



**The Public Policy Forum**  
**Homeland Security in**  
**New York State**  
**Presented by**  
**James McMahon**

*June 1, 2005*

*Richard P. Nathan:*

My name is Dick Nathan and I am proud to be the director of the Rockefeller Institute of Government, which is the public policy research arm of the State University of New York. We report to the Chancellor and Trustees of the State University. Next year we will be 25 years old. I've been here longer than I have ever had a job. I'm proud of what we do and proud of the people who work here.

This series of public policy talks, under the direction of Michael Cooper working with our deputy director, Brian Stenson, is a very active series. We've had 16 events this year. It's all up on our website with transcripts about matters of critical importance to our state. The Rockefeller Institute has a special focus on the management and finances of state and local government, intergovernmental relations, and American federalism. We work on national studies and many state studies that I hope you'll learn about and that you'll look at on our website.

My honor today is to introduce the director of the New York State Office of Public Security, Jim McMahon, who has been here many times and is a good friend of the Institute. For the past two years he has directed this critical office at a time when it

really matters. He was superintendent of the State Police for, I think, 37 years, beginning in Troop A and working right up to the top position. A native of Rochester, New York, he is a distinguished and highly respected public servant in our state.

The Rockefeller Institute's particular interest in this subject is on federalism and homeland security. We put out a series of publications from the forums we held on the role of "home" meaning state and local, all of us and all of you, in homeland security. About two years ago, in one of the four symposiums we had here, Superintendent McMahon was a speaker and talked about six issues. Now, two years into dealing with them, we're going to hear more. We're honored and pleased to have the director with us. We'll have a little time afterwards for questions and comments. Thank you all for coming.

*James McMahon:*

Good morning everyone. Michael Cooper, I appreciate exchanging e-mails and working around my schedule to figure out a date together. It is great to be back here. This is such a great Institute, now 25 years old, congratulations. I didn't realize it was that long, but they do some great work here and I enjoy each and every time I've been able to come here.

What I'd like to do a little bit today is talk about the Office of Homeland Security and how and why we were formed and what our mission is and how its evolved since September 11th and some of the accomplishments the office has had with our state and local and federal partners. I think in doing so it will answer a question: Where do we see state and local government fitting into the homeland security picture? I think this is very critical and we will see how we are partnering with our federal counterparts on that.

Obviously, everybody is aware of the tragic events of 9/11 and certainly right here in our own state in lower Manhattan, but 9/11 was a wakeup call like Pearl Harbor was 60 years prior to that. There is a difference in the enemy and we do face an enemy with worldwide ties, as was the enemy in World War II. The enemy in World War II wore a

uniform, flew a flag of a country, and targeted predominantly combatants. The enemy of 9/11 does not wear a uniform, doesn't fly a flag of a country, and it targeted innocent men, women, and children and combatants. In doing so it lived in our communities. It drove cars on our highways. It shopped in our stores in our local communities. It used ATMs, Internet cafes, and used our own jumbo jets fully fueled as flying missiles to strike the World Trade Center, the Pentagon in northern Virginia, and, if it had not been for great Americans on United Flight 93, it would have struck our Capitol building, our symbol of democracy and freedom, something that they do not like and want to attack.



9/11 was also a time for leadership. At that point, I was the superintendent of the State Police and I saw some great leadership at the federal, state, and local levels. Certainly with our president, our governor, and Mayor Giuliani. 9/11 resulted in the most massive mobilization of state resources in my

37 years that I had seen in the State Police. We sent hundreds of troopers into New York City to support the city in their efforts. By 9:30 on 9/11, we had 500 troopers in New York City and 250 already on post in the City as a mobile force, 500 of them stayed there for the ensuing 5 months in the first rescue and then the recovery efforts. Our National Guard had been phenomenal. I know Chuck Phillips is here from the National Guard, they literally sent thousands into New York City. Many of them have remained on post there since 9/11 in locations, especially transportation hubs at Central Station and Penn Station. You still see them there. Troopers and National Guard have been deployed since 9/11 on our three locations of our nuclear power plants. Obviously, there was great concern for the nuclear power plants at the time leading up to 9/11. There had been some threat streams in the paper. So for all intents and purposes, the governor ordered troopers and guard to augment the security there. On those, we've remained at an Orange Plus on those areas.

We've looked at other areas at the time. There were a lot of things that happened right after 9/11. We were looking at vulnerabilities. This was a wakeup call in many ways. Especially at the state and local level, we had not been involved in the global terrorism. It pretty much had been a federal responsibility. We had not really looked at target hardening of facilities that might come under attack in our country. So we were looking at things very quickly and now we've had time to settle back and see what is really the largest areas of threat and where our vulnerabilities are. At that time, we were flying by the seat of pants. Obviously, with nuclear power plants, water supplies, and things like that, we were utilizing state and local resources to target harden those until we really got a handle on what was happening.

The governor started right out by saying something when he addressed the people of the state that night of 9/11, he said seven words, "We can never let this happen again." What the governor was talking about was prevention. We had been very good at responding. We had done a lot practice in responding to natural and man-made disasters, but we had not given a thought about prevention in a lot of ways. So the governor was saying, I think, in those seven words we have to do everything humanly possible to prevent another occurrence and then, God forbid, if one occurs, we would be able to respond to it.

