon England

Nomination Hearing for Secretary Gordon England
to be Deputy Secretary for Homeland Security

January 24, 2003

1. In response to several written questions about the current status of our efforts to protect, prepare for, prevent, respond to or contain an attack, you indicated that you have not been involved with our response to the September 11 terrorist attacks, thus you do not have detailed knowledge about many domestic security issues. Of course, you have much expertise in addressing terrorism on an international basis and, as we all know, the wall between international and domestic is clearly coming down. Are there specific areas of knowledge that you have gained in working to counter terrorism abroad that you believe will help you as you address our domestic security needs?

Answer: Thank you for the opportunity to comment As Secretary of the Navy I met with Admiral Loy (then Commandant of the Coast Guard) and Admiral Clark, CNO of the USN, on 9-12-01 to coordinate protective measures for the Nation's ports, waterways and shipping as a combined USCG and USN mission. We also started the intelligence center at Suitland, Maryland, to track ships, screen crews and better understand ships and cargo coming to America and to identify, potential hostile intent. The U.S. Navy and U.S. Marines also initiated force protection for all military installations at home and around the world. Processes, procedures and technology were developed and enhanced for these missions. A 2400 Marine terrorist response force was formed, trained, equipped and deployed for instant use worldwide (prior to Northern Command). Bio response teams were expanded and utilized in Washington, D.C. during the anthrax attacks and elsewhere. The Navy Criminal Investigative Service, reporting to the Secretary, worked closely with the FBI and CIA in counterterrorism and was responsible for the USS Cole investigation. In summary, as Secretary of the Navy, I participated in a wide range of anti- terrorism activities.

2. It appears that the Administration and I have very different interpretations of the role of the Directorate of Information Analysis and Infrastructure Protection with respect to actually preventing acts of terrorism on our homeland. You have stated that preventing attacks will be one of the Department's highest priorities. However, there is some question about what this means with respect to the Department's Information Analysis and Infrastructure Protection Directorate.

My view is that the Directorate has responsibility for fusing and analyzing intelligence, and using that intelligence to protect our transportation systems, financial

systems, computer networks, and other critical infrastructure. However, *it is also* responsible for developing analysis - "connecting the dots" if you will, in order to protect people - to disrupt potential plots before they can come to fruition. In my view, the Department has a critical role to play in literally "preventing" terrorist attacks - as the statute states.

- **What is your understanding of the mission of the Information Analysis and Infrastructure Protection Directorate and does it include preventing terrorist attacks before they occur?**

Answer: As part of the intelligence community IAIP analysts will receive threat information from other agencies and conduct threat-vulnerability mapping to provide risk analysis that includes identifying potential targets. Additionally, the IAIP Directorate will maintain 24/7 watches as part of the Homeland Security Center that will ensure immediate sharing of operational information (such as surveillance reporting by law enforcement) that affects the threat picture. As "action officers," IAIP analysts will be responsible for ensuring threat information is actionable and informative for the customer. Access to all-source intelligence and real-time connectivity with other parts of the government will provide a detection system that meets the intent of the Act.

3. The language in the Homeland Security Act (Sec. 201(d)(1)) states explicitly that the responsibility of the Under Secretary for Information Analysis and Infrastructure Protection shall be to analyze information and intelligence in order to "(A) identify and assess the nature and scope of terrorist threats to the homeland, (B) detect and identify threats of terrorism against the United States and (C), understand such threats in light of actual and potential vulnerabilities of the homeland." I want to emphasize the responsibility to "detect and identify" threats. How do you interpret the responsibility to "*detect and identify*" terrorist threats? Doesn't this mean that DHS will be responsible for *detecting threats* and passing on that analysis so that hopefully they *can be* disrupted by the agencies with that responsibility?

Answer: Our analysts will be responsible for relaying the threat information and ensuring protective (including disruptive) measures are undertaken by the agencies with those responsibilities. The stand-up of the Department's Homeland Security Center will ensure threat information is translated into action in the quickest possible way. Other agencies with protection missions will be present in the Center and all components of the Center will be working side-by-side 24/7 to make sure protective measures are implemented.

4. In your response to our written questions and in the staff interview, you expressed optimism that the Department would receive all of the information it needs from other agencies, especially intelligence agencies, in order to fulfill its mission. Indeed, you indicated that if you were not convinced this is the case, you would not take the job. I appreciate your optimism and I wish I could share it. But the history is that intelligence

agencies have been very reluctant to share information with others. Some of the reluctance is based on the notion of protecting sources and methods (even from other intelligence agencies) and the view is that others outside of an agency simply cannot be trusted with sensitive information.

