

Statement of  
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before the

GOVERNMENTAL AFFAIRS COMMITTEE

UNITED STATES SENATE

on

INVESTING IN HOMELAND SECURITY: CHALLENGES  
FACING STATE AND LOCAL GOVERNMENTS

on behalf of

The National Governors' Association

May 15, 2003

**Governor Mitt Romney  
Testimony Before the  
Senate Governmental Affairs Committee  
“Investing in Homeland Security: Challenges Facing State & Local Governments”**

Madam Chair:

I appreciate this opportunity to testify before the Senate Government Affairs Committee and thank you and Senator Lieberman for the thorough review you are conducting on this most important issue. The attacks of September 11 forced government at all levels – federal, state and local – to rethink how we do the day-to-day job of protecting our citizens. Changes that would normally take decades of thoughtful consideration and review have been done in a matter of months. Yet we all realize that these are but the first steps. Much more remains to be done both by government and by the private sector as businesses incorporate post-9/11 thinking into their operational and financial plans. Therefore, it is appropriate that Congress assess the lessons learned to date, ensure that there is consensus at every level of government on both the degree of progress made and the most critical next steps, and establish a framework for future actions and funding. I commend you and the members of this Committee for the commitment you have made to this task.

On that note, I want to personally lend my support to your proposals to move the Office of Domestic Preparedness under the direct supervision of Homeland Security Secretary Tom Ridge and to provide maximum flexibility in the expenditure of federal homeland security funding. The latter is a welcome recognition of the varied and unique challenges that states face on the homeland security front.

I would also like to express the appreciation of all the nation’s Governors, and of our citizens, for the work that Secretary has done. After his long and distinguished service in Congress and as governor of Pennsylvania, it might have been tempting for Secretary Ridge to return to private life. But, instead, he heeded President Bush’s call to help protect all Americans from the terror and grief we experienced on September 11.

Clearly, the President chose the right man for the job. Secretary Ridge's performance has been stalwart. As a former governor, he understands the challenges we face and has done everything possible to provide us with the tools to overcome these challenges.

Recently, Governor Ruth Ann Minner of Delaware and I were asked by the National Governors Association to serve as "co-lead Governors" on Homeland Security issues. In this role, we will work with our nation's Governors to develop recommendations and consensus positions on a number of the key issues under discussion in this arena. Our goal is to provide a single point of contact for the Congress. As a first step, we intend to conduct a survey of our nation's Governors in order to understand: the homeland security issues they deem most critical; the difficulties or challenges they face as they seek to improve state-wide homeland security plans; their funding challenges; and the top areas of non-financial assistance they need from the new Department of Homeland Security. We will use this information to conduct a series of meetings with Governors over the next few months and provide to you, Madam Chair, and your colleagues a perspective on both our progress and challenges facing our states.

My testimony this morning will focus on only three areas that the Governors believe are key to ensuring that we invest our homeland security dollars and resources wisely. These are:

- Investing resources based on comprehensive and integrated statewide plans.
- Maximizing the investment in intelligence gathering and analysis
- Providing a multi-year framework for homeland security planning.

**First, we believe it is critical that homeland security funding and resources be applied against comprehensive and integrated state wide plans.** Frankly, this is the only way that our nation's citizens can be assured that we are getting the maximum impact from the billions of dollars we are investing annually in Homeland Security. You have all heard the anecdotes that are beginning to circulate – of communities side-by-side that purchase incompatible radio equipment and cannot talk with each other when responding to multi-jurisdictional emergencies. Or of the rural community that I

understand requested homeland security funds for a new fire truck, despite the fact that they had neither roads on which to operate it nor a building in which to house it. Unfortunately, if we who are responsible for overseeing the expenditure of homeland security funding are not careful, those stories will become legend. The reality is that almost every state and community in this country is in fiscal crisis this year yet, like the federal government, we are all choosing to provide the necessary funding and resources for homeland security. But, recognizing how tight dollars are, I believe you will find that all Governors and municipal officials are eager to ensure that we get at least a dollar's return in additional security for every dollar we spend. And the most critical step to maximizing our resources is developing integrated statewide plans and channeling virtually all homeland security funding through these plans.

