The U.S. government was one of the lenders giving out high-interest, subprime mortgages, some of them predatory, according to government documents filed in federal court. (See item 9)

Researchers in South Dakota report progress toward the first Kevlar fabrics that can kill a wide range of infectious agents, including bacteria, viruses, and the spores that cause anthrax. (See item 29)

1. **July 21, Bloomberg** – (International) **Tropical storm Dolly may become hurricane in Gulf.** Tropical Storm Dolly entered the Gulf of Mexico, where it may strengthen into a hurricane in the next day while sparing Mexico’s state-owned oil rigs. A hurricane watch was issued for Texas’ southern coast. “The storm is not expected to affect U.S. oil and natural- gas operations in the Gulf,” an AccuWeather.com forecaster said. Mexico’s state oil company Petroleos Mexicanos (Pemex), the third-largest oil supplier to the U.S., said oil workers would stay put, as the storm is likely to pass north of its drilling platforms. Pemex closed an oil export terminal in the Gulf. The terminal at the port of Cayo Arcas shut at 10 p.m. Sunday, said a spokesman for the port.
2. **July 21, KPRC 2 Houston** – (Texas) **Workers return to refinery where crane collapsed.** Workers returned to an east Houston refinery Monday where four contract workers were killed when a massive crane collapsed, KPRC Local 2 reported. The four workers died when the 400-foot crane fell at the LyondellBasell refinery in the Houston Ship Channel at about 1:30 p.m. Friday. All were contract workers with Deep South Crane and Rigging. Seven other contract workers were hurt in the accident. The crane had not been scheduled for anything on Friday, but refinery officials said it was on when it fell. It was capable of lifting one million pounds. The Occupational Health Safety Administration is investigating the collapse.


3. **July 21, Wall Street Journal** – (Maryland) **Federal court rejects Dominion’s LNG expansion.** A federal appeals court Friday rejected a federal regulator’s approval of Dominion Resources Inc.’s Cove Point, Maryland, liquefied natural-gas (LNG) expansion project. Depending on the Federal Energy Regulatory Commission’s (FERC) reaction, the decision could potentially delay the project. The Washington-based U.S. Circuit Court of Appeals ordered FERC to “more fully address whether the expansion can go forward without causing unsafe leakage.” Natural-gas distributor Washington Gas Light Co. (WGL) had objected to the expansion, arguing that the influx of LNG would cause its distribution system in the mid-Atlantic region to suffer severe leakage. A spokesman for Dominion Resources said the company was “not required to stop construction immediately. The court’s mandate will not become final for 45 days. In the meanwhile, we will be working through issues to insure that construction can proceed in order to keep the project on schedule.” In its decision, the court said, “we find substantial evidence supports FERC’s conclusion that any threat of increased leakage is due to defects in WGL’s system, but we grant WGL’s petition because substantial evidence does not support FERC’s conclusion that WGL can address safety concerns before the project’s in-service date.”


4. **July 18, Reuters** – (National) **GM, utility group to announce electric car tie-up.** General Motors Corp. (GM) and an organization representing U.S. utilities are set to announce a partnership to prepare for the widespread sale of plug-in electric cars, people familiar with the plans said Friday. GM and the Electric Power Research Institute (EPRI) will announce the tie-up this week at an event in San Jose, California, to promote rechargeable electric vehicles. The tie-up would mark the second between a major U.S. automaker and EPRI, which conducts research for the electric power industry and represents utilities that generate more than 90 percent of the power in the U.S. GM is designing the Chevrolet Volt, which is expected to go into production in 2010, to run for 40 miles on a lithium-ion battery pack that can be recharged at a standard electric outlet. While GM executives have said they are satisfied that the Volt can deliver the gasoline-
free range the automaker has targeted, the roll-out of thousands of electric vehicles poses still-unresolved issues for utilities. Automakers have said the adoption of the electric cars would be speeded if electric utilities would set up recharging stations and allow them to send power back to the grid from parked cars to reduce operating costs. Auto executives have also suggested the utilities could create a market for recycled but still-powerful lithium-ion battery packs from older electric cars. Those batteries could be stitched together to store energy for peak demand periods, a secondary market that could bring down the initial cost of plug-in vehicles. For their part, the utilities stand to gain revenue as consumers turn to the grid rather than the gas station as the source of power for cars, analysts have said.


**Chemical Industry Sector**

5. *July 19, Biz China Update* – (International) **China tightens sale of dangerous chemicals.** Security issues are high on the China’s agenda right now, with the Summer Games just around the corner. The country has toughened up on the sale of dangerous chemicals during the Games, and demands that those who purchase such goods must do so under their real names. Perchloric acid, nitric acid and nitrate, fuel reductant and metal oxide are among others that have made it onto the dangerous chemicals list. Effective until September 30, companies purchasing these must provide business licenses and the identity cards of the purchasers. And likewise, firms selling the chemicals must be in possession of permits and will be given the fun task of filing all information about the purchasers, such as address, transaction date, names of the chemicals purchased, quantities and the purpose of the purchase, state media reports.