- **Do you believe that these kinds of institutional barriers still exist? Do you think they will be easily overcome with respect to the Department?**

- **Since some 85 or 90 percent of our nation's intelligence assets are controlled by the Department of Defense, what challenges do you foresee in utilizing these assets to help meet the intelligence needs of the Department of Homeland Security?**

Answer: The Administration is committed to ensuring that homeland security information is appropriately and efficiently shared among the federal branch, including the Department of Defense, and where appropriate, among state and local officials. DHS will receive all the information that it needs to perform its critical missions. To ensure this collaboration, we are in the process of signing an MOU for information sharing with the FBI and CIA and other intelligence organizations. To ensure this collaboration, the Attorney General, Secretary of Homeland Security, and the Director of Central Intelligence signed a Memorandum of Understanding on Information Sharing, March 4, 2003, which implements the information sharing requirements of the Homeland Security Act.

I believe that any additional homeland security intelligence requirements or priorities for analysis can be satisfied largely through the Terrorist Threat Integration Center (TTIC) announced in the President's State of the Union address, as it becomes fully operational. The creation of TTIC will serve as a means of sharing all terrorist threat intelligence whether collected overseas or inside the U.S. in order to form the most comprehensive threat picture possible. It will play a lead role in overseeing a national counterterrorist intelligence tasking and requirements system and in maintaining an up-to-date database of known and suspected terrorists. This represents an important milestone in our effort to improve collaboration between the intelligence and law enforcement communities and enhance our ability to thwart terrorist attacks and bring the planners/perpetrators of such attacks and their supporters to justice.

We also are making sure that we co-locate DHS analysts with personnel from the CIA, FBI, NSA, Department of Defense and other agencies both in the Homeland Security Center and also in the TTIC, in order to promote DHS access to information and, as well, to ensure that other agencies have access to our information.

Finally, we will constantly review our information sharing needs against what we are obtaining, and develop and coordinate any recommendations or training that is necessary to ensure the full extent of information sharing permitted by law.

5. I am very disappointed that the Administration continues to believe that the federal government should not provide funds to help local communities hire firefighters, who are often the very first responders to arrive at the scene of an emergency, and whose presence saves lives. According to the International Association of Fire Fighters, two-thirds of all fire departments do not have adequate staffing, falling below the accepted industry consensus standards developed by the National Fire Protection Association. Most fire departments are not able to comply with OSHA's two-in/two-out standard for safe fire ground operations. Almost every investigation into fire- fighter fatalities conducted by the National Institute for Occupational Safety and Health (NIOSH) over the past decade has identified inadequate staffing as either the primary cause or a significant contributing factor to the death of the firefighter.

- **With state budgets under severe strain and some localities being forced to lay off firefighters - which will make matters even worse - shouldn't the Administration modify its position?**

- **How can we say to local communities, we will only give you money to train firefighters, when they don't even have enough firefighters to begin with?**

Answer: *The Administration's commitment to first responders and particularly the fire services is well documented. FEMA, now the Emergency Preparedness and Readiness Directorate (EP&R), through its United States Fire Administration provides essential command officer training, fire prevention information and concepts, manages the National Fire Incident Reporting System and administers the Assistance to Firefighters Grant Program, currently appropriated at $750 million in FY03. The President for the second year has proposed the $3.5 billion First Responder initiative, which would provide grants to fire departments totaling more than $500 million for FY04. We agree that fire departments across the nation, volunteer and career, are in need of federal support to prepare for their critical role in Homeland Security. More than 75% of the nation's fire departments are served by volunteer departments. Both career and volunteer departments are essential partners in protecting our communities. It is therefore the appropriate role of the federal government to provide funding and assistance for equipment, training, exercises and technical assistance to all fire departments. This assistance not only provides these communities with needed support that serves to increase department readiness, but also serves to increase local fire departments ability to respond to day-to-day incidents. By receiving this federal support, communities can review their budgets with more flexibility when it comes to staffing decisions.*

Local fire departments and the elected officials of the community, correctly have the authority to determine staffing levels based on their needs and priorities, and many have placed equipment and training above staffing.

In summary, the programs that DHS puts together are intended to build on the foundations that have been established and create a national emergency preparedness system that is a local, State and National partnership, and that is equipped, trained and practiced in the management of the hazards, especially terrorism, that we all face.

6. The new Hart-Rudman report raises serious questions about whether local law enforcement and first responders are adequately informed, trained and equipped to respond effectively to terrorist threats. If localities, because of funding and other problems, are having difficulty providing baseline security, how is it that they can effectively increase that security when the threat level is raised?

Answer: Response and prevention and deterrence (security) are two distinctly different efforts. The vast majority of federal assistance to date has been to train, equip and exercise state and locals to respond to a terrorist incident. The cost of state and local law enforcement or NGB to secure facilities and conduct law enforcement efforts to prevent terrorist acts has not received funding from the federal government. This is what governors and mayors are complaining about...the costs they incur when the alert level is raised are not covered by federal grants at this time. This is one of the priorities in the Administration's 04 budget request ($500 million) to help with the prevention efforts needed at the state and local level.