The National Strategy for Homeland Security, signed by President Bush on July 16, 2002 articulates a comprehensive vision for the common defense of the nation. The nation's Governors are very supportive of the strategy because they recognize that to effectively combat terrorism in this country requires a fully collaborative partnership between federal, state and local governments. However, for these plans to truly be effective, they must not simply be a compilation of individual plans as a package. We need to bring all jurisdictions together to develop an integrated plan for public safety – one that maximizes the resources on hand and provides a detailed framework for training, operations and equipment.

As most of you know, I was the CEO of the 2002 Salt Lake Olympic Games, which has been described by many as a model for an integrated, comprehensive public safety plan. Although there are aspects of that planning process that would be hard to duplicate in all fifty states, it nevertheless provides a strong example of the difference between a coordinated plan and an integrated plan.

Interestingly, the decision for Salt Lake to pursue a fully integrated federal, state, local and private sector security plan for the Games was a result of the security planning process for the Atlanta Olympics. The Atlanta planning process followed what was until

then a traditional format. Each of the affected jurisdictions – federal, state and local – developed individual plans for the activities within their jurisdiction – law enforcement, fire, and emergency response. Then those plans were meshed into a single whole. Unfortunately, when the plans were pulled together, they didn't mesh well. Several areas had more resources than needed, others were significantly under-funded. Some areas were deemed the responsibility of more than one entity, while other areas were deemed to be no one's responsibility and had been completely left out. Although there was a security plan, in reality it was a hodge-podge of individual plans and there were clearly holes.

The federal government stepped in to assist in filling these holes and to help merge the plans and operations of the individual jurisdictions. But, the lessons learned from this experience were relayed in detail to the Salt Lake team and we decided to try something new. Federal, state and local governments, together with the private sector Olympic Committee, all agreed to come together and jointly develop one plan and use the planning process to work out jurisdictional issues, assess resources available, and agree on a plan that would use the minimum in additional resources to achieve the maximum in security.

And that's what we did. Over a period of several years, an integrated plan was developed that identified all the activities to be done and determined the resources necessary to carry out those activities. In many cases it was the federal government that provided guidance on the standards we were to use – much as we look to the Department of Homeland Security today to provide guidance to states on best practices and standards for securing critical infrastructure.

Then, perhaps most uniquely, the participants identified all the resources each had to put towards carrying out the missions. Federal, state, and local government all participated in this, as did the private sector. Air and ground resources were pooled, communications resources were pooled, IT and dispatch resources were pooled, and manpower was pooled. And when we had thus maximized the use of our existing resources, we were able to clearly articulate to the federal government where we were short in resources and

exactly what we needed those resources to do. Moreover, those resource shortfalls were part of an integrated security plan that the federal government – specifically the Secret Service, FBI and FEMA – had helped to develop.

During the months that the Olympic Security Plan was operational, this integrated planning effort led to an integrated and well-coordinated training program. It also led to more efficient procurement of resources since we were able to use bulk purchasing to the maximum extent possible. And, as you could predict, it then led to a well-integrated operational effort during the Games. Federal, state and local public safety operations merged seamlessly and cooperated closely with the private operations that we were running at SLOC. Not only was this approach operationally superior, but in the world of public safety and counter-terrorism where any gap can be exploited by the enemy, the tight-knit coordination and integration among all security and public safety operations was essential.

We have begun the process of developing an integrated plan in Massachusetts by starting with a “bottoms up” assessment of our state of preparedness and an inventory of our resources. My Secretary of Public Safety, Ed Flynn, has led this effort and it has been conducted across federal, state, and local governments and the private sector. While the assessment has identified a number of positive actions taken to date, it has also identified a number of deficiencies, which must be addressed across our Commonwealth. Working with the federal and local authorities, along with the private sector, we will be strengthening our statewide plan over the next few months by:

- Bringing local officials into the planning process. As the first responders, they must play a key role in developing the statewide plan.
- Requiring regional cooperation among cities and towns. Our state has 351 cities and towns – far too many to operate with individual plans. As our first phase of state-wide planning, cities and towns are required to put forward all requests for homeland security funding as regional requests, detailing regional assets presently available, the structure for regional use of the asset, and certifying the interoperability of the asset where applicable.