Source: [http://www.bizchina-update.com/content/view/1105/1/](http://www.bizchina-update.com/content/view/1105/1/)

**Nuclear Reactors, Materials, and Waste Sector**

6. *July 19, Chicago Daily Herald* – (Illinois) **Task force to study nuclear power issues in Illinois.** A new government task force will study the use of nuclear power in Illinois and investigate whether it should be expanded, lawmakers announced Friday. Safety and security concerns will be among the issues explored by the 11-member Nuclear Power Issues Task Force, which was jointly formed by the state Senate and House. The group will report its findings to the General Assembly by the end of the year. In addition to safety and security, officials say the task force will focus on: the decommissioning of existing and retired nuclear plants; waste storage and disposal; the reprocessing of spent nuclear fuel; and the state’s 21-year-old moratorium on new reactors. Illinois has 11 operating nuclear reactors at six plants, more than any other state. About 49 percent of the state’s energy comes from nuclear power, according to a report by the Nuclear Energy Institute.
Defense Industrial Base Sector

7. *July 21, Washington Times* – (National) **Va. firm pitches bomb-detecting device.** A Reston, Virginia, defense and security company is urging U.S. and foreign governments to take a closer look at a new technology that can detect suicide bombers before they strike. QinetiQ North America’s new scanners use Millimeter Wave (MMW) sensors that can detect the radio waves naturally emitted by the human body up to 65 feet away. Radio waves emitted by metal and plastic objects appear “cold” in contrast to the “warm” radio waves of a human torso, tipping off operators to the possible presence of a bomb. Operators can scan crowds from a remote location, controlling the machine with a joystick while watching a threat bar on a computer monitor. If the MMW sensor detects a cold object under clothing, the threat bar spikes. If the threat bar jolts into the red, operators can notify security.


8. *July 19, Knoxville News Sentinel* – (National) **Heavy water supply falling.** The government’s inventory of so-called heavy water, which is used in production of nuclear weapons, is dwindling and could be gone by 2019, according to a federal audit released Friday. There is currently no production facility for heavy water in the United States, the report said. Because of heavy water’s potential use in making nuclear weapons, international sales of the material are highly restricted. Sources of heavy water are available in India, Russia, Argentina, and Canada. Oak Ridge National Laboratory would be eligible to purchase the material from foreign sources, with the stipulation that it not be used in production of weapons, but Y-12 would be barred because of its weapons mission, he said. According to the Inspector General report, the National Nuclear Security Administration has identified several alternatives to meet future defense requirements, including the possibility of purifying contaminated stocks. Each of the alternatives would require a significant amount of time, the report said. The Inspector General said the government needs to establish a near-term reserve of heavy water to meet weapons program requirements until a new production source is found.


Banking and Finance Sector

9. *July 21, Wall Street Journal* – (National) **FDIC faces mortgage mess after running failed bank.** Federal officials heap much of the blame for the subprime mortgage mess on lenders, claiming they recklessly made too many high-cost home loans to borrowers who could not afford them. It turns out that the U.S. government itself was one of the lenders giving out high-interest, subprime mortgages, some of them predatory, according to government documents filed in federal court. The unusual situation, which
is still bedeviling bank regulators, stems from the 2001 seizure by federal officials of Superior Bank FSB, then a national subprime lender based in Hinsdale, Illinois. Rather than immediately shuttering or selling Superior, as it normally does with failed banks, the Federal Deposit Insurance Corp. (FDIC) continued to run the bank’s subprime-mortgage business for months as it looked for a buyer. With FDIC people supervising day-to-day operations, Superior funded more than 6,700 new subprime loans worth more than $550 million, according to federal mortgage data. The FDIC then sold a big chunk of the loans to another bank. That loan pool was afflicted by the same problems for which regulators have faulted the industry. The report said that many of the loans never should have been made in the first place. Hundreds of borrowers who took out Superior subprime loans on the FDIC’s watch — some with initial interest rates higher than 12 percent — have lost their homes to foreclosure, data on the loans indicate. The FDIC, one of the chief U.S. bank regulators, manages a giant insurance fund that compensates customers of failed banks, and it takes charge of banks seized by the government. It has taken over hundreds of failed banks over the years, and generally has a good track record handling the difficult job.