We need to do more funding for response preparedness but are just now looking at what can be done to help defray costs of preventing terrorist acts.

7. Last week, unfortunately, the Senate failed to approve Sen. Byrd's amendment to the FY 2003 appropriations which would have provided funds for several critical homeland security needs. It would have restored the full $2.5 billion in homeland security funding in last summer's emergency supplemental appropriations bill - money for first responders among others – that was approved by Congress but which the President blocked from actually being spent. It sought to restore close to $1 billion that the Republican proposal cuts from various homeland accounts for FY 03, below the levels agreed to by Senate Appropriators last year. That $1 billion includes money for border security, such as funding new initiatives to identify suspicious container traffic and to keep track of who enters and exits our borders. The Byrd amendment also included $850 million to help states and localities implement the President's smallpox vaccination plan. Another $585 million would have gone to implement the new port security law – legislation that passed overwhelmingly in November but which to date has not been funded. Unfortunately, following the lead of the Administration, this amendment did not receive sufficient support from my colleagues on the other side of the aisle.

- **Can you state with certainty that these funds are not needed, right now, to improve our nation's defenses against terrorism?**

- **What is the basis of your assessment?**

Answer: One of the challenges we face in establishing the new Department of Homeland Security is to prioritize among the variety of needs and demands for securing the Homeland. The FY02 and FY03 appropriations addressed many, though not all, of our top priorities. At the same time we had concerns about funding proposals that seemed premature or were not clearly tied to resource requirements. The FY04 Budget contains many new homeland security initiatives and increases to address the some of the issues you've raised. We hope that swift Congressional action on the FY04 Budget means we can get started with these on October 1.

8. The Defense Science Board estimated that the U.S. has only one of the fifty-seven diagnostics, vaccines, and therapeutics it needs to respond to a bioterror attack. This assessment only applies to our preparedness for the top 19 bioterror threats; we are even less prepared to respond to the other possible threats. For example, we have no treatments for late stage inhalation anthrax and we have no treatments for those who are infected with smallpox. And our preparedness for other biological agents is even worse. Most believe that the biopharma sector has little or no incentive to engage in this research because there is either no established market or only a government market -- and it's not clear from the industry's point of view which of these possibilities is worse. Consequently, Senator Hatch and I have introduced legislation, S. 3148, which would provide incentives for the biotechnology and pharmaceutical industries to launch major research programs to develop countermeasures to biological, chemical and radiological agents, toxins and materials.

- **You have extensive experience in the private sector. Do you believe there is a need to enact incentives to engage the biotechnology and pharmaceutical sector in developing countermeasures?**

- **Do you believe the biopharma sector will find this research of interest if we don't provide it with special incentives?**

Answer: It is clear that the pharmaceutical and biologics industry need incentives to engage in R&D, testing and manufacture of countermeasures to biological and chemical threat agents. The President announced Project BioShield -- a comprehensive effort to develop and make available modern, effective drugs and vaccines to protect against attack by biological and chemical weapons or other dangerous pathogens. Specifically related to the question, the proposed legislation for Project BioShield will ensure that resources are available to pay for "next-generation" medical countermeasures. The proposed legislation creates a permanent indefinite funding authority to spur development of medical countermeasures. This authority will enable the government to purchase vaccines and other therapies as soon as experts believe that they can be made safe and effective, ensuring that the pharmaceutical and biologics private

sector devotes efforts to developing the countermeasures. The Secretary of Homeland Security and the Secretary of Health and Human Services will collaborate in identifying critical medical countermeasures by evaluating likely threats, new opportunities in biomedical research and development, and public health considerations. Project BioShield will allow the government to buy improved vaccines or drugs for smallpox, anthrax, and botulinum toxin.

Use of the proposed BioShield authority is currently estimated to be $6 billion over ten years. Funds would also be available to buy countermeasures to protect against other dangerous pathogens, such as Ebola and plague, as soon as scientists verify the safety and effectiveness of these products.

The administration is currently in the process of developing a position on S.3148.

Post-Hearing Questions for the Record
Submitted by Senator Lautenberg
to Secretary Gordon England

Nomination Hearing for Secretary Gordon England
to be Deputy Secretary for Homeland Security

January 24, 2003

Gun Show Loophole

Q: Secretary England, last week, after I asked Secretary Ridge why the President is not working to close the gun show loophole, Secretary Ridge noted, that, "Brandishing a firearm in front of anybody under any set of circumstances is a terrorist act and needs to be dealt with." But then he reversed course and said that gun terrorism was not a major concern. Yet, the purchase and use of guns by terrorists is a real concern. A terrorist training manual found in Afghanistan pointed out that it is easy to acquire firearms in the United States, and recommended that al-Qaeda members living in the United States "obtain an assault weapon legally, preferably AK-47 or variations." Isn't their a need for the Homeland Security Department to take the lead in closing the gun show loophole to prevent al-Qaeda or other terrorists from purchasing guns?