Let's go back to the winter of 1995, two weeks after the governor got in office, and there was a prediction of a major snowstorm in New York State. Believe me, I had been involved in snowstorms over the years in my career in the field of State Police and I had never heard anything from Albany, from our division headquarters, or what we're supposed to do. We all got summoned, many of the people being commissioners, to the Red Room around the table. The governor came out and went to each agency head and wanted to know what are you doing to support local government if this major snowstorm hits. There were a lot of panicked expressions on faces. It set the tone for the change that I see from the state. The governor's message was and continues to be, "We're going to do everything possible to support local government in natural and man-made disasters." From that point on, in many ways the State Police were a local resource also. It was

always mobile but mobilization came to the National Guard, utilized in snowstorms, mudslides, TWA 800, the wild fires, the ice storms in the North Country, state resources coming in to work together with our local counterparts. I think all that happened since 1995. There have been over 120 state declarations and 130 federal emergency declarations. I think all those efforts and the efforts of working hand-in-hand with local government, the state responding very quickly, the Department of Homeland Security, VEC, National Guard, State Police, allowed us to respond to assist New York City in the way we did from a state standpoint. Working hand-in-hand and getting through the mitigation and recovery process of 9/11.

With prevention in mind, the governor established in less than a month the Office of Public Security, which is now the State Office of Homeland Security. It was the first, I think, state office of homeland security at the time. Now every state has an office in some way, shape, or form. Every state's office is now the liaison to the U.S. Department of Homeland Security. The Department of Homeland Security had not been set up yet. In fact, homeland security wasn't really a term in vogue and that's why we were called Office of Public Security at the time. Jim Kallstrom came back from a distinguished career in the FBI, retired from the FBI, and had gone down to a more lucrative career at the MDNA in Delaware. Jim came back on a leave of absence to help us get the office started and did a great job. The governor created this by an executive order and the mission was very simple and straightforward: we were to be a coordinating, facilitating, and directing function, not a bureaucracy. We were asked to coordinate the state resources, bring people together, and do everything possible to prepare for, prevent, respond to, mitigate, and recover from any type of natural or man-made disaster including terrorism.

One of the key things that the governor started immediately after the Office of Public Security was the bi-weekly Homeland Security Meetings. It's 25 critical state agencies and authorities, commissioners, and deputy commissioners getting together. We meet at the State Police Academy. Our Office of Homeland Security chairs the meetings. What we do is we look at how all the agencies are coordinating and working together and

not duplicating efforts in a coordinated fashion. Again, to prepare for, prevent, respond to a terrorist act but also to support local government in it. From my standpoint, these have been very crucial.

What we did in these bi-weekly meetings, we created a number of task forces that bring agencies together because everything is a multi-agency approaches. I think of the things that 9/11 has shown us, let's say that the Department of Health was looking in their area for small pox vaccinations. When they looked at that, they hadn't considered the police law enforcement standpoint and how law enforcement plays in. There's a lot of interaction that hadn't been considered before, but is being considered and looked at from a multi-discipline approach because of these task forces and bi-weekly meetings. The Department of Motor Vehicles and the State Police lead the Fraudulent Identification Task Force. There is federal involvement in it. They're looking into identity theft, forgery of instruments. We found out the Department of Motor Vehicles has some of the best experts on fraudulent documentation in the U.S. because they deal with it. It became very simple. They came to a meeting one time with Jim Kallstrom and myself and they dumped a box of passports and driver licenses and other types of identification, like Social Security numbers, on tables. They were all fraudulent documents that had been seized at the Motor Vehicle bureaus and to most of us to our naked eye could not determine in many instances that they were fraudulent. So they have been a key component in doing it and educating with the State Police and local law enforcement in doing sting operations at a number of Department of Motor Vehicle facilities where fraudulent document have come in. If there is anything that looks like there are ties to terrorism, those cases are referred to the Joint Terrorism Task Forces that come under the supervision of the FBI in various locations in New York State.

Training our first responders is a new type of training in the area of terrorism, especially chemical, biological, radiological, and explosive training. We have about 350,000 first responders between EMTs, law enforcement, and fire out there. The governor in the State of the State this year announced and directed our office to establish a first responder preparedness-training center in the Rome and Utica area. We're in the

process of doing that now. One of the key components of it is equally as important, if not more important, than finding the bricks and mortar is to look at a needs assessment. What does a first responder really need in training out there? In many instances right now around the country, we are throwing darts at a board. There has never really been a needs assessment for what EMT, law enforcement, or fire departments need. What's available out there? What can we do as an alternative other than a classroom? I hear from fire chiefs and I hear from police chiefs in many instances that you have just so many hours to put a fanny in a classroom environment and they have to make a choice: Do we sit in a classroom or do we have somebody out there doing first-responder duties, highway safety, keeping the crime rate down, or responding to terrorism out of state or local? We're looking at that needs assessment, which I think is critical. We're working with fire, EMS, and law enforcement on that. We're also looking at alternative ways that we can deliver that again in the team approach. We've retained Tom Kramer, who has a distinguished background in the WMD area and in fire, who is coordinating that effort with us again in a team concept with a number of agencies involved on that.