10. **July 21, USA Today** – (National) **Regulators try to thwart ‘bear raids’ on stocks.** An emergency order by Wall Street regulators to combat “bear raids” on vulnerable financial stocks, launched by traders that profit when stocks go down, goes into effect Monday. But the rule’s main intent — to help stem quick, steep stock declines that create financial panic — actually kicked in right after the Securities and Exchange Commission (SEC) announced investor protections on Tuesday night. Wall Street pros credit the ruling, which makes it harder to engage in a trading technique known as “naked” short selling, with helping fuel a 534-point three-day rally on the Dow Jones industrials and a 21 percent gain for the S&P 500 financial sector. The SEC crackdown targets short sellers, who hope to make money by selling borrowed shares and buying them back at lower prices. A naked short sale occurs when the trader does the trade without actually borrowing the shares, which can intensify the downward pressure on a stock. The SEC order requires short sellers to take possession of the stock. Previously, a short seller could simply ask a broker to locate the shares, which made it easier and faster to profit in a falling market.


11. **July 20, Rocklin & Roseville Today** – (National) **Vishing attacks increase.** The IC3 has received multiple reports on different variations of this scheme known as “vishing”. These attacks against U.S. financial institutions and consumers continue to rise at an alarming rate. A new version recently reported involved the sending of text messages to cell phones claiming the recipient’s on-line bank account has expired. The message instructs the recipient to renew their on-line bank account by using the link provided. Due to rapidly evolving criminal methodologies, it is impossible to include every scenario. Therefore, be cognizant and protect your PII. Beware of e-mails, telephone calls, or text messages requesting your PII.
Transportation Sector

12. July 21, Washington Times – (National) **LYONS: LNG port security.** Rising oil and gas prices, environmental concerns and the possibility of domestic gas shortages have drastically increased demand for Liquefied Natural Gas (LNG) within the U.S. There are six active U.S. LNG terminals, with 40 more marine LNG facilities proposed to service the U.S. market. LNG facilities are unique and the ships transporting it are highly visible and easily identified targets. They are extremely vulnerable to a terrorist attack, which if successful, could have catastrophic results. As the frequency of LNG tanker arrivals in U.S. ports increases, and new LNG terminals are built, U.S. Coast Guard resources and personnel are being severely overextended and are unable to balance the demand of LNG security requirements, as well as carry out their traditional search and rescue, law enforcement, marine safety and environmental protection missions. The U.S. House of Representatives Coast Guard Authorization Act 2008, HR 2830 in Section 720 and 721 takes some positive steps to improve security for LNG terminals and tankers. While positive in intent, the House Bill places full responsibility for security on government, state and local agencies. However, the U.S. Coast Guard and the administration are objecting the requirements as drafted. As written, it is too resource intensive at all levels. Further, it does not provide the U.S. Coast Guard any flexibility in adjusting resources to address various threat levels. According to some, the solution is to place more responsibility for security on LNG terminal and tanker operators.


13. July 21, Associated Press – (National) **Medically unfit truckers still on the road, safety study shows.** Hundreds of thousands of tractor-trailer and bus drivers in the U.S. carry commercial driver’s licenses, and some of those drivers have suffered seizures, heart attacks or unconscious spells, according to a new U.S. safety study obtained by the Associated Press. Hundreds of deaths and injuries have been blamed on commercial truck and bus drivers who blacked out, collapsed or suffered major health problems behind the wheels of vehicles that can weigh 40 tons or more. The Transportation Department said 5,300 people died in crashes involving large commercial trucks or buses in 2006, the latest year for which figures are available, and about 126,000 more were injured. The U.S. agency responsible for cracking down on unfit truckers, the Federal Motor Carrier Safety Administration, acknowledges it has not completed any of eight recommendations that U.S. safety regulators have proposed since 2001. One would set minimum standards for officials who determine whether truckers are medically safe to drive. Another would prevent truckers from “doctor shopping” to find a physician to overlook a risky health condition. Truckers violating federal medical rules have been caught in every state, according to a review of 7.3 million commercial driver violations compiled by the Transportation Department in 2006, the latest data available. Some truckers said the government should enforce existing rules, not make new ones.
14. July 20, Canadian Press – (Ohio) Airliner emergency landing interrupts air show in Dayton, Ohio. A Boeing 757 en route from Tampa, Florida, to Detroit made an emergency landing at an air show in Dayton, Ohio, when a computer for one of its engines failed. That failure prompted the crew to shut down one of the plane’s engines and land as a precaution. No injuries were reported. Six crew members and 182 passengers were on board.

Source: http://canadianpress.google.com/article/ALeqM5hIBUzmsVK0_YjCRnw77ox4rL9uA

15. July 19, Associated Press – (Massachusetts) Failure to inspect concrete prompted MBTA delays. The discovery by federal transportation officials that inspectors failed to check concrete supports on the Longfellow Bridge has prompted a slowdown on the Massachusetts Bay Transportation Authority’s (MBTA) Red Line. After last summer’s fatal bridge collapse in Minnesota, state inspectors tested steel beams and replaced rusty supports on the 102-year old span, which carries Red Line subway trains from Cambridge to Boston. But the Boston Globe reports that inspectors failed to test the concrete that supports the train tracks. That prompted the Federal Highway Administration to demand a slowdown from the usual 40 miles per hour to 10 miles-per-hour. Heavy trucks are also banned. The slowdown will continue at least through the end of the month.