A: The new Bureau of Alcohol, Tobacco, Firearms and Explosives (ATFE) established within the Department of Justice pursuant to section 1111 of the Homeland Security Act has jurisdiction over firearms, explosives and arson and is the appropriate agency to work with the congress to address this issue. However, the Department of Homeland Security recognizes that the illegal firearms market is a concern in the fight against terrorism.

Facilities to Receive Vulnerability Assessments

Q: Last year Congress passed the Maritime Transportation Security Act that gives the Coast Guard responsibility for conducting vulnerability assessments of all vessels and facilities on or near the water. Yet it is not clear that all the necessary facilities will be assigned. What is your understanding of the facilities to be included in the list of those needing vulnerability assessments?

A: The Maritime Transportation Security Act of 2002 (MTSA) requires two distinct assessments. The first is an "initial assessment" to determine which facilities and vessels are at high risk of being involved in a transportation security incident. Depending on the outcome of the initial assessment, the MTSA will then require a detailed vulnerability assessment of those vessels and facilities that may be involved in a transportation security incident. Those same facilities and vessels will be required to develop security plans that must be approved by the Secretary as a condition of operating on or adjacent to waters subject to the jurisdiction of the United States. The initial assessment is a cornerstone of the MTSA because it delineates which facilities and vessels will be subject to direct regulation and required to have a security plan. Each Coast Guard Captain of

the Port (COTP) has already completed an initial vulnerability assessment of his or her respective area of responsibility using the Port Security Risk Assessment Tool (PSRAT). COTPs were instructed to consider their port in totality when carrying out the initial assessment using the PSRAT. This includes all vessel types, facilities, activities and nearby structures that impact the port.

It is anticipated that the below listed vessel and facility types will be required to undergo a detailed vulnerability assessment.

Vessels:
- *All foreign ships, both cargo and passenger, required to comply with SOLAS*
- *Vessels greater than 100 gross tons and subject to 46 CFR Subchapter I*
- *Offshore Supply Vessels subject to 46 CFR Subchapter L*
- *Passenger vessels subject to 46 CFR Subchapters H and K*
- *Passenger vessels subject to 46 CFR T engaged on an International voyage*
- *Barges subject to 46 CFR Subchapter D, I, and O*
- *Tankships subject to 46 CFR Subchapters D and O*
- *Mobile Offshore Drilling Units subject to 46 CFR Subchapter I-A*
- *Towing vessels greater than six meters in registered length*

Facilities:
- *Facilities that handle cargo subject to the regulations in 33 CFR Part 126, 127, or 154*
- *Facilities that service vessels that carry more than 150 passengers*
- *Facilities that receive vessels on international voyages, including vessels solely navigating the Great Lakes*
- *Facilities handling Certain Dangerous Cargoes*

The Coast Guard is now developing regulations that will define those facilities that may be involved in a transportation security incident. The MTSA permits the Secretary to "accept an alternative assessment conducted by or on behalf of an owner or operator of the facility or vessel." The Coast Guard intends to place the responsibility on individual facility and vessel owners/operators to complete the detailed assessment. Those facilities and vessels not required to undergo a detailed vulnerability assessment may be assessed during a port wide assessment conducted by the COTP and the Area Security Committee as the Area Maritime Transportation Security Plan is developed as required by the MTSA.

For the Nation's 55 most economically and militarily strategic ports, the Coast Guard will conduct more detailed assessments than the ones listed above. These assessments will include the broader elements of the MTSA not sufficiently covered by individual vessel and facility assessments or the COTP facilitated assessments, as well as additional elements that the Coast Guard deems appropriate such as shared infrastructure and vulnerabilities of vessels and facilities as a class.

Vulnerability Assessments- Bridges

Q: In regard to vulnerability assessments: Will it include bridges over major rivers such as the Hudson or over harbors such as New York?

A: Vulnerability assessments for the port area will evaluate the possible impact not only of bridges, but of the rest of the transportation infrastructure, on port operations. This includes assessing the importance of the bridges to the intermodal transfer of cargo through the port, the possibility of a bridge being used as a vector to block a critical chokepoint, its role in emergency egress, and the analysis of a bridge being used as a weapon to attack/damage waterborne commerce. Each assessment will also include information to help port security forces defend against a direct attack on the bridge structure.

Vulnerability Assessments - Facilities

Q: In regard to vulnerability assessments: What of nuclear power plants, chemical or oil storage facilities, and oil drilling platforms on or near the water? Which of these facilities will be included in the vulnerability assessments, or will all of them be included?