- Bringing federal officials into the process. We will look to the federal government to provide “best practices” or “templates” for us in critical areas such as protection of ports, nuclear power plants, chemical plants, LNG tankers, and bioterrorism.

Each of the Governors takes very seriously the responsibility of working with local governments and the federal government in the development of a comprehensive statewide plan. And it is through those plans that we can ensure that homeland security funding is spent only for activities that will have the maximum impact.

For this reason, Governors believe that Homeland Security funding should flow to states, to be distributed in accordance with the statewide plans. This will ensure that funds are spent effectively and efficiently. Without statewide coordination, there is no check on gaps in coverage, incompatible equipment and communications systems, and wasteful duplication. The National Strategy calls for states to develop a plan that sets priorities based on assessment and vulnerability analysis. Therefore it is only logical that funds should be distributed in accordance with those priorities.

**Second, we need to maximize our nation’s investment in information and intelligence sharing.** One of the primary ways that state and local governments can work to prevent future acts of terrorism is to ensure the effective flow of information among federal, state and local law enforcement. In the months that preceded the attacks of 9/11, agencies were unable to draw a larger pattern out of disparate bits of information contained in separate databases about the activities of terrorists involved in the attack. We will never know whether better data sharing would have helped thwart the attacks. But we do know that terrorists often use traditional crimes such as drug trafficking, money laundering, bank robbery and illegal weapons trafficking to offset the costs and further support their political/terrorist objectives.

In fact, the first indication that a terrorist cell is operating within the United States may be behavior discovered during an investigation by state or local police, following the report

of suspicious circumstances or some type of criminal event. Whether the focus is on stopping drug trafficking or preventing an act of terrorism, rapidly collecting and disseminating solid information about the people who commit crimes and where they commit them is key.

Yet most police, public health entities, parole officers and courts are operating with 20-year old technology. Even though high-speed digital technology is currently available, many police officers still wait long periods to receive basic information about a vehicle or person they stop. Days or weeks may pass before criminal warrants find their way into state databases, leaving dangerous criminals on the street and police without this information. Judges might sentence offenders with outdated information regarding their criminal history records. Investigators in one jurisdiction may be unaware that information regarding an individual under investigation exists in a neighboring jurisdiction.

This must change if we are to be successful in preventing future acts of terrorism.

Another challenge we face in information sharing is ensuring that there is an appropriate exchange of information between the federal government and the state and local officials who may be able to use that information. We recognize that there is information critical to the nation's security that must be guarded at the highest levels. Yet, as mentioned above, it is often state and local officials and responders who can facilitate the apprehension of potential terrorists if they have the necessary information.

Additionally, state and local officials need information if they are to match their response to an increased threat level appropriately to the increased risk. For example, if our nation moves to Threat Level Orange in response to increased risks, then state and local officials need to know if that increased risk is contained to only one region of the country or one type of critical infrastructure. With that information, they can develop an appropriate response. Without it, they have no choice but to take actions that assume that the highest level of threat may be aimed at their region and at the various types of critical

infrastructure in their state. The point here is that every community cannot be equally vulnerable at the same time to terrorism. If information is available, the sharing of that information will ensure that money and resources are not wasted in a region of the country that does not have an increased threat.

One way to address the intelligence-sharing dilemma is for security clearances to be standardized and reciprocal between agencies and levels of government—perhaps within the Department of Homeland Security. There is also a need to process federal security clearances more expeditiously. Some states have waited over a year for vital security clearances for their law enforcement agents. The bottom line is that a more effective liaison must be established between the FBI, CIA, DHS and other national security agencies if we are to maximize our nation’s investment in intelligence.