The chemical, biological, radiological, nuclear, and explosive Task Force (CBRNE) was one of our very active task forces. It was very critical because prior to 9/11 none of us who are sitting here thought we would see smallpox possibly come back especially as a weapon used against us or agents of biological and chemical substance used as a weapon against us. This task force is headed by the Department of Health and the Department of Environmental Conservation, but also has Police and National Guard agencies on it and they are looking into everything from quarantine up to immunization and things like that and how the state can support local government in doing that. They've very active. I can't say enough about how that's been going.

In Food Safety, the Department of Agriculture and Markets is heading that task force. Their motto is that they're looking at anything that could be involved in terrorism from the farm to the table. They've included some of the economic community and they've included some of the major food chains like Wegman's and a couple others in that task force.

The Aviation Task Force was headed up by the Department of Transportation because they have an aviation unit under them. One of the concerns that we were looking at was that the federal government quickly set up the Transportation Safety Administration (TSA) and 17 of the major airports have TSA components and rules applied. But there are over 500 general aviation facilities in New York State that had no requirements from a security standpoint on that, which was a big concern. At that point, there were only three states that actually had any kind of legislation mandating any type of best practices or aviation security for general aviation facilities. So that task force, headed by DOT, looked in the general aviation area and at first came out with the best practice guide that we distributed through our office to the general aviation facilities who were visited by state and local law enforcement with that guide throughout New York State. Subsequent to that, in the Laws of 2004, we became the fourth state with any type of requirements for general aviation airports from a security standpoint.

The Maritime Task Force had a number of different state agencies that had boats in the water that could be used in protecting our state: DEC, Parks, State Police, and National Guard. What we've done is to use those in a coordinated fashion and subsequent to that, using Homeland Security, we augmented the National Guards capabilities with six larger boats, which are staffed by the Naval Militia. They are at Indian Point and other critical locations. They are also very active in New York Harbor as part of the Coast Guard Task Force for the Port of New York. This past Fleet Week and other big events in the City, they're deployed on a regular basis under the auspices of the Department of Military and Naval Affairs (DMNA) and have done a great job.

Plume modeling was a subset that we started. Our State Emergency Management Office (SEMO) and DEC had a plume modeling methodology they used. We heard that all of a sudden the Department of Homeland Security was going to come in and set up a plume modeling operation across the river in New Jersey. Of course, the threat period involved New York City at that point. So the question we had was, "Are we going to have different methodologies? Is some frontline commander going to be getting two different analyses when he or she is trying to deploy people or evacuate people?" So we

came together with plume modeling with SEMO, DEC, and DOH as the lead on that. We worked together and looked at the federal government one and they looked at ours to make sure that everything existed so that there would be one methodology that would be used if there was an incident that required that type analysis on that.

The core of prevention is law enforcement. As I said before, prior to 9/11, state and local law enforcement were really not involved in the terrorism end of it, somewhat in the domestic terrorism, especially the domestic terrorism we saw during the 70s. But they had not been involved in a federal responsibility. When you think of that, you think back to what I said about the 19 terrorists living in our communities for so long, driving cars on our highways and things like that, you can't discount that we have 540 state and local police agencies in New York State with 70,000 state and local law enforcement officers. And you take that across our country, there are 18,000 law enforcement agencies with 700,000 state and local law enforcement officers. So really you can't discount them. They become the foot soldiers when you consider that these people were living in our communities, driving cars on highways, as I said, shopping in our stores, the ones who you would have contact with and driving on our highways. Many of you here have heard of the incident of the Maryland trooper stopping Ziad Jarrah, one of the nineteen terrorists, two days before on I-95 doing 95 miles an hour in Maryland. But there were at least three other cases where these 19 terrorists had been stopped, had received traffic tickets, one by an Oklahoma trooper, one by an Arlington County police officer, and one in Florida. Two of them actually got into an argument in Massachusetts with a toll collector. When you look at all their actions, they either had contact or chances of their contact would have been with the state or local law enforcement officer.

So what we've done in New York, trying to coordinate state and local law enforcement, working with our federal counterparts, under the governor's direction, we created really a first-in-the-nation structure called Counter Terrorism Zone Structure. We divided the state into geographic areas based on what we saw at the time as vulnerabilities and consequences in those areas. They are regional as you can see. They bring together state and local law enforcement. In each of those areas, they elect a chair

and co-chairs. The chair is a sheriff and the co-chairs will be a chief of police and a state police commander. They look at components like information sharing, critical infrastructure issues, private sector partnerships, training needs, and they work on developing exercises or simulations on potential terrorist type incidents. There is an overarching executive committee. There are a few people in the room from the executive committee here that brings together members of the Sheriffs Association, the Chiefs Association, the New York City Police Department, the superintendent of the State Police, and now there are federal agencies involved. Each of our regional offices of the FBI, Buffalo, Syracuse, and New York City, send people to the meetings. We meet quarterly. We chair that meeting and look at overarching issues involving terrorism information sharing from a statewide standpoint.