A: Each Coast Guard Captain of the Port used the Port Security Risk Assessment Tool (PSRAT) to complete an initial vulnerability assessment of his or her respective area of responsibility including nuclear power plants, chemical or oil storage facilities, and oil drilling platforms. Through this risk-based decision-making process, the Coast Guard has determined which types of vessels and facilities are at high risk of being involved in a transportation security incident.

The facilities chosen for assessment program have been based primarily on the results of the PSRAT, with additional input from the cognizant COTP. Through this approach, assets such as the Plymouth Nuclear Power plant near Boston, MA and Hoover Dam have been included in the assessments. On average, 30 facilities/assets have been assessed to varying degrees under each assessment.

The Department will continue to apply a risk-based approach in future assessments to account for all high risk facilities.

Cost of Port and Maritime Security Improvements

Q: Three million containers annually are moved in the port of New Jersey and New York, the second largest amount in the nation. In the Fiscal Year 2003 budget, we are providing only several hundred million dollars for port security. Yet, the Coast Guard estimated that over $7 billion could be needed to improve the security of vulnerable facilities near water and vessels that could be involved in a "transportation security incident". We are obviously nowhere near the levels of funding needed right now. Clearly, there is a great need for increasing funding for port security. Given the

President's budget cuts and fiscal restraints, how are we going to effectively protect our ports?

A: The $7 billion cost identified in the Coast Guard's rulemaking is the estimated amount industry will pay over ten years to implement MTSA and the amendments to the International Convention for the Safety of Life at Sea (SOLAS). The Coast Guard will continue to refine this estimate during the rulemaking process based on feedback from port stakeholders.

In June 2002, the Department of Transportation (DOT) awarded port security grants totaling $92.3 million to 51 ports located throughout the nation to enhance the security of ports and other facilities. For example, the Port Authority of New York and New Jersey received $4.07 million under this program. In January 2003, DOT announced that an additional $105 million in port security grants have been made available.

The Coast Guard has enhanced security in the nation's territorial waters by tracking high interest vessels and requiring the submission of key information on people, cargo and vessels to ensure that they do not pose a security risk prior to entering the United States. Additionally, the Coast Guard, in coordination with state and local agencies, has greatly increased its presence in the protection of critical bridges, port facilities, and other infrastructure adjacent to waterways and, when necessary, is escorting vessels containing high-risk cargo and those traveling through security sensitive areas.

To address the security threats posed by cargo containers, U.S. government agencies in cooperation with private sector partners initiated Operation Safe Commerce to improve the security of containers as they move through the supply chain. The Transportation Security Administration received $28 million to move forward with this initiative, and the Port Authority of New York and New Jersey is one of the designated load centers to receive this funding.

The United States Customs Service launched the Container Security Initiative to pre-screen containers identified as high-risk before they arrive at U.S. ports. They are in various stages of negotiations and deployment at 18 of the world's top 20 mega ports, which send large volumes of cargo containers into the United States, including the Port of New York and New Jersey.

Working through the International Maritime Organization (IMO), amendments to SOLAS and a new International Ship and Port Facility Security (ISPS) Code have been adopted. The SOLAS amendments and the ISPS Code contain strong, comprehensive, worldwide measures to enhance maritime security and complement the recently enacted U.S. Maritime Transportation Security Act (MTSA) legislation.

Upgrading Rail and Car/Bus Tunnels under the Hudson River

Q: Also, according to your department, or existing estimates made by other organizations, what are the preliminary cost estimates for upgrading the security of the rail and car/bus tunnels under the Hudson River? Please provide estimates for each tunnel.

o *A: The Port Authority of New York/New Jersey (PANYNJ), working with TSA, DHS, DoE, DoJ, Coast Guard and other key security-related Federal agencies, is preparing the beginnings of an extensive security improvement program for vehicular & rail (PATH) facilities. Security improvements being considered include, but are not limited to, structural/engineering applications to strengthen the infrastructure from the effects of any attack, improved and expanded use of CCTV, perimeter security technologies, card access systems, employee identity verification/background checks, security of construction site work procedures and access, greater use of K-9 Bomb Unit capabilities, and development of more sophisticated vehicle inspection technologies and procedures. Additionally, work has begun between PANYNJ and the Dept. of Energy and their laboratory arm to identify and strategically place radiological & nuclear sensor devises at tunnel portals. At* this point, cost estimates would be premature; however, specific costs are protected as proprietary by the PANYNJ.

Information Sharing and Intelligence

Q: It is still very unclear how intelligence and law enforcement information will be integrated. Your Department faces an enormous challenge to insure the right information gets to the right people at the right time. If we can't do that, then establishing the Department of Homeland Security will be an enormous waste of time and treasure.