16. July 19, Associated Press – (California) Qantas flight leaves Los Angeles after bomb threat. A Qantas jetliner departed from Los Angeles for Australia after the airline and law enforcement authorities determined a bomb threat was a hoax. A Qantas spokesman says the threat that came as a phone call to law enforcement “has been assessed as a hoax.” He says as a precaution Qantas worked with U.S. authorities to inspect the aircraft. The plane’s 347 passengers and 20 crew members had to deplane while FBI agents searched the airplane and the luggage for about six hours but found no explosives. An FBI spokeswoman says agents are investigating who made the threat.

Source: http://ap.google.com/article/ALeqM5jXnfwPioUq-1lkNeUE34KIEQtFTAD920SL7O1

Postal and Shipping Sector

Nothing to report
17. *July 21, USAgNet* – (National) NASDA backs amendment banning Argentine meat imports. The nation’s leading state agriculture officials are backing an amendment that would prohibit the importation of most livestock and meat products from Argentina until that country is certified free of foot and mouth disease (FMD). The amendment to the fiscal year 2009 Agriculture Appropriations bill was passed Friday, by the Senate Appropriations Committee. The amendment would effectively foil a proposal by the U.S. Department of Agriculture to allow importation of meat from the southern Patagonia region of Argentina, an area with documented cases of FMD. Source: [http://www.wisconsinagconnection.com/story-national.php?Id=1692&yr=2008](http://www.wisconsinagconnection.com/story-national.php?Id=1692&yr=2008)

18. *July 19, Associated Press* – (North Carolina; Texas) Search finds 2nd salmonella strain. The director of the North Carolina Agriculture Department’s Food and Drug Protection Division said that testing found the salmonella strain oranienburg at a Charlotte-area food supplier. He said that strain has been confirmed in both North Carolina and Texas, where it has been linked to the supplier Grande Produce. Officials have requested that Grande Produce recall all the implicated products distributed in North Carolina. “It may be contamination of distribution plants. It may be contamination within shipping trucks. All these things are under investigation,” he said, adding that a major part of the investigation is focused on Grande Produce. It not yet known whether the most recent discovery is related to the outbreak of the salmonella strain known as Saintpaul which has sickened more than 1,200 people in 42 states. Source: [http://www.charlotte.com/local/story/719523.htm](http://www.charlotte.com/local/story/719523.htm)

19. *July 19, San Francisco Chronicle* – (National) Salmonella scare hit state growers hard. By the time the Food and Drug Administration (FDA) cleared tomatoes Thursday in its investigation of a salmonella outbreak, California’s tomato sales had plummeted more than 40 percent. The FDA is now fingerling raw jalapeno and serrano peppers as possible suspects. The agency did not exactly give tomatoes a clean bill of health, but did say they are now determined to be safe. Tomato growers accuse the FDA of failing to do control studies interviewing people who ate tomatoes but did not get sick. The false tomato warnings have sown widespread consumer confusion. A new Associated Press/Ipsos poll shows that nearly half of consumers have changed their eating habits in the past six months out of fear they could get sick. Congress plans a hearing July 30. The California Tomato Farmers president said his group wants to know why the FDA investigation took so long, given that Congress enacted the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, which requires food-handling companies to keep detailed records allowing tracing of food through the distribution chain. Source: [http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/07/19/MN8L11RHC2.DTL](http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/07/19/MN8L11RHC2.DTL)
20. *July 21, Jackson Hole Star-Tribune* – (Wyoming) **Contaminated wells concern Pavillon-area residents.** Dozens of inhabitants in and around Pavillion, Wyoming, are concerned that oil and gas development on their farms and ranches could be poisoning the air and contaminating their drinking water, and they are trying to find out, for certain, if their collective health is being imperiled by industrial contamination. Nearly 100 residents – with the support of the Fremont County Public Health Department – are calling on state and federal officials to complete what is called a Health Impact Assessment of ongoing oil and gas activities. The assessment is a type of study created by the World Health Organization, which includes a thorough investigation of the impacts that projects and other human activities might have on human health. An organizer for the Pavillion Area Concerned Citizens said several water wells in the vicinity of the Pavillon and Muddy Ridge oil and gas fields have become contaminated in recent years, and Pavillion-area residents are simply looking for answers to some basic questions regarding the potential impacts that past and present mineral extraction might be having on them.