Again, something that has been very important, some of these counter terrorism zones have been extremely effective in coming up with ideas in their area. For example, Counter Terrorism Zone 4 at the lower end of the state, which is Rockland, Orange, and Sullivan County, they looked at school safety. They took the national color-coded alert system and came up with recommended actions that schools should take to each one of those. They had put them together, brought elected officials together — the county executives, local elected officials, school superintendents, law enforcement — to develop this plan. They were all involved in the decision, whether they closed the schools, whether they evacuate, where they take kids whose parents are both working, and things of that nature. So it was really a very joint local effort on that. It was so good that we took the plan they had and put it out as a best practice statewide to all the other areas. There have been other incidents where these counter terrorism zones have addressed issues in their own area. There are some great issues of partnering with our private sector partners and sharing information.

The governor provided state funding to create a counter-terrorism network shortly after 9/11 in the insulation of our office. We deployed 340 stand-alone secure computers to police agencies throughout New York State. We send out on those advisories and alerts that we get from the FBI or from the Department of Homeland Security. We've

assisted the FBI in many ways by having state and local law enforcement go out and talk to businesses that the FBI has raised at different times in the country that they have asked us to do. We are currently expanding this to a portal-based network that will expand our outreach capabilities and streamline the up and down flow of information, but also allow us greater contact with private sector, especially critical private sectors, and with elected officials, emergency managers, and fire in providing advisories and information and alerts to them.



Critical to our efforts has been the Upstate Regional Intelligence Center, which we call UNYRIC here in the Albany area. A lot came out right after 9/11 that federal agencies weren't talking. They weren't sharing information and we often heard the word "stovepipe" on the 9/11 Commission. Some of the information, I think, was overstated. Some of it was actually Congressional mandates or mandates from the Attorney General that wouldn't allow some of the federal agencies to exchange information. But from my standpoint, we aren't having those problems and haven't had those problems in New York. We've always had in my years at the State Police the ability to at any time receive or talk with our federal counterparts. There was probably some justification for a lot of the discussion and I think some of it was overstated, but the key point was how do we get on from there and ensure that we do share information and that state and local are involved in that? We knew at the time that New York City already had a joint intelligence center, which they call the High Intensity Drug Trafficking Area (HIDTA) in Manhattan but we knew that it was also important to bring together those other 940 police agencies throughout New York State and be able to reach the four corners and not have a stovepipe information-sharing intelligence system. So we are using state money to establish the UNYRIC here in the Albany area and made sure that we had a direct ties and connectivity to New York City, recognizing that 42

percent of the population is in New York City in our state and it's the number one target, has been and will always continue to be, of Al Qaeda and the global terrorists. We have reached out and made sure that there wasn't stand-alone, unconnected intelligence centers in other areas of New York State. We got the connectivity down. This center handles the four counties surrounding New York City and the other 54 counties in New York State are handled through the UNYRIC and the information flow. I think it's worked out very well as a clearinghouse. It provides analytical support to state and local law enforcement agencies. It's being recognized now as a national model.

Secretary Ridge, before he left, asked Governor Romney to look into the whole information-sharing area and make recommendations on it, especially as it pertains to state and local. The Romney Report to him indicates that there needs to be state fusion centers and that information going up because there's no federal entity that can receive information from 18,000 police agencies and make head nor hair of it on a federal level. So he recommended a state fusion center that has a mission statement, protocols, and appropriate training. Really what the recommendations were from a report on UNYRIC. It doesn't say UNYRIC specifically, but we do have protocols in. We do everything with privacy concerns. We have Part 28 on that; we have mission statements. We've done training. We've done training using the State Police and our office. Training on a one-on-one intelligence officer course for local law enforcement. The FBI has been critical to helping us develop the protocols in it. I think we've done everything accordingly. Recently, our office just hired a privacy officer. I think we're the first state with a privacy officer to oversee what we're doing there from a privacy standpoint to make sure we're complying with all the privacy regulations from our state or federal level. We think we're doing the right thing. We have a number of partnerships in that with people assigned. The FBI has been very supportive of the assigned people. The DEA, Immigration, and Custom Services have too.

And there are things prior to 9/11 you wouldn't have seen. There would have never been federal agencies putting people in a state center. It would have always been the other way around. So we've had this great partnership and I can't say enough about

everybody working on it. The Rensselaer County Sheriff has assigned somebody full-time recently. The National Guard has been very, very supportive and the other areas are either utilizing it or supporting the concept of it. I think we've moved forward very well on it.

In another area, our office instituted a couple years what we called the Northeast State Consortium. It was bringing ten state homeland security directors together from Delaware to Maine to discuss homeland security issues, best practices, information sharing, etc. Subsequent to that our Canadian neighbors heard about it and Quebec, Ontario, and New Brunswick have now become part of that consortium and discuss cross-border issues at those meetings. In fact, at our last meeting Quebec sponsored the meeting. I think, again, this has been beneficial from a number of standpoints but I think it can also prove to be very beneficial in the future in that the Department of Homeland Security is now looking at a regional concept. In fact, in their proposed budget there is \$50 million to look at regionalization. So it's something I think that we can already show how we've been active in a regional approach. One of the things that we're doing right now from that information-sharing or intelligence standpoint is that we have a subcommittee that the State Police agencies in those states along with homeland security directors are looking at best practices and again are sharing information throughout this entire region.

Critical infrastructure, obviously, is a key component. When you look at the goals of the global terrorists or Al Qaeda, its harm Americans in large numbers, cause economic chaos, and have a huge psychological impact. Three goals that have been consistent, certainly they harmed Americans in large numbers at the World Trade Center and the Pentagon and they certainly had a large negative economic impact in doing that. In terms of critical infrastructure, when you look at it, 85 percent of our country is in the hands of the private sector. So how do we assess what they are and then how do we work with investing to target harden that? The governor and the Legislature have looked at that. In 2001, they enacted the first terrorism bill in New York State, which defines terrorism as a crime, defined what it is, and gave a lot of tools to work with for lack of a

better term to global prosecutors and law enforcement equal to what our federal counterparts had in our state. In the laws of 2003, looking at the private sector and one of the critical private sectors, the Legislature passed an energy act that directed that our office assess the security levels in energy generating and transmission facilities and that we issue a six-month confidential report to selected members of the Legislature and the governor selected by the leaders — a one-year report, a three-year report, and a five-year report. We conducted the initial first-year report and it has been submitted, working with the energy industry. I can't say enough, especially in the electricity part of the energy industry, who worked hand-in-hand with us on this. Their concerns were our concerns too that it wasn't being duplicated. That we didn't have federal agencies coming down doing the same thing that we were, so we worked very hard to try to make sure that there isn't duplication on the industries and that we move forward together on that. We've started a survey instrument to different sectors and are trying to get a handle on what the existing security level was and followed up with a number of site visits. We will continue the site visits with the energy industry.

The laws of 2004, which changed the name of our office from the Office of Public Security to the Office of Homeland Security, which people now recognize what it is and who we are, are consistent with things on a national level but they passed a chemical site security law. It's really very similar legislation that didn't make it through on the federal level a couple years ago. Again our office will conduct an assessment of security at chemical facilities in New York State. The first deadline we had to make was to come up with a list of the chemicals most dangerous to humans and beyond that we had to have that list compiled by April. It went to the Governor's Office of Regulatory Control and over to the Secretary of State and that's out for public comment now. The second deadline was to take that list of some 700 or more chemicals and identify what the critical infrastructures are in New York State. We needed to complete that by May 23rd, so it is completed. There are about 2,400 of those. Now we're working toward a survey instrument hand-in-hand with the Department of Homeland Security. We've gotten them to move hand-in-hand with us forward on this and the assessments. So we're working on a survey instrument that will go out again as we did with the energy industry.

It was indicated or mandated in the chemical legislation that we partner with the business community or the industry community on that. So we've done that with the American Chemical Alliance and the New York State Business Council, who have again been very supportive. With the energy one, we did that with the New York State Energy Association, who were again very supportive working hand-in-hand with that. We've seen that the private sector really is very concerned and working very closely, especially in those critical sectors. I think what you're seeing on a federal level now is discussion of the vulnerability of the chemical area. Now legislation is starting to percolate again on a federal level. So I think New York State will be ahead in the area and it's one of the things we heard from the Undersecretary of the Department of Homeland Security is that they want to partner very closely with us and see what we're finding out and how we're implementing our strategy in New York State on that.

I already talked about general aviation. The efforts of that task force, the best practices, became legislation in the laws of 2004 requiring that at least every general aviation facility had a security plan and paid some security measures in that. You may have seen there was a press release out over the weekend what we call Terror 3 or the third terrorism bill in New York State addressing acts of terrorism was jointly proposed by our governor and the attorney general. This bill will deal a lot with agriculture terrorism, eco-terrorism. We've had three terrorism bills. Again from a legislative standpoint too, New York's has been in the forefront.

One of the areas that came under our office shortly after I got there was the federal funding for homeland security. I found one thing: It's not easy to give money out. This year, in federal funds alone we are giving out over \$300 million in the areas that we deal with as the homeland security program, which is called SHSP. The Law Enforcement Terrorism Prevention Program, the urban area security initiatives, those are the 50 top urban areas that the Department of Homeland Security has selected in the country. The concentration on that is based on the population and the vulnerabilities in those areas. We formerly had three urban areas in New York State — the Buffalo/Erie/Niagara area, the Albany County area, and the New York City urban area. This past

year, seven cities were eliminated from the 50 and seven added. The Albany area was eliminated. One of the reasons is that they established a population of 225,000, which we don't totally agree with. We're still hoping to adjust that. We think looking at the list that Albany should still be one of the areas. But additional funding goes to those areas because of the criticality involved in administrating those. This year, New York City received \$200 million on the Urban Area Security Initiative.

For the Citizen Corp Program, SEMO is our administrative arm for that. We do the Emergency Management Performance Grant. For the Metropolitan Medical Response System Grants, the Department of Health is the administrative arm on that. In the executive budget, the elimination of the Metropolitan Medical Response System was recommended in that. It totals out over \$300 million but I think that a lot of the issues I talked about in the beginning were state funding. The governor has committed since the start in 2001 over \$350 million in state funds to terrorism efforts. As I said, UNYRIC and a number of initiatives, and the National Guard deployment, State Police deployment, the Department of Health issues were funded by state dollars initially.