Who will be responsible for briefing the President on the domestic terrorist threats and key vulnerabilities on a daily, or as needed, basis?

A: The Secretary, in close consultation with the DCI and FBI, drawing from the threat-vulnerability integration resources of his Information Analysis and Infrastructure Protection Directorate, will brief the President and other federal agency heads as needed.

Homeland Security Department's Intelligence Authority

Q: The Homeland Security law provides that the Homeland Security Department will be able to "consult" with the Director of Central Intelligence and other appropriate intelligence elements, "to establish collection priorities."

Does this provision give your Department the authority it needs to set foreign intelligence collection requirements?

A: *Yes, I believe there will be robust mechanisms in place to enable the Department to set foreign intelligence collection requirements. The Secretary has requested that the DCI provide two experienced requirements officers from the IC to help both the Homeland Security Center and the Information Analysis and Infrastructure Protection Directorate establish a collection requirements process, identify the Department's foreign intelligence collection priorities, and ensure requirements get to the appropriate collection agency. Beginning on 1 May DHS plans to have some presence at the Terrorist Threat Integration Center that will oversee a national counterterrorism tasking and requirements system.*

Q: Does your department have the necessary authority to direct IMINT, SIGNIT, and HUMIT collection requirements as needed?

A: Yes. See above.

Homeland Security Intelligence Collection

Q: A number of agencies being moved under the Homeland Security Department have intelligence or information gathering missions, including the Coast Guard, Customs Service, and Border Patrol. How will their intelligence collection and analytical capabilities be integrated into the intelligence community's work?

A: Beginning on 1 March the 24X7 Homeland Security Center will integrate information, intelligence, and resources from these subordinate agencies of the Department, the Intelligence Community and interagency partners. The Information Analysis and Information Protection Directorate will take the lead in integrating the collection and analytical capabilities of the subordinate agencies and establishing a process by which threat-related information and analysis from DHS entities can flow directly into the Terrorist Threat Integration Center and the rest of the intelligence and law enforcement communities.

Communications Coordination and Interoperability

Q: Up-to-date information is key to threat assessment and emergency response, and voice and data communications are key to exchanging this kind of information. SAFECOM was designed to try to solve the communication interoperability problem, but responsibility for it has been bounced from agency to agency in the last year. Doesn't this project, or something similar, deserve a high priority?

A: *First of all, SAFECOM has stabilized over recent months under the direction of a new program manager at FEMA, who understands the customer base and the current state of technology, spectrum utilization, command structures, operational environments and governance structures. She will be moving with SAFECOM to the new Department along with FEMA. The concerns SAFECOM has been established to address deserve a high priority across all levels of government, industry and academia. SAFECOM is responsible for addressing a very complex set of issues that go well beyond technology.*

We are all experiencing a learning curve as we determine what it takes to get over fifty thousand public safety agencies at federal, state and local levels talking and working together. We have the need now, more than ever before, for a common framework to facilitate cross-jurisdictional, cross-disciplinary communications. With over 90% of the Nation's public safety communications infrastructure owned and managed at the local and state levels, SAFECOM must partner with local and state agencies to develop common processes and standards that allow each to communicate with neighboring jurisdictions and to coordinate operations across disciplines. SAFECOM can help facilitate this process, but those who own and operate their own networks must also effect change at every level of government.

Q: What will be done inside the DHS to ensure effective voice and data communications with other federal departments, state, local and tribal officials?

A: *The initial focus has to be the integration and consolidation of those voice and data networks currently operated by the agencies moving into the new Department. In parallel, the Department is identifying what types and levels of information exchange need to take place with non-DHS networks at all levels of government, and is making provisions to establish the appropriate communication channels and protocol structure.*

Q: How would it work for the public safety official "on-the-street"; the first responders?

A: *The immediate changes first responders are likely to see have more to do with command/control procedures than the type of communication tools they use. The Department of Homeland Security will be developing a National Incident Management System to provide operational guidance to agencies. This will define who needs to talk to whom on a priority basis, when an incident or event calls for interoperable communications. Having those plans in place is important to help network engineers determine how to adequately handle the changes in communications patterns. For now, "on-the-street" users are likely to see very little change in their personal communications equipment (radios, data terminals, cell phones, etc.). Today, the technical changes that support interoperability are at the infrastructure level, not at the personal device level...so those changes are transparent to the users.*

With regard to infrastructure...SAFECOM has a plan that calls for the immediate integration of existing network infrastructure at all levels of Government utilizing existing interoperability solutions as a starting point. Today agencies handle their interoperability needs in different ways depending on available resources and varying requirements. For example, small agencies in remote locations may find that having additional radios on hand may be all that is needed to share a single system with other agencies because the need for interoperable communications is infrequent; and the number of users, small. In large urban areas or across an entire state, agencies may already have a common infrastructure that can be shared by others, where all that is needed is a mutual aid plan, a solid incident command structure, additional radios and agreements to participate in regular training exercises. A growing number of states and regions are successfully implementing gateway technologies that provide translation of

frequencies and signals between disparate networks. All of these solutions work. In the short term, we need to model, replicate and provide grants for a variety of needs.