21. *July 19, Economist* – (International) **A soluble problem.** The prices of all sorts of basic commodities are soaring, and now there may also be reason for many to worry about the most fundamental of necessities – water. Some experts believe so, at least, and they are spreading doom-laden warnings of a Malthusian crisis in the world’s water supply. Goldman Sachs recently suggested that a global lack of water could prove to be a bigger threat to mankind than rising food prices or the depletion of energy resources. The man who reviewed the economics of climate change in a big report for the British government in 2006 is worried, too. He points to some big local problems, for example in the Himalayas, where melting glaciers risk disrupting supplies of usable water in the region, just as many underground aquifers are drying up. He argues that water – at least the fresh sort – is not a renewable resource, and because it is not priced properly it has been “mined” without restraint. Goldman Sachs suggests the price of water is bound to rise: bad news for the poor and thirsty, but an opportunity for investors. The excited bank even suggests that water might be considered to be the “petroleum for the next century.” There could be plenty of money to be made in supplying water. However, more efficient use of the stuff depends on pricing it properly.


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22. *July 21, Deutsche Presse Agentur* – (International) **WHO warns drug-resistant tuberculosis poses threat to public health.** Highly lethal, drug-resistant tuberculosis
could pose a threat to global public health security if Asian nations fail to combat the spread of the disease, the World Health Organization (WHO) warned Monday. The health body said drug-resistant tuberculosis raised the risk of an epidemic that would be costly and complex to control as drugs to treat those strains were about 100 times more costly than the regimen for normal tuberculosis. It added that each untreated patient could infect five to ten people a year. Currently, only one percent of an estimated 150,000 people with multidrug-resistant tuberculosis (MDR-TB) in East Asia and the Pacific are getting appropriate treatment, the WHO said. ‘MDR-TB does not stop at borders,’ warned the WHO regional director for the Manila-based Western Pacific office, which covers East Asia and the Pacific. ‘An uncontrolled local epidemic threatens the stability of global health security.’ He noted that with two billion people traveling on airlines every year and the international migration of millions, diseases were on the move.


23. **July 21, Guardian** – (International) **Britain faces 75,000 deaths in bird flu pandemic, Lords report predicts.** Up to 75,000 Britons will in die in an “inevitable” flu pandemic that could kill as many as 50 million people worldwide, a parliamentary committee warned Monday. The outbreak, most likely to be caused by a strain of bird flu, will be on a scale not seen for 40 years and cause “massive” disruption in the UK. The committee report warns that surveillance of emerging disease threats around the world needs to be overhauled to provide early warning of potential pandemics. Its report, published today, criticizes Britain’s “poorly coordinated” disease control systems. Reform of the World Health Organization (WHO) is “essential”, as the global health agency is “dysfunctional” and lacking the organization and resources to curb a major outbreak, it says. The committee calls for new international disease surveillance systems in developing countries. The report warns that the next could be far more serious, particularly if it comes from the H5N1 strain found in wild birds and poultry that has already infected some humans. The report predicts more widespread human-to-human transmission soon.

Source: [http://www.guardian.co.uk/world/2008/jul/21/pandemic.warning](http://www.guardian.co.uk/world/2008/jul/21/pandemic.warning)

24. **July 21, Xinhua** – (International) **Bird flu strikes southern Vietnamese province.** Bird flu has hit Vietnam’s southern Dong Thap province, raising the total number of affected provinces in the country to two, a local veterinary agency said Monday. Bird flu has, since mid-July, killed 350 chickens raised by a household in Chau Thanh district, the Department of Animal Health under the Vietnamese Ministry of Agriculture and Rural Development said. The Department added that the two southern provinces of Dong Thap and Tra Vinh are being stricken by the disease. Bird flu outbreaks in Vietnam, starting in December 2003, have killed and led to the forced culling of dozens of millions of fowls in the country.

Government Facilities Sector

25. *July 21, Washington Post* – (National) **Cybersecurity will take a big bite of the budget.** President Bush’s single largest request for funds and “most important initiative” in the fiscal 2009 intelligence budget is for the Comprehensive National Cybersecurity Initiative, a little publicized but massive program whose details “remain vague and thus open to question,” according to the House Permanent Select Committee on Intelligence. A highly classified, multiyear, multibillion-dollar project, CNCI – or “Cyber Initiative” – is designed to develop a plan to secure government computer systems against foreign and domestic intruders and prepare for future threats. Any initial plan can later be expanded to cover sensitive civilian systems to protect financial, commercial, and other vital infrastructure data.


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Emergency Services Sector

26. *July 21, New Jersey Star Ledger* – (New Jersey) **EMTs try to save their jobs.** Hackensack, New Jersey, has recently begun laying off emergency medical technicians (EMTs). As towns and cities across New Jersey grapple with rising costs, shrinking state aid, and in some cases, a dearth of volunteers, they have begun taking severe steps when it comes to emergency services. Some, like Hackensack, have shifted the burden to local hospitals or private firms. Others have worked with county officials to set up regional systems. In Hackensack, shifting the work to an area hospital with a private ambulance service is expected to save the city $600,000 a year with no evident loss of emergency service to residents, the city manger said. The move has prompted vociferous street protests. And organized union resistance has beaten back similar efforts at privatization across the state. An independent report, commissioned by the state Department of Health and Senior Services, found New Jersey’s emergency medical services (EMS) in a “state of crisis,” grossly understaffed and manned mostly by a shrinking pool of volunteers. It called for urgent overhaul -- including a recommendation that lawmakers require municipalities take responsibility for EMS, the way they do for police and fire protection.