With our distribution of the federal funds, we work through counties. There's no way that we could work with, especially in the timelines that are mandated from the federal level, with every police department, fire department, or municipality in the state. So we work through counties. We ask counties to have a plan that's inclusive of the different areas in that and meets the statewide strategy and meets the federal mandates. We deploy a risk-based formula. The governor has asked us to look at the risk-based formula two years ago. I think we're the first state to have a risk-based formula. Right now that's going to put New York State in a very good stead because Secretary Chertoff has been consistent in saying, "We can't protect everything out there and still have a democracy." He's been the first person who's said that on the federal level. He said we have to look at everything from a risk management perspective. He defines risk management as threat, vulnerability, and consequence. That's what we try to do. We've got it color coded here. As you can see, New York City, with \$200 million, they lead

with again one of the urban areas. The other urban area, the Buffalo area, gets about \$7 million this year.

A program we started this year at the governor's direction increasing our threat-based formula covers the areas with the star in it. The state gets 20 percent of the funding in these areas. The state uses that 20 percent to support state initiatives but to also fill gaps around the state. Much of the state money goes back to the localities. So what we did was we created our own high-threat urban area system. We call it the Urban Area Supplemental Program and we took twelve cities that sat in counties that we considered high-risk counties. We provided extra funding, \$250,000-500,000 of the state's 20 percent funds, to those twelve cities in that area. Then with the threat-based formula, every county gets something. Some areas get \$100,000 or less, other areas get \$105,000, and some get up to \$1 million in state funds. The risk, the consequence, the vulnerability, and consequence are on that. We will continue to do that.

There were some reductions in the Law Enforcement Prevention Program in the state. We took the state funds and rolled it into that so that all the law enforcement prevention funds equaled what law enforcement got last year. In the Buffalo/Niagara/Erie area, their area was reduced \$3 million. We put the state share back in to that area so that they got the same amount of money. That provided additional funding to Niagara County, which has six of the top 20 high-risk chemical plants in the country. At the governor's direction, with the threat-based funding we can probably do better. We try to do better each year. But I think we're ahead of other states and we're very consistent with the direction that the federal government is now going.

One component we have in our office is what we call the Weapons of Mass Destruction (WMD) Task Force that administrates the funding. It's people assigned to our office, people from state agencies, National Guard, SEMO, Office of Fire Prevention that really have come together on a part-time basis with us to help us with the project. One of the things that they first looked at right after 2001 with the initial federal funding, which there wasn't a lot of federal funds at that time, so what they looked at is how do you protect the first responder? That's where our thrust should go. What they came up



with was a standardized interoperable regional approach, which has turned out to be a great concept. I can take no credit for it. I wasn't there and I probably wouldn't have been smart enough to do that. But it's turned out to be very beneficial to us. In looking at the first responder and protecting the core of this first responder,

interoperable equipment was what we call WMD trailers or emergency response caches. In those caches, the trailer came into a warehouse empty and all the other equipment came in on pallets and had to be assembled by this multi-agency team and then delivered out. They've assembled 170 of these trailers that involve what we call personal protection equipment (PPE), monitoring and detection equipment, and then decontamination equipment. We've distributed those throughout the state again on a risk and threat formula. Every county got at least one of these caches. New York City and other high-risk counties like that got a number of them. New York City got 17 of them. Through our Office of Fire Prevention and Training, they did the training along with that equipment.

In doing that, we were able to use that limited amount of federal funding to buy that equipment using the state purchasing power. So we were able to buy much more of it with the same dollars than could be done if it had been done piecemeal on a local area. This was mentioned in a report that Secretary Ridge had done as a best practice for the country.

Now we go to the involvement of business in our efforts to protect the homeland. We have a program that our office came up with called Operation Safe Guard. Operation Safe Guard is a program that has contact with a 120 different businesses where somebody might be trying to purchase something that could provide material support in a terrorist attack. You always hear when we have an alert, "report anything that is suspicious." Well, what's suspicious? What we did was take those 120 businesses and try to say what

is suspicious. What could be suspicious activity? And then if you think something is suspicious, what do you do? Some examples would be chemical facilities, bulk fuel storage areas, fertilizer distributors, and self-storage facilities, things that have all been used in the past in chemical attacks. What we tell them to do is call the state tip line. After the Lackawanna Six case in western New York, which really started with an anonymous tip to the FBI from the local community, the governor created a statewide toll-free tip line in November 2002. We have used that for people to call suspicious activity in. We use this under this Safe Guard Program. "If you see something, say something." The Metropolitan Transit Authority Police Department started that program. We thought it was pretty good, so took used a knock off from theirs in New York City. Now the New York City Police Department is using that slogan too. We are really covering the state, bringing together the business community. The local community should they see it as something involving everybody as eyes and ears. I go back to the 19 terrorists living in the communities for six months, driving on our highways, eating at our restaurants, going to our stores, having interaction, going to our own playschools.

That brings us to where we are now and where we're trying to move forward. I think as you can see state and local officials and the private sector, again working with our federal counterparts and especially with what the FBI is doing with this, has got us in pretty good shape in New York State.

*Richard P. Nathan:*

Jim, thank you. That was an excellent and thorough impressive status report. We've got a little bit of time for questions. If you indicate your name and where you're from that would be helpful to us.

*Dominic Cardillo:*

I'm with the NYS Division of Housing and Community Renewal. I'm just curious about the slide about the tip line. That's the first time I've ever seen that. I'm just wondering, why haven't we seen that on TV?

*James McMahon:*

There have been some informational campaigns and a lot of literature on that. Whenever there's a heightened alert or something then it usually gets publicized the most. That's when you really see in any of the tip lines, whether it's ours or the one in New York City, which are interfaced, so we don't care which tip line is called in, you'll see tip lines spike whenever an announcement of it. We've got some new informational campaigns we're trying to start. I recently sent a letter to every state agency commissioner to try to get their information on not only their employees, but also their constituents in that. We've had a very positive response from that.

*Stuart Silbergleit:*

I'm from the Energy Association. On the general aviation aspect of this, in fact we have some additional procedures in the state and recognize what happened on September 11<sup>th</sup>. I'm surprised that only four states, or three other states, have enacted some sort of protections in that regard. I can't say that I feel that much more secure that we have the rules, but the incoming planes apparently are coming from facilities that don't have special protections.

*James McMahon:*

That's an excellent point and fortunately New Jersey and Massachusetts are the other states with it along with Michigan. But I think what we're seeing, and again with this regional component that we have, we get these best practices out. I think there are a number of other states that are looking at that legislation. Unfortunately, in a lot of these areas — whether it was the chemical bill, the energy bill, and the aviation bill — people have been waiting for federal action that would create the standardization. Our direction from our governor was that we weren't going to wait around for that in many instances. Is there vulnerability; could there be vulnerabilities in bordering areas? Yes. One of the other things that we've talked about in best practices is that we quickly database the general aviation facilities and one of the things that we do is that we make periodic visits

to our state and local law enforcement so that we reiterate the importance of suspicious activity. Early on, one of the threat strings was crop dusters. We knew where every one of those was. We had the outreach of any of the crop dusters in New York State. We passed that on to other states and hope they're doing it even if they don't have legislation. I think a number of them have done that where they have the contact with them. We provided our best practice guide to other states that led up to our legislation. There were no teeth saying you had to do this, but a list of best practices. Some of them are very simple: Don't leave your keys in the plane; lock the wheels, and things like that. Under our new law, by July they all have to have a security plan. There are some general aviation facilities that have small single engine planes and there are other ones that have pretty big planes. It's one of our concerns. Aviation still comes in our threat screen out there. So this is one of the sectors that we're still very concerned with.

*Ron Hotaling:*

I'm from the Town of Coeymans. One of the most vulnerable areas that we've read about is the ports. What have we done, on top of what the federal government apparently hasn't done, in order to protect those ports?

*James McMahon:*



Obviously, our biggest port would be port in New York and New Jersey. Security of those comes under federal agencies, obviously. But there has been the Coast Guard, who has been one of the great agencies to work with. The captain of the port down there has an executive committee that worked together with federal and state

agencies to address issues like that. Again, they have a tremendous system of monitoring the harbor and the boats. About 90 percent of our incoming goods come by container.

How do you balance security of these with the ability to keep the contents moving? We see that on the border. How do we create this balance? A lot of it is technology that is still evolving. One of the key things that the Department of Homeland Security Customs Agency has done is that they're in 22 key ports right now doing pre-screening overseas. That's really the best way to do it. Homeland Security has provided \$50 million to a Port Security Pilot Project that involves three ports — the Port of New York and New Jersey, Tacoma, and Long Beach (Long Beach being the number one port in there) — to look at technology and issues. We in New York, without federal funding, are partnering with New Jersey and New Hampshire. Actually, prior to the federal initiative back in 2000, before 9/11, the governor of New Hampshire at the time and the U.S. Attorney got Vermont and New Hampshire together and looked at cargo containers and security and what they could do about it. They actually funded a shipment using Sylvania from Slovakia through the port of Hamburg in Germany to the port of Montreal and then into New Hampshire, just to see where the gaps were on that container and there were many gaps on that. So we have now joined together. The governor provided funding for Phase II. It's a project now that involves Quebec, New York, New Hampshire, and Vermont. We're going to now take another cargo shipment through some location in New York State. But Lawrence Livermore is involved and they're going to put some detection devices on there for radiological and stuff. So what we're trying to do is determine how do you come up with real-time information that a cargo container has not been compromised? A lot of that is evolving but that's where the thrust is going. In the interim, I see more of those 22 ports overseas being expanded by the Department of Homeland Security.

*Bob Stokes:*

I'm from Saratoga County. We've been trying for seven years to build an interoperable radio system, part of which is inside the Adirondack Park and under the control of the Adirondack Park Agency. Our dealings with the Park Agency have led me to believe that perhaps not all of our state agencies have gotten the message that we're trying to deliver. Basically, we're looking at almost \$1 million in legal and engineering expense and

frankly we're beginning to believe that northwest of Exit 17 of the Northway homeland security is somewhat of a joke. We're looking for some help, frankly, along that score. We've worked with the governor's office and the statewide network, which have all been very helpful, but it doesn't seem to be getting us anything.