***Today** we must focus on the **integration** of existing networks based on existing standards. **Tomorrow** we will focus on **migration** to next generation solutions based on new standards.*

Q: Importantly, given the urgency that surrounds this question, when could it be a reality? In two years? Five years?

***A:** A critical element of our success is the voluntary participation and cooperation of state and local agencies. I would hesitate to speculate how long it may take for all fifty thousand public safety organizations to take on this challenge; and quite frankly, I'm not entirely sure that having all fifty thousand organizations on board within the next two to five years is the best way to gauge our progress. We believe we could achieve significant levels of integration in selected areas sooner than two years; primarily in large metropolitan areas where agencies have adopted common mutual aid and ICS plans on a cross jurisdictional and cross-disciplinary basis, and where states have invested heavily in statewide digital infrastructure. We are currently identifying and modeling solutions that have been proven to work; and targeting grant dollars as incentives to state and local agencies to implement these solutions using repeatable processes. We believe this near term integration of existing networks and procedures will foster considerable change in the communications patterns among first responders and make it easier to promote the adoption of next generation technologies in a more predictable phased approach as we learn more about what is out there, and what it is going to take to fill the gaps.*

Visas Procedures for Foreign Scholars and Students

Q: The brightest, most talented individuals from all over the world have come to the United States. They have contributed to the U.S. research and education enterprise as students, scholars, teachers, and researchers, making important contributions to U.S. economic and technological preeminence. Given the importance of foreign born individuals to U.S. higher education, what regulations, procedures and enforcement efforts might the Department of Homeland Security implement to ensure that well-intentioned international students and scholars receive permission to study in the U.S. in a timely and consistent manner?

A. The Department must balance the legitimate interests of foreign student and domestic educational institutions with the security of the nation. To this end, DHS will continue implementing the Student and Exchange Visitor Information System (SEVIS). SEVIS implements Sec 641 of the Illegal Immigration Reform and Immigrant Responsibility Act (IRAIRA) of 1996. SEVIS is an internet-based system that receives input about foreign students and exchange visitor programs from the Department of State, ports of entry, and educational institutions. By taking input from each of these entities, DHS is able to obtain and reference student and exchange visitor immigration status through all stages

of their interaction with the government. This will allow quick and consistent student visa decisions.

Q. In addition, would the Homeland Security Department be willing to implement a pre-clearance procedure so that foreign scholars and students already in the United States could travel abroad for legitimate purposes, and know before they depart that they will be allowed to reenter the U.S. without delay?

A: Scholars and students with valid visas and up-to-date, processed student documentation should have no problems departing and subsequently returning to the United States. Upon their return, they would be subject to the required Port of Entry inspections to ensure their status had not changed. Individuals with expired visas, however, would have to secure a valid visa before proceeding.

Q. How will you engage the higher education community in developing new policies, guidelines and regulations related to international student and scholar visas?

A. DHS will continue to solicit and implement suggestions from educational institutions. The pilot program in 1997 included the Atlanta Hartsfield Airport, the Atlanta District Office, the Texas Service Center, and 21 educational institutions in Georgia, Alabama, North Carolina and South Carolina. Using the experience and comments from schools like the University of Auburn, INS created the SEVIS program.

Q: How will you help institutions comply with such regulations in a timely and cost-effective manner?

A: One of the aims of SEVIS is to streamline the reporting functions required by the school and streamline provision of this information to other agencies to avoid redundancy. During SEVIS implementation, INS has provided tutorials and will continue to advise institutions on SEVIS procedures and work with those institutions to address problems. Once the data is entered by a school or exchange program, it resides in a central database on a server maintained by DHS, accessible by schools/exchange programs via the website. These institutions can update these records through the web, as well as eventually be able to view responses from the appropriate adjudicators regarding their benefit requests. This web-based accessibility should facilitate timely and cost-effective institutional compliance with IRAIRA.

Adequate Funding for Immigration Services

Q: Many law-abiding and legal immigrants have stories of problems of dealing with the Immigration and Naturalization Service, both large and small. In one case, over 400,000 files of immigrants in New Jersey seeking citizenship, work permits and visas, were inaccessible for months in 1999 because they were possibly contaminated by asbestos. A crew repairing the roof of the Rodino Federal Building in Newark found asbestos insulation, and tests revealed asbestos, a suspected carcinogen, on work surfaces in the offices. The top floor where these files were kept was closed. Clearly, this event

impacted the lives of thousands of people and their families since the processing of their files was delayed. I hope if a similar unforeseen event occurs that your department will move smartly to rectify the situation. But overall, what steps will the Homeland Security Department take to insure the legal immigrant services of the department are adequately funded and staffed, and that the processing of legal immigrant applications, adjustment of status, green card applications, etc., is done in an expeditious manner?

A: The United States has seen a dramatic rise in the number of benefits applications received. In the past, INS has taken action on many fronts to accommodate this influx, including: hiring additional staff; analyzing and reengineering its processes; and implementing a variety of new programs designed to increase production and improve customer service while increasing quality including using internet as a mechanism for reporting. However, one of the continuing challenges has been to trying to focus on both enforcement of immigration laws and facilitating legal immigrations services.

The Homeland Security Act of 2002 recognized these challenges by separating those functions into two distinct bureaus within the department. This will allow the Bureau of Citizenship and Immigration Services (BCIS) to focus its resources on providing legal immigrant services in an expeditious manner.

DHS will remain committed to the continued improvement of visa issuance and immigration services of legal immigrant applications. Further, the 2004 Homeland Security Budget continues the President's $500 million initiative to reduce the backlog of applications and ensure a continued emphasis on six-month processing standard for all applications, including background checks.

Coast Guard Deepwater System Program

Q: The Coast Guard's Integrated Deepwater System (IDS) Program is an acquisition program designed to recapitalize the Coast Guard's aging deepwater assets by modernizing or replacing them with a state-of-the-market, interoperable system of cutters and aircraft as well as their supporting command, control, computer, communications, intelligence, surveillance and reconnaissance (C4ISR) and logistics infrastructure.

The ships, aircraft and other equipment to be purchased under IDS seemingly would be intrinsically linked to the homeland defense mission. These assets either will help extend a barrier of defense farther out to sea or could be available for missions closer to the shore.

What is the Homeland Security Department's perspective on the IDS?

A: The Integrated Deepwater System (IDS) is an integral part of the Nation's answer to meeting America's maritime security needs. This was true before 9/11, and is even truer today. The Homeland Security Act and Marine Transportation Security Act mandate the Coast Guard to increase security measures while safeguarding its' other missions as the lead federal agency for Maritime Homeland Security (MHLS).

IDS is critical in providing the capability and capacity needed for MHLS and for other Coast Guard missions. Coast Guard Deepwater ships and aircraft -- operating from our ports and coastlines to the high seas -- comprise the first line of the Service's layered defense against threats to the homeland.

IDS will re-capitalize the Coast Guard, providing more operationally and technologically effective assets critical for Maritime Domain Awareness and other Coast Guard missions.

Economies of Scale and Rationalization of Agency Assets

Q: The Border Patrol and Custom Service both operate fleets of boats and aircraft. They also have parallel but at times overlapping missions of stopping illegal aliens and contraband from crossing our borders. Do you see any room for realizing economies of scale by joint purchases of equipment for both agencies?

A: While our first transition priority is to do no harm to the operational effectiveness of our agencies while we stand-up the new department, we'll certainly be seeking the operational effectiveness and efficiency gains envisioned by the President when he submitted the proposal to create the Department of Homeland Security--the economies of scale associated with consolidated management of boats and planes were explicit components of that proposal. The creation of BTS has placed both the Customs Service and Border Patrol operational assets (boats and aircraft) under one Department, and indeed, under one Directorate. This will facilitate the realization of any such economies.

Chemical Facilities

Q: Facilities that reduce their use or storage of highly dangerous chemicals may be less likely to be attacked, and less likely to cause harm to the community even if they are attacked.

Do you agree?

A: *We agree.*

Q: And, if so, will you support legislation requiring facilities to implement hazard reduction techniques where practicable?

A: *We do not believe that additional legislation is required at this time, since the public safety aspect related to the storage of highly dangerous chemicals applies to accidents as well as acts of terrorism and should therefore be addressed by EPA or OSHS (OSHA for on site hazards). Both EPA and OSHA already have authorities to ensure that hazardous material storage is limited to the minimum amounts required. Prevention of excess storage of hazardous materials will minimize the threat to the public regardless of the cause of the release.*

QFR's from Secretary England's Confirmation Hearing

Q: What is the Homeland Security Department's perspective on the IDS?

A: *The Integrated Deepwater System (IDS) is an integral part of the Nation's answer to meeting America's maritime needs. This was true before 9/11, and is even truer today. The Homeland Security Act and Marine Transportation Security Act mandate the Coast Guard increase security measures while safeguarding its' other missions as lead federal agency for maritime homeland security. IDS will re-capitalize the Coast Guard, providing more operationally and technologically effective assets critical for all Coast Guard missions*