27. *July 20, Associated Press* – (Virginia) **North Anna Nuclear plant drill set for this week.** State, local, and Dominion Virginia Power officials will test their ability to handle a nuclear emergency at the utility’s North Anna Power Station. Localities within 50 miles of the Louisa County plant will participate in the drill Tuesday and Wednesday. Smaller drills are held annually. Officials from the Federal Emergency Management Agency will monitor the event and send a report within 90 days to the Nuclear
Regulatory Commission to use in making licensing decisions. The commission has taken enforcement action following drills at the nation’s 104 commercial nuclear reactors in the past. Source: http://www.dailypress.com/news/local/virginia/dp-va--northanna-drill0720jul20.0.529142.story

28. July 19, KBJR 1 Duluth – (Minnesota) City of Duluth may charge for emergency services. In the near future, the City of Duluth could be charging residents or their insurance companies for emergency services in an effort to help solve a four-and-a half million dollar deficit. The city’s communications manager said the mayor is proposing an ordinance to bill for certain types of emergency services. These services would include fire suppression, vehicle extrication, and accident investigation by police. Local Councilors say they have mixed reviews about the proposal. “If there’s someone out there that’s using it four, six, eight times a year, yeah I think there’s a right to charge something there, but there’s a level at which, that’s what we pay property taxes for,” said the Duluth City Council president. The first reading on this proposed ordinance will occur at the upcoming City Council meeting on Monday, July 21. Source: http://www.northlandsnewscenter.com/news/local/25652424.html

29. July 19, Medical News Today – (National) Killer kevlar - clothing that shields from germs. Protective clothing worn by firemen and other emergency workers may soon get a germ-fighting upgrade. Researchers in South Dakota report progress toward the first Kevlar fabrics that can kill a wide range of infectious agents, including bacteria, viruses, and the spores that cause anthrax. Their study is scheduled for the August 6 issue of ACS’ Industrial & Engineering Chemistry Research, a bi-weekly journal. In the new study, researchers point out that Kevlar fabrics are widely used as fire-resistant materials for firefighters, police, and emergency medical workers. But amid increased threats of bioterrorism, there is a growing need for new protective clothing that can also provide multiple protections against a wide variety of dangerous microorganisms. The scientists developed a special process to coat Kevlar samples with acyclic N-Halamine, a potent germ-fighting substance. They then exposed coated and uncoated fabric samples to E. coli, Staphylococcus aureus, Candida tropicalis (a fungus), MS2 virus, and Bacillus subtilis spores (to mimic anthrax). After a short time, large amounts of microorganisms stuck to untreated fabric samples, but the coated fabrics showed little to no adherence of the infectious agents, the researchers say. Source: http://www.medicalnewstoday.com/articles/115291.php

30. July 18, Congressional Quarterly – (District of Columbia) D.C. Homeland Security Chief predicts chaos in event of nuke attack. The director of the District of Columbia’s Homeland Security and Emergency Management Agency said there would be “a lot of panic, a lot of chaos” if a small nuclear bomb detonated near the White House, which would most likely prevent an evacuation of the city as radiation spread. In an hour-long interview, he also said the major lesson from June 13, when a power substation failure shut off traffic lights, a fire broke out in a Metro station, and massive gridlock stymied D.C. police and emergency crews, is that “we need to do a better job coordinating agencies.”
31. **July 21, IDG News Service** – (International) **Georgia president’s Web site falls under DDOS attack.** The Web site for the president of Georgia was knocked offline by a distributed denial-of-service (DDOS) attack over the weekend, yet another in a series of cyber attacks against countries experiencing political friction with Russia. Georgia’s presidential Web site was down for about a day starting early Saturday until Sunday, according to the Shadowserver Foundation, which tracks malicious Internet activity. Network experts said the attack was executed by a botnet, or a network of computers that can be commanded to overwhelm a Web site with too much traffic. The command-and-control server for the attack is based in the U.S., Shadowserver said. The botnet appears to be based on the “MachBot” code, which communicates to other compromised PCs over the HTTP, the same protocol used for transmitting Web pages. The tool used to control this kind of botnet “is frequently used by Russian bot herders,” according to Shadowserver. “On top of that, the domain involved with this C&C [command-and-control] server has seemingly bogus registration information but does tie back to Russia.”


32. **July 21, Computerworld** – (International) **DBA gets jail time for data thefts.** A former database administrator (DBA) at Certegy Check Services Inc. who admitted that he stole and then sold the personal data of about 8.5 million consumers was sentenced to 57 months in prison by a federal judge in Florida this month. In addition, the judge ordered the man, who pleaded guilty to felony fraud charges last November four months after the thefts were disclosed by Fidelity National Information Services Inc., Certegy’s parent company, to pay almost $4 million in restitution to consumers victimized by the data thefts. According to court records, the man stole a variety of personal data from the company’s databases over a five-year period that started in February 2002. The information was sold to data brokers through an intermediary.

Source: [http://www.computerworld.com/action/article.do?command=viewArticleBasic&taxonomyName=security&articleId=322462&taxonomyId=17&intsrc=kc_top](http://www.computerworld.com/action/article.do?command=viewArticleBasic&taxonomyName=security&articleId=322462&taxonomyId=17&intsrc=kc_top)

33. **July 20, DaniWeb** – (International) **Fake UPS invoices deliver Pushdo botnet package.** Security researchers within the Marshal TRACE Team have warned that malicious spammers are using fake United Parcel Service (UPS) invoices in order to deliver a malware payload. This new attack utilizes the Pushdo botnet to distribute fake UPS invoices requiring printing in order to claim an ‘undelivered’ package from the local office. The attached executable file called ‘ups_invoice.zip’ which has an MS Word icon in an attempt to add authenticity, is not an invoice at all but rather installs some malware which “seeks to download more malicious components from the web”
according to Marshal. Upon a little closer inspection you might notice that the message is full of spelling mistakes and grammatical errors that would be unlikely to escape from any official UPS outlet.

Source: http://www.daniweb.com/blogs/entry2818.html

**Internet Alert Dashboard**

To report cyber infrastructure incidents or to request information, please contact US−CERT at soc@us-cert.gov or visit their Website: http://www.us-cert.gov.

Information on IT information sharing and analysis can be found at the IT ISAC (Information Sharing and Analysis Center) Website: https://www.it−isac.org.

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**Communications Sector**

34. *July 20, SitNews* – (Alaska) **Subsea work begins on fiber optic cable network in Southeast.** Engineers skilled in laying undersea telecommunications cable will begin working in Southeast Alaska waters this month, placing 750 miles of fiber optic cable on the ocean floor, GCI officials announced Thursday. For residents in Ketchikan, Wrangell, Petersburg, Angoon, and Sitka this means high-speed connections for Internet, phone, and video. In Juneau, residents will benefit from additional fiber optic cable creating a self-healing fiber ring within Southeast Alaska. Shore-end operations were scheduled to commence Friday, July 18 in Ketchikan. Shore-end operations in Wrangell will be about four days later; in Petersburg about three days later; and in Sitka about 15 days later. The $33 million project will connect five more communities to the Alaska United West line that currently connects Alaska to the Lower 48, providing alternate routing and overflow traffic handling capabilities for residents of these Southeast communities. GCI expects the system to be complete by November 2008.

Source: http://www.sitnews.us/0708news/072008/072008_fiberoptic.html

35. *July 20, WVNS 59 Beckley* – (National) **More phone customers cutting the cord.** Mediamark Research says that more than 32-million people rely only on their cell phones with the younger generation leading this growing trend. A West Virginia service provider says many of their customers are switching to wireless simply because it is cost effective.

Source: http://www.wvnstv.com/story.cfm?func=viewstory&storyid=41480

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**Commercial Facilities Sector**

36. *July 21, China Daily* – (International) **Terror groups still pose a ‘threat’ to Games.** The Eastern Turkistan Islamic Movement (ETIM) poses a real threat to the Beijing Olympics because investigations show it has been plotting terror attacks on venues, a senior security official has said. “Intelligence reports show the group has been planning to carry out terrorist attacks during the Games,” the director of the security command of
the Beijing Games told China Central Television over the weekend, stressing that his command had already worked out detailed counter-terrorism plans. He warned that thwarting the ETIM does not mean safety because it is just a part of the terrorist threat to the Olympics. The city has mobilized about 110,000 security guards plus more than 1 million residents and installed 300,000 cameras to help detect security threats, he said. Armed policemen will patrol downtown and suburban Beijing to deter terrorists from launching any attack. Security checks have also been tightened in all provinces, regions and other cities, as well as airports, train stations, bus depots, and all entry and exit points.


37. **July 20, Twin Cities Daily Planet** – (Minnesota) **Policing the RNC.** The St. Paul Police Department (SPPD) says it will have enough boots on the ground by September 1—at least 3,500 cops—while the Ramsey County sheriff expresses doubts. The SPPD says they have signed Joint Powers Agreements (JPA) with a number of other jurisdictions, and expect the convention cops to come from 80 jurisdictions. As of July 18, they have either 1,819 or 2,937 cops signed on. Some local jurisdictions have delayed signing the JPAs because of concerns about liability, litigation, and workers compensation. While St. Paul would like an official JPA, they can use temporary assignments of officers under less-formal mutual aid agreements. The St. Paul Pioneer Press reports that the SPPD chief says 3,500 officers are needed and that they will be ready. The Ramsey County sheriff says that 4,000 cops are needed, and that there are only 2,700 lined up. St. Paul and Denver are each getting $50 million to fund convention security. St. Paul plans to spend the largest part on personnel, while Denver plans to spend more on hardware. The Justice Department has to okay spending plans, and—only six weeks before the convention begins—has not yet done so.

Source: [http://www.tcdailyplanet.net/article/2008/07/20/policing-rnc.html](http://www.tcdailyplanet.net/article/2008/07/20/policing-rnc.html)

38. **July 19, China Daily** – (International) **Hong Kong holds last major drill ahead of Olympics.** Hong Kong held a major drill simulating a biochemical attack on Friday to test its preparedness at different levels to cope with potential incidents during the Olympic equestrian competitions in August. The chemical, biological, radiological, and nuclear field exercise, dubbed “Equinox VII,” was launched at the Sha Tin Olympic equestrian venue and involved nine departments of the Hong Kong Special Administrative Region (HKSAR) government and a company specially established to run the equestrian events of Beijing Olympics. Senior officials of the HKSAR government also took part in the drill, including the chief secretary for administration and the secretary for security. Representatives from other departments and related agencies were also present.


39. **July 19, KUSA 9 Denver** – (Colorado) **FBI: No credible terrorist threat ahead of DNC.** The head of the FBI in Denver says his office has received no credible terrorist threats against the Democratic National Convention (DNC), but he says he is aware of anarchist groups and protesters who intend on disrupting the convention. “I think there is some possibility of large scale protests, people who may have it in their mind to...
disrupt this convention,” said the FBI Special Agent in Charge. “There is clearly enough activity for us to be very busy in addressing potential threats,” he said, noting his agents have been busy preparing for the DNC for months. He also said there is terrorism in Denver, but not in the sense people are used to. “We don’t have terrorist attacks here, we don’t have suicide bombers and I think that’s what people think of when they think about terrorism,” he said.

National Monuments & Icons Sector

40. July 20, Associated Press – (Oregon) Grazing at national monument faulted. Federal rangeland managers said continuing to allow cattle to graze on the Cascade-Siskiyou National Monument is harming the rare plants, fish, and wildlife the monument was created eight years ago to protect. A recent U.S. Bureau of Land Management (BLM) assessment of the area’s health has concluded that the current level of grazing is incompatible with the biological values the monument was meant to protect, said a monument assistant manager. The area is home to 111 species of butterflies, as well as the rare Keene Creek pebblesnail and the Jenny Creek redband trout. The proclamation that the Clinton Administration signed put an end to the small amount of logging and mining within the monument, but left it up to the bureau to settle the thorny question of whether to continue allowing 11 ranchers to put up to 2,417 cows with calves on the monument to graze part of the year. The rangeland health assessment found the cattle were harming sensitive streams and springs.

Dams Sector

41. July 21, Associated Press – (Wisconsin) Crews begin to repair Lake Delton dam. Crews are beginning to repair the dam damaged when Lake Delton overflowed and emptied during last month’s flooding in southern Wisconsin. Trustees voted last week to spend $1.5 million on improvements to the dam. The approaches to the dam’s gates will be reshaped like funnels to handle more water. Crews also plan to build new emergency spillways. The improvements will make the dam capable of holding more than twice the amount of water as before. The breach in the lake June 9 sent water rushing to the Wisconsin River, destroying five homes and a portion of a nearby highway.

42. July 18, Associated Press – (Oregon) Corps drops water at Ore. dam to fix gates. The U.S. Army Corps of Engineers is lowering the water at Foster Reservoir on the South Santiam River to repair two of four spillway gates. An inspection in June showed the gates would not work during a moderate storm when the reservoir was full. The
work is expected to take 11 days. Corps officials say they were reluctant to undertake repairs in the summer but say it was necessary. They add the dam is in no jeopardy of failing.

43. July 18, Willits News – (California) **Dam work on schedule, on budget.** A $3 million project to raise the Lake Emily dam and install the new inflatable spillway is on schedule and on budget, says Brooktrails’ general manager. While conditions could change, the water currently available in storage appears adequate to supply residents throughout the rest of the summer without the need to declare any water emergency. Ghilotti Construction has completed the first phase of the dam rebuild, removing the dirt down to the base of the dam and installing the required dewatering system at the dam base. Ghilotti is now poised to start on the dam reconstruction phase. An inspector from the California Division of Safety of Dams has been on site to inspect the Lake Emily dam and monitor the dam deconstruction at different milestones throughout the project. Construction on the project is required to complete by November 15.
Source: http://origin.willitsnews.com/ci_9923894