*James McMahon:*

We discussed that a little bit before. I'm not familiar with that. The statewide wireless is the Office of Technology. But as I said I would look to Jim Dillon, who has the advisory group on that. I am a big supporter of the statewide wireless project. I think when you look at any type of a natural or man-made disaster prior to or subsequent to 9/11, communications is the first thing critiqued for the lack of interoperable communications. I think it's a very important component from a homeland security standpoint. As I said to you, I will try to see what I can find out about that and get back to you.

*Fred Acunto:*

I'm the Supervisor of the Town of Charlton. Jim, to expand a little bit more on that, what is your feeling about our vulnerability at the Canadian border, particularly, with the Northway corridor and also the lack of communications for many miles along the Northway corridor?

*James McMahon:*

That's an excellent question. We've got over 400 miles of border with Canada, 80 miles of it land-to-land in our northern most rural parts and 8 miles of it on the Akwesasne Indian Reservation, which has equal parts in New York and Canada and there is dual citizenship up there. We've got 17 border crossings in New York State, two of the top five in the country. But we also had some unstaffed border crossings that Canadian citizens and American citizens prior to 9/11 used to go back and forth to do their shopping and things of that nature. Prior to 9/11, all the border issues had been, from the federal standpoint, pretty much predominantly focused on the southwest border. Right

after 9/11, when we were with the governor, that was one of the areas we identified as a vulnerability because of the diminished federal activity up there because of what was going on in the southwest corridor with drugs and things like that. So he provided 120 additional troopers at that point that we deployed to the Canadian border, some working hand-in-hand with our federal counterparts at the border, especially with commercial vehicle traffic. In some instances, riding joint patrols with the former Border Patrol, which is now Customs and Border Protection. The Patriot Act required the federal forces to be increased considerably on the Canadian border. They've about doubled across there.

There are still concerns. Canadian immigration laws are much more liberal than ours. And, as I said, there is the vastness of it. There is a bill to provide the Indian policing on the Mohawk reservation with policing authority in New York State under the auspices of the Superintendent of State Police, which we support because we think they're a critical component and their law enforcement agencies has been very, very helpful working with federal, state, and local law enforcement in a joint effort. The thing that we've got going up there with the vastness is I don't think that there's any area that federal, state, or local law enforcement, prosecutors (both on a federal level in the northern district and on the local level) haven't come together, realizing the vastness of it. The FBI recently put people up there full time. The DEA has put people up there full time. In addition to the Customs and Border Protection, other federal agencies have gone up there to supplement. The National Guard has been active in border crossings and working in those areas. I think that there still needs to be more federal resources up there.

*Eric Gebbie:*

I'm with the Center for Public Health Preparedness. I have a question about the funding. We've seen millions shifting back and forth and we would all, of course, like to get more money. But shifting money back and forth has a cost to it. I was wondering what impacts you've seen? How do the funds go back and forth between different cities and different agencies?

*James McMahon:*

What we do is, I think, other than the bureaucracy involved and the paperwork, which is in any federal funding, we provide to the counties. I write a county executive and ask for a point of contact for each of the two main grant areas: the Homeland Security Grant and the Law Enforcement Prevention one. For the Law Enforcement, I ask that the point of contact be somebody involved in law enforcement. We ask them to partner with EMS and fire to come up with a strategy that includes everybody because there's not enough money to give everybody something. You need a strategy that fits into our statewide strategy and complies with the federal mandates and guidelines, some of them that we don't approve of, but they're there. Then they have to present their application based on their joint strategy back to us, saying what they're going to use the money for. Then we have to send it on up. The problems aren't that I don't see money transferring back and forth between municipalities. I think more that the problems are the federal requirements make this a reimbursement system instead of a cash advance system. Consequently, with the economic times in the municipalities and counties, the complexity of some of the equipment that's being purchased and back ordered, because everybody wants it, doesn't allow it to be a reimbursement. The local municipalities need the money up front to do it. Congress gives us 45 and 60 days to read the legislation and then intends to give the money out. I think that's their intent. But when you get to the Federal Cash Management Act, it says you can't do that. So we think they're sort of the problem. It's a federal problem that we're trying to get them to change the way they do business on that.

The most complaints we were getting is that this year's cycle was lacking in integration at the county and local level. We did seven regional workshops when the money rolled out this year trying to indicate that's what we wanted. When we gave the funding to the twelve cities under that Urban Supplemental Program, we indicated to the mayors when we wrote them whatever you use that money for should be consistent with the countywide plan too. Where I see it going in the future, you're going to have to start looking beyond county lines. It's probably going to be a regional approach. Eventually, I think you're probably going to see us having to look at a regional strategy like we did

with the trailers because no terrorist act will stay strictly in one. And we're starting to indicate that as I go to either the Mayors Association or different places to talk to them, we will probably have to look at a regional approach in the future.

*Richard P. Nathan:*

Jim, this was terrific description covering a lot of territory. We're in your debt to have a chance to hear about it and to talk with you about it. Again, Jim, we thank you very much.