**The third challenge the states face as we invest in homeland security is the need for a multi-year framework for homeland security planning.** State and local governments are, of necessity, approaching homeland security from both a short and long-term perspective. Short-term we have each taken and are continuing to take the interim steps necessary to ensure that our citizens are protected. In many cases, these actions may not be the most cost efficient, such as temporary use of the National Guard to secure airports while a permanent security force is hired and trained. Yet, the priority of each Governor has been to take the immediate actions necessary to ensure the safety of our citizens.

Even as we take these short-term steps, each of the states, through the comprehensive statewide planning process, is developing a blueprint for homeland security. Among the many areas to be addressed in those plans are:

- A focus on prevention: what actions and investments can we take to ensure that critical information is shared, analyzed and acted upon in a timely manner. What are the appropriate steps for securing our nation’s critical infrastructure including the 362 ports nationwide, approximately 168,000 public drinking water systems, 600,000 miles of sanitary sewers, and 200,000

miles of storm sewers? Likewise, how can we protect our food supply from the threat of terrorist attack and build the capacity to trace potential food borne illness outbreaks, food contamination and infectious animal diseases?

- Incident management: Clarification of roles, ensuring that training throughout the state is uniform and coordinated, developing necessary reciprocal agreements both within the state and with surrounding states, ensuring the interoperability of equipment, and ensuring the capacity for disease surveillance and detection exists throughout the state.
- Response: Identification of the training and equipment needed by first responders, plans for escalating response beyond the local jurisdiction to surrounding jurisdictions, state-wide and then beyond the state borders, and identification of medical supplies and personnel and facilities necessary to treat victims of a public health emergency.

Any comprehensive homeland security plan will require several years to be fully implemented. While our nation's Governors and our local officials will take any actions necessary during this time period to ensure the safety of our citizens, we are also focused on moving as rapidly as possible into the implementation of our state-wide plans. In order to do so, ongoing resources must be provided for equipment, training, maintenance, exercises, planning and reimbursement.

In order to effectively develop plans and timetables for implementing those plans, states need a guaranteed funding stream. Quite candidly, without a multi-year funding approach, it is difficult for state and local governments to clearly set priorities. Just as our nation established a multi-year approach to highway funding so states could work with local governments to develop comprehensive plans for transportation, we need a multi-year approach to homeland security funding. If the states know that at least a portion of the funding can be guaranteed each year for expenditure against the plan, we can make better decisions on procurement, better decisions on priorities, and better decisions on training.

Additionally, it is essential that the funding provided through this multi-year approach be flexible. There should not be a “one size fits all” approach because the needs of states are very diverse. Different states have varying vulnerable infrastructure and population density that must be taken into consideration in developing and implementing a plan, and subsequently distributing limited resources.

Let me stress that the Governors fully concur with the intent of Congress that funds provided to the states must be rapidly spent against the statewide plan. We all recognize that we are literally fighting the clock as we establish a comprehensive homeland security effort throughout this nation. Therefore, we have all committed to expediting the release of federal funds in accordance with our state wide-plans. Overall, consistent federal planning guidance and a streamlined process for federal reimbursements will greatly assist this process and allow, in some cases, for accelerated, bulk equipment purchases.

In conclusion, Madam Chair, we can best ensure that we are able to invest wisely in homeland security in this nation if funding is distributed through the states based on a comprehensive and integrated state-wide plan, if information sharing and intelligence sharing between federal, state and local governments is maximized, and if a multi-year program for flexible funding is designed to support the state and local governments.

What’s more, as many states are facing tremendous budget shortfalls, Congress is urged to provide full homeland security funding with no match requirements. I would add that state and local governments are already spending their own funds on homeland security needs not covered by grants and this should be recognized with a “no match” policy on future homeland security appropriations.

Finally, in delivering the first national strategy in July of 2002, President Bush said:

“The National Strategy for Homeland Security is a beginning. It calls for bold and necessary steps. It creates a comprehensive plan for using

America's talents and resources to enhance our protection and reduce our vulnerability to terrorist attacks."

Madam Chair, the nation's Governors understand the difficult task and the challenges ahead in protecting the homeland, and stand ready to work in partnership with the President and Congress to meet these challenges.