

HEARING OF THE INTELLIGENCE, INFORMATION SHARING AND TERRORISM RISK ASSESSMENT SUBCOMMITTEE OF THE HOUSE HOMELAND SECURITY COMMITTEE SUBJECT: A REPORT CARD ON HOMELAND SECURITY INFORMATION SHARING CHAIRED BY: REPRESENTATIVE JANE HARMAN (D-CA) WITNESSES PANEL I: LEROY D. BACA, SHERIFF, LOS ANGELES COUNTY SHERIFF'S DEPARTMENT; RUSSELL PORTER, DIRECTOR, IOWA INTELLIGENCE FUSION CENTER AND INTELLIGENCE BUREAU, IOWA DEPARTMENT OF PUBLIC SAFETY; JOHN MCKAY, PROFESSOR FROM PRACTICE, SEATTLE UNIVERSITY SCHOOL OF LAW; PANEL II: CHARLES E. ALLEN, UNDER SECRETARY, OFFICE OF INTELLIGENCE AND ANALYSIS, DEPARTMENT OF HOMELAND SECURITY; MICHAEL E. LEITER, DIRECTOR, NATIONAL COUNTERTERRORISM CENTER LOCATION: 311 CANNON HOUSE OFFICE BUILDING, WASHINGTON, D.C. TIME: 10:00 A.M. EDT DATE: WEDNESDAY, SEPTEMBER 24, 2008

REP. JANE HARMAN (D-CA): The subcommittee will come to order. The subcommittee is meeting today to receive testimony on the report card on Homeland Security Information Sharing. Earlier this month we all sent our greatest American asset, our children and our grandchildren, back to school. One of the first things that new students need to do each year is to reflect upon what they have learned the prior year. This adage might also apply to the members of Congress, their staff, and the Executive Branch.

So as godmother of the Department of the Homeland Security and as Chair of this subcommittee, I think its time for the Federal Government and Congress to reflect on what has been done to ensure that timely, accurate, and actionable information is shared with America's first preventers. Information sharing is a two-way street. While there has been some progress in breaking down information stovepipes at the federal level and some promising efforts initiated by state and local leaders themselves, much work remains to be done.

On September 11, 2008, Secretary Chertoff's Homeland Security Advisory Council made this clear in a report that assessed the top ten challenges facing the next Secretary of Homeland Security. Among other things, the Council headed by William Webster concluded that DHS must strengthen and continue to build partnerships with organizations outside DHS such as state, local, and tribal governments as well as the private sector. Where have we heard this before?

The report also cited concerns about the broken classification process and recommended that common standards be built for fusion centers and that funding be sustained. Where have we heard this before?

These are concerns obviously shared by this subcommittee on a unanimous basis and they are concerns which could impair connecting the dots in time to prevent the next attack. And if anybody thinks that we are home free here, I would just remind us all that last weekend in Islamabad, a city that takes great steps to protect its infrastructure and its tourist sites and so forth, there was a massive car bomb at the Marriott Hotel that killed over 50 people and wounded hundreds.

The subcommittee has been and will continue to be a champion for the needs of state and local law enforcement, an usual practice in Washington where you are champion, we think that we are representing you here rather than representing Washington in our own neighborhoods. We have demanded that threat information be shared with cops on the beat who need it in a form that they can

use while also ensuring that information worth sharing is not overly classified, and we have challenged DHS to help state and local law enforcement in their efforts to think about the threats we face in a way that can improve their police work by approaching all crimes and hazards with a critical eye while also respecting privacy and civil liberties. We understand that it is a tough assignment given the number of bureaucratic hurdles that exist and the fact that America's Law Enforcement System is highly decentralized, but our police and other first preventers are most attuned to their local communities and are directly accountable to the concerns of those communities. They are the ones, you are the ones -- not some bureaucrat or politician who will know if something is suspicious.

Our first panel includes first preventers from around the country who are on the receiving end of DHS information. Our question to you is, "Are DHS and its partner agencies creating intelligence products that meet your needs; and if those products aren't perfect, what gaps do you see?" The ultimate question before us today is, "How can we better serve you?"

In a few short months the President elect will need to set his priorities, implementing lessons learned on information sharing should in my opinion be among them.

I want to thank our ranking members Sheriff Reichert as well as all of our members, some of whom are arriving a bit late in this hearing for their focus and dedication to the hard work of our subcommittee over the past two years. Many of you have traveled with me to see fusion centers around the country and the impressive command centers which stood up for both political conventions.

Some enormously critical and necessary activity is underway and our goal is to nurture and sustain it and to make sure that it does comply with privacy and civil liberties needs. Millions of school kids and their families are depending on us to keep them safe, and as I mentioned, that recent attack last weekend and recent attacks in Yemen and elsewhere and attacks planned around the globe remind us that the world remains vulnerable. It is up to us and especially up to you to make sure that the American public is protected. I now yield time to the ranking member Sheriff Reichert for opening remarks.

REP. DAVID J. REICHERT (R-WA): Thank you madam Chair. It is good to be here today. It has been a busy couple of weeks and most of our members are, at least I know on our side here, are busy this morning listening to the Undersecretary on some of our economic issues. So, I just left that meeting still ongoing. But first of all I want to take this opportunity to thank you madam Chair.

This is most likely our last hearing this Congress. I would like to start my remarks by publically thanking you for your bipartisan leadership and this subcommittee for working with me to get many of our priorities through the house and into the law. I also want to applaud you for your willingness to focus on the state and local enforcement community in which I used to be a longtime member.

It is essential that going into the next Congress we continue to the shine the light on your efforts and their needs because we need them more than ever in the fight against terrorists. So, thank you very much.

And I also want to take a moment, Mr. Porter welcome to you. But I have two great friends on the panel this morning -- another Sheriff that I have had the opportunity to grow to know. We attended NEI (National Executive Institute) together. It seems like 100 years ago, but I am sure it wasn't that long ago. And, my good friend John McKay who worked hard during the time that I was the Sheriff -- two of us working together trying to implement a system called the LInX System which would greatly enhance the ability of local law enforcement in our community and across the nation.

I know Sheriff Baca is also looking at the LInX System as a part of his regional Security Information Sharing System. We ran into some difficulties in the Seattle Area with trying to implement that system, but I tell you John McKay was a champion for us there and was a great salesman who finally brought together local, federal, and state enforcement agencies recognizing the need for us to work together and share information, and for that I greatly appreciate his patience with me and my skepticism at first in working with the Federal Government as we all know that famous line from Federal Government appeared to help. Sheriffs sometimes do not believe that, but now I find myself saying that.

So, I am hoping that local law enforcement and those around the country begin to believe that more and more because this subcommittee I know is very dedicated to bringing people together around this country, from the smallest police department, smallest Sheriff's office with the state police or state patrol and with any federal agency that has responsibility for keeping this nation safe.

I was going to read a statement, but I won't do that. It is just so essential that we work together here in Congress with all of you who represent local law enforcement and for those who in next panel represent the Federal side of things. For this country to be safe, we have got to work together -- Democrats, Republicans, Federal Agencies, and Local Agencies. We have made great progress in my opinion from when I took office as Sheriff in 1997. I came here in January 2005, great partnerships and friendships have been, developed, and I really truly believe on a personal level that those relationships, those friendships, and those partnerships are absolutely key in making any system that we put in place, any plan that we have in place, any technology that we want to share with each other -- none of that will work unless the people sitting at the tables in front of us today make a conscious decision that they will be the change agent, that they will be the one who is holding the responsibility to keep this country safe.

I thank you all for being here today. I look forward to your testimony. It is good to see my good friends here and I thank the madam Chair. I yield my time.

REP. HARMAN: Thank you Mr. Reichert and thank you for your nice words about our relationship. Just what you said to our witnesses applies to Congress as well. If we don't figure out how to work together on a bipartisan basis, nothing will happen; and I am especially proud of the track record of this subcommittee over the last few years. We have authored a lot of legislation, a lot of that has passed the house. Just yesterday we got some progress on your bill which I strongly support to provide sustained funding for fusion centers and another bill authored by Mr. Perlmutter which we all support to provide some assist for public sources as a critical part of our intelligence information. And we have two more bills that we are going to push hard to get. One is on declassification - I think all of you are going to speak to that today, I know you are -- and another is reducing the number of pseudo-classification markings on federal documents, another critical activity. It seems to us that all of these go in the same direction and that is to help push information out to change a need-to-know culture to a need-to-share culture. We will not connect the dots if you don't have the dots, because you are the ones who will figure out what the dots mean.

So, let me say hello to our witnesses all of whom I know and I will now introduce each of you briefly and look forward to your testimony and then we will ask you questions. Let me point out for the record that other members of the subcommittee under committee rules may provide opening statements for the record.

So, now let me welcome first my Sheriff, Sheriff Leroy D. Baca. The last time I saw him was on Venice Beach, California, where he and I and Secretary Chertoff had a little R&R early in the morning. He is the oldest of the three of us, but he may be the most fit, I hate to admit it, but will catch up. At any rate, Sheriff Lee Baca leads the Los Angeles County Sheriff's Department, the largest Sheriff's Department in the United States with a \$2.4 billion budget. He supervises over 18,000 sworn-in professional staff who serve over 4 million people living and working in 40 incorporated cities, 90 unincorporated communities, and 9 community colleges in Southern California. Sheriff Baca is the Director of Homeland Security-Mutual Aid for California Region I. Among his accomplishments, he developed the Office of Independent Review, comprised of six civil right attorneys who manage all internal affairs and internal criminal investigations. A strong advocate of education, he developed LASD University in conjunction with 13 universities where over 950 of his officers are enrolled in bachelor and master's degree program. He earned his own doctorate from the University of Southern California. Our second witness, Russell Porter, is the Director of Iowa Fusion Center and Intelligence Bureau and the Iowa Department of Public Safety. He is also a member of the Operating Council for Safeguard Iowa Partnership, a voluntary coalition of the state's business and government leaders who combine efforts to prevent, protect, respond, and recover from catastrophic events.

Mr. Porter serves as General Chairman of the Law Enforcement Intelligence Unit and is a member of the Executive Advisory Board for the International Association of Law Enforcement Intelligence Analysts. He is also

the current Chairman of Criminal Intelligence Coordinating Council and the Global Intelligence Working Group which is part of DOJ's Global Justice Information Sharing Initiative. In addition, Mr. Porter serves as a member of the Interagency Threat Assessment Coordination Group (ITACG) Advisory Council and he was in San Francisco, I think a few months ago, at a major international conference which I attended, which was focused on the same set of issues.

Our third witness, John McKay, is a professor from Practice at Seattle University School of Law where he teaches national security law and the Constitutional Law of Terrorism. He previously served as United States Attorney for the western district of Washington where he successfully prosecuted the terrorist Ahmed Ressam, the so-called "millennium bomber", someone well known to people who live in and around my district because Ressam, had he been able to enter the United States was intending to come down to Los Angeles Center and International Airport LAX and blow it up.

During his tenure, Mr. McKay also oversaw a pilot program for an information sharing network called LInX which Sheriff Reichert has just mentioned, which linked the Naval Criminal Investigative Service with state, local, and tribal law enforcement. For his success with LInX, he earned the United States Navy's highest civilian honor. He also previously worked as a White House fellow during the Bush-41 Administration where he worked as a Special Assistant to the Director of the FBI.

For several years he served as President of the Legal Services Corporation, a private nonprofit corporation in Washington DC established to ensure equal access to justice under the law for low- income Americans, let me commend you for that in addition to everything else you have done; and we the subcommittee traveled to Mr. Reichert's district and we saw Mr. McKay there as we evaluated the Fusion Center in Washington State. Congressman Dicks was there and we now have Congressman Dicks and Congressman Carney in attendance.

Without objection, the witnesses' statements will be inserted in the record, and I would now ask each witness to summarize your statement for 5 minutes starting with Sheriff Baca. SHERIFF LEROY D. BACA: Thank you and good morning. It is an honor to be here to testify before you. I want to compliment all of you for the hard work that you have been doing, and this is certainly something that all of you are familiar with, this subject, and I will try and make my comments as brief as I can.

Los Angeles with the Los Angeles Police Department and the FBI and 45 other police agencies does have a joint regional intelligence center. You know about what the intelligence centers are all about. We are fortunate to have a representative from the US Department of Homeland Security as a part of that operational center.

It is an all fusion center, all crimes, and we do an awful lot of work there, but we do need help.

Secondly, we have a Terrorism Liaison Officer Program that connects over 45 regional police departments together. We have a COPLINK system along with the LInX system that Mr. Reichert was alluding to that ties together all of the southern counties of California including the metropolitan Las Vegas area. That gives us the opportunity to serve 18 million people and a network of intelligence gathering, unclassified, and of course the classified section of that is with the FBI.

We have a California Regional Terrorism Threat Assessment Standard System that is in California itself, putting together three additional regional centers.

Fourth, we have a Homeland Security Advisory Committee made up of businessmen who are key leaders throughout our national and international business community.

Fifth, we have Muslim-American Homeland Security Congress that has the key leaders of the Muslim communities including the Chair of the Shura Council as part of a non-profit education institution to show patriotic support against terrorism.

Sixth, we use in Los Angeles County in the Sheriff's Department in particular a Public Trust Policing Concept. Information is not going to be given right to law enforcement officers from sources that do not trust who they are giving this information to. So, there is a comprehensive amount of public trust policing strategies that are necessary to engage the public to share what they know.

Now, let me tell you about the present concerns - sharing information for the local operational training. This is really where the issue is. A local Deputy Sheriff or a police officer is not interested in the source of the information nor the means that were used -- (inaudible) -- does need the tactic, technique, the procedures, and method or resources of being reported on to ensure he or she recognizes the precursors of an attack and when the situation is encountered on the street. , However, without operational knowledge, that person may or may not be able to report this to the Joint Regional Intelligent Center for analysis and potential piece of information that may be missed. So, therefore, what we are saying is, "take whatever we have in the way of specific case intelligence and scrub it up and allow us to use what is a generalized form of information that can help us train ourselves to be better prepared and have this street cop in a position where he would have a greater sense of what is going on."

Second, we do need Department of Homeland Security analysis capability in our fusion centers, and so we are supporting the idea that analysts are critical, but we want DHS analysts in our fusion center.

Third, the security clearances still have to be on a more timely basis. When you are dealing with various forms of analysis work, whether it is classified or unclassified, we certainly can do a better job in that respect.

Fourth, the lack of sustained funding for the local JRICs. This is a federal, state, and local program; and we pump a lot of our own dollars into these operation centers and we need a little more help from the federal funding source.

Fifth, the LATPP funds should be administered by the Assistant Secretary for State and Local Law Enforcement. There is a constant shifting of prioritization when it comes to local funds and local grant programs, and we just think that law enforcement is as much as being a preventer of terrorism along with a responder to terrorism and should have a lot more priority, and the FEMA system is not adequate.

Sixth, more local input to Federal policy. Currently, local leaders do not have enough influence in development of policy that we eventually be tasked to implement and therein is the telling of the story. I have had many discussions with major city police chiefs throughout the United States including the great NYPD, and our common concern is that everybody is subject to a set of policies that we don't quite often understand. We want to have a greater voice. We are not suggesting that we have the total voice.

Seventh, our national law enforcement agencies must function as a national police system. This is where I run into a lot of challenge when you are dealing with foreign countries because most nations abroad have a law enforcement system that can be construed as a national police model. We have 19,000 police in Sheriff's departments in the United States; and I will tell you, if our voice is heard in the White House or in some higher level of governance, it isn't because we are invited, it is because we basically are needed to be brought in. And yet it should be systemically established that all the JRICs, all of the police departments, and American Sheriff's departments are networked; and you can network these systems through the major JRICs throughout the states that are existing today.

Lastly, let me say this -- there has to be an international police diplomacy program. I have been to so many countries in the Middle East, and in my testimony, you will see all of them. I have spoken to President Musharraf. I have spoken to King Abdullah. I have spoken to the Intelligence Director of Saudi Arabia including Qatar. These individuals are not reluctant to tell us the kind of information we need to know so that we in the United States could have a greater sensitivity as to how the terrorists are operating in countries that I have mentioned. So, clearly what I am saying is that there is a need to expand our international reach through perhaps a committee or a group of major city chiefs and sheriffs and minor cities chiefs and sheriffs for that matter who would do what has to be done to create the intercommunicative skills that we need with our counterparts internationally. Clearly, my department has an international liaison unit and we work worked with a hundred consulates. Thank you very much.

REP. HARMAN: Thank you Sheriff Baca. Mr. Porter you are recognized for five minutes.

MR. RUSSELL PORTER: Madam Chair, ranking member Reichert, and members of the subcommittee, thank you for convening this hearing and for all of your important work. I appreciate it very much and I appreciate this opportunity to provide you with a perspective of a local and state law enforcement person of 30 years' experience, 24 of which were assigned to the intelligence discipline.

Earlier this month, I informally surveyed members of the Law Enforcement Intelligence Unit, the oldest association of law enforcement intelligence units in this country as well as fusion center directors. I asked them to share their views as it relates to what works, what needs improvement, and what kind of recommendations they would offer as a way forward; and those are detailed in my written statement, but I do want to highlight a few of those this morning in my remarks.

First of all, for what works -- as a community we have seen incremental but significant improvements in many areas of homeland security information sharing. Leveraging of existing programs, certainly there has been a great emphasis on privacy and civil liberties, protection, and training in that area which is critical to our success, we have to do that and make it "first things first". There has been development of regional meetings and the development of personal contact across the country to strengthen the fabric for information sharing and co-located environments that have facilitated information sharing. I want to highlight a couple of them though that are particularly salient and relevant for what works. One of them is the outreach that has been done by the Terrorist Screening Center. The Terrorist Screening Center, since the National Fusion Center Conference that was held in March in San Francisco as the Chair pointed out, has started an outreach to state and local fusion centers to provide them with an aggregate picture of the Terrorist Screening Center hits, the positive hits that are occurring within their jurisdiction. This provides a great situational awareness for those jurisdictions, and it has been a very positive thing toward what works. A second item I wanted to highlight is the Homeland Security State and Local Intelligence Community of Interest which is run by DHS's Office of Intelligence Analysis. This is a network primarily of state and local fusion center analysts in 45 states, the district of Columbia, and 7 Federal agencies who share sensitive Homeland Security Information and analytic products on a daily basis through a secured portal; but they also teleconference once a week to share information in that context which forms this community.

By all accounts provided to me by my colleagues around the country, those who participate in the HS SLIC, as it is called, find it to be a highly valuable initiative.

Many of the participants attribute the success of this initiative to the dedicated staff members that are assigned to it, but they will say, it is a limited community in its size. These are key people who participate, but it is a smaller group.

One of the good things about that particular system is they have started to leverage other existing capabilities that had already been developed

to integrate that with other systems, and I will give you the example - when you log in to this particular system, you can not only use the HS SLIC log-on and authentication procedure, but you can also use something called the Global Federated Identity and Privilege Management or GFIPM framework which was developed by Global, mentioned earlier by the chair. So that has been a positive entity that helped share information and is starting to streamline some of the access points.

What can be improved? My colleagues pointed out several challenges to information sharing. First of all and the one that was a strong, consistent, and emphatic theme -- uncertain sustainment funding for fusion centers. Local and state officials have raised this consistently as perhaps the most significant threat to effective Homeland Security Information Sharing. In fact, I will read one quote from one fusion center director -- "Frankly, our fusion center is coming down to the wire regarding the 2008 grant. Our local agencies who have staff in fusion center have told us that if they are held to the requirement of promising to sustain staff beyond the 2008 grant period in order to accept funding then they will opt out. The house of representatives has responded by passing HR-6098, thank you, but we have not heard anything regarding movement in the senate on this issue. For our fusion center, time is running out with a pending deadline for the local agencies to make application and no idea yet what to tell them other than there has been no change. This poses a serious threat not only to the existence of fusion centers but to strong information sharing across the country.

A second theme that our colleagues pointed out was a continued lack of coordination across and among national information systems. Many local and state officials decry the multitude of systems that the local and state agencies must access to use and stay informed. Ultimately, it results in inefficiency and information overload. National security clearances continue to be raised as an issue in terms of the time that it takes to get them, the reciprocity issue, and also the over-classification issue. Similarly, a respondent shared his concerns that some in the federal government believe incorrectly that they are sharing information widely with state and local law enforcements through classified channels such as HSDN and NCTC online; but unfortunately, most law enforcement agencies in this country do not have those systems and many in the local and state communities believe that they never will.

Here were the recommendations that my colleagues offered, and I will highlight just a few of those.

First of all, support and build on the existing partnerships and systems that have been effective. These include things like the Global Justice Information Sharing Initiative and the Criminal Intelligence Coordinating Council as well as HS SLIC that I mentioned earlier.

Continue to make the protection of privacy and civil liberties a top priority. As we continue to establish a national integrated network of fusion centers, it is essential that we put "first things first." Simply the funding. It is mysterious and even nonsensical to many in the state and local community as to why they cannot use funding to support some of the necessary activities.

Finally, aggressively promote intelligence led policing. Consistent with an earlier proposal contained in this subcommittee's LEAP report which was published in 2006, homeland security information sharing would benefit from a coordinated consortium-like approach rather than individual disconnected efforts to foster and promote intelligence-led policing.

Focusing on two areas is what I would suggest: Establishing and coordinating information needs from local and state agencies much like a criminal intelligence priorities framework that the Federal Government could receive to know what the state and local information needs are; and secondly, emphasizing and strengthening the analytic capacity in local, tribal, and state agencies.

The last thing I would point out is the need to move faster. Following the attacks of 9/11, we moved with a great deal of urgency and today in some areas we are moving much more slowly. A renewed sense of urgency would help us all maintain that momentum. With all other issues in homeland security, this is critical and there is much to do. I pledge my continued support and thank you for your time.

REP. HARMAN: Thank you Mr. Porter. Mr. McKay you have the 7 minutes that each of the other witnesses took to summarize your remarks.

MR. JOHN MCKAY: Thank you madam Chair. It is an honor for me to be here at the committee. I keep reminding your very capable staff that I am a former law enforcement official, and I was fired as United States Attorney and I wasn't sure what I had to contribute as an humble Irish country lawmaker.

REP. HARMAN: Let me interrupt right there. We know what you have to contribute and we are very happy that you are here.

MR. JOHN MCKAY: Well thank you; and having been schooled by Congressman Dicks as a young congressional aide, I must say there is nothing like speaking to Congressman Dicks and briefing him on a bill that he thought rightly he should have been briefed on before I sat in his office. Mr. Shays and I worked together when I was the President of the Legal Services and it is a privilege to be here.

As a law professor and not being owning of any of the funding that some of the federal agencies provide, I can be blunt and a little less kind I think. I would give a grade, which is now my profession, may be at best a C- to federal partners in law enforcement information sharing. I would reserve an A+ for one little agency in the Department of Defense called the Naval Criminal Investigative Service who have led the way in the national leadership on the LInX program which I know Mr. Dicks is well aware of because the first place in which it was launched was in his district. I give a C-, and I think I am being generous because one might ask the question, "Who is in charge in Federal Government in building regional law enforcement information sharing systems?" The answer is, "No one."

The question of who is designing the standards which are implementable, which can actually be implemented, is that they are not in existence other than in the LInX Program. No one gets the geography in Federal agencies. They do not seem to understand that the real leadership is seated to my right and to the people who they represent here in the fusion centers as sheriffs, police chiefs, and heads of state police.

The federal approach has been a DC-centric planning experience and not one that recognizes the leadership of individuals such as our former sheriff and the ranking member here Sheriff Reichert who understated his role dramatically in the build out of the first LInX program in the north west. What is it? Information sharing is now a buzz word unfortunately. What I believe is that sharing is synthesizing and exploiting of all sharable data and that means that through a single click like we do with Google. We in law enforcement should have the ability to have a single composite record, and it is the local leaders who are actually leading the way here.

My concern about fusion centers is that they do not have fused data. The data systems are disparate as Sheriff Baca has pointed out, 18,000 -- 19,000 state and local agencies have no legal obligations to share their data with the Federal Government, none. Now that means if we are going to build real information sharing systems that will help us solve all crimes first but lead the way in identifying potential terrorist then we have to do so in a shared cooperative partnership basis. I believe that Federal Government must fund these systems, and they must be co-owned in equal partnership with state and local partners. That is the basis of the LInX program. And, I am not here to sell the committee LInX. I am here to say that there are basic standards that should be agreed upon. I have listed those in my statement.

This is also not about buying technology. This is about real partnerships. This is about solving crimes, and I challenge any federal official to indicate what efforts they have made to work interdepartmentally. It should not be owned by Homeland Security Department, it should not be owned by the Department of Justice, and it surely cannot be owned by the Department of Defense.

The public has the right to be protected in civil liberties and civil rights; and as I tell in my students in the final lecture that I give called 'Doomsday Lecture', we are not going to like each other very much when we are attacked next and we have not strengthened our systems within the law to keep people safe.

Thank you for the opportunity to be here today.

REP. HARMAN: Thank you very much for a very brief and succinct statement. That was hard hitting and that is exactly what we are inviting today.

I now yield myself 5 minutes for questions. To all of you, we put your panel on before the federal panel for a reason. We want your messages to be responded to by Charles Allen and Michael E. Leiter. So I want to be sure that they are crystal clear and I want to invite each one of you to make a comment or pose a question to Charles Allen and Michael Leiter, that's what my question is. It is an opportunity for you to think about what you already said in your testimony and anything else you want to say, what is your one top message to them and it should be constructively critical - I think that is fair and I think that is what they would welcome.

My second question, I might as well ask these at the same time, both Mr. Porter and Mr. McKay mentioned privacy and civil liberties, is that every time we talk about making fusion centers more robust either in terms of fusing data that is there, adding people, sustaining funding, sustaining focus, some of these civil liberties groups, some of our favorites chime up and say, "Oh no! This is harmful." And I have said every single time I am asked that what fusion centers do, and you just said it Mr. McKay, it has to be consistent with strict regard for the law; but I would like each of you - Sheriff Baca, I do not think you address these at all in your questions - to #1 pose your toughest question to Allen and Leiter but #2 clarify for all of us precisely what in your case you do Sheriff Baca or you Mr. Porter and in your case Mr. McKay what you now teach about the need for fusion centers to comply strictly with the law and respect privacy and civil liberties. I will start with Sheriff Baca.

SHERIFF BACA: My first question to Mr. Allen is, certainly one saying that the has a great big job that all of this has to depend on for leadership and the question would be regarding intelligence theory -- local, national, international. What authority does he have to incorporate the fusion centers into a federated policy discussion as to how we can do this job better with what we each have to do?

The second question would be relative to making fusion centers more robust. What restrictions does Department of Homeland Security have in allocating funds in a concentrated way to build out the fusion center network throughout the United States which would mean that major fusion centers - New York, Chicago, Los Angeles, D.C. and cities like that -- could have the core responsibility for networking with smaller communities so they wouldn't have to "put up another fusion center"? So, thus the question would be, "How can the state and local fusion center concepts be wedded into a national strategy under Charles Allen's guidance?"

REP. HARMAN: Thank you. Mr. Porter --

MR. RUSSELL PORTER: My colleagues would like to know when are we going to get serious about domestic terrorism issues and reaching information all the way out to the officer on the street concerning those things that happen here in the United States. Madam Chair, I did not understand the second question with respect to the privacy.

REP. HARMAN: I just wanted more specific information about how your agencies comply with laws respecting privacy and civil liberties.

MR. RUSSELL PORTER: Extensive training for all of our people and we encourage transparency. We have Fox News Network in our offices and we are not

afraid of that. We certainly want to protect the information that is within there to protect privacy and civil liberties, and we hang a 7-foot tall bill of rights on the front door to make sure they see it everyday when they come in.

REP. HARMAN: Thank you Mr. Porter. Mr. McKay.

MR. JOHN MCKAY: Madam Chair I am stunned that Department of Homeland Security, the White House, the Department of Justice have not articulated anywhere I have seen the urgent need to migrate local law enforcement information in a coherent form to federal agencies. At the back of my statement is what we term the LInX Logic Model and you will see something we were right upfront with local leaders in the Seattle area that in the end the Federal Government has a very important mission in acquiring this data for purposes of keeping us safe, in particular from terrorist attacks; and what I mean by this is there are number of agencies that can integrate this data into classified settings. So, while this data coming from law enforcement is unclassified, there are unclassified environments where the application of even a traffic ticket can make the difference as it might have in the 9/11 attack. And, so, I am stunned that there has not been an articulation for Federal leadership in working with state and local partners to integrate this data and make it -- (inaudible). There are 18,000 to 19,000 different record systems in the United States. But we know through LInX and systems like LInX that they can be combined if they are owned by the locals. And, madam Chair that's the answer to your question, I believe, and that is local ownership of law enforcement records is overseen by local city councils, local county councils, local judges who apply State Privacy Laws; and where there is federal leadership as we had in LInX where United States attorneys assured that no information violated federal privacy laws, all data was owned by the locals, nothing migrated that did not come attached to it with all state laws on privacy or federal laws on privacy and all ownership staying with the locals.

REP. HARMAN: Thank you, Mr. McKay. My time has expired. And next time Mr. Dicks gives you any trouble, just let me know. Mr. Reichert is now recognized for 5 minutes.

REP. REICHERT: Thank you madam Chair. Mr. McKay you mentioned that in your opinion no one was in charge, no one had responsibility for the overall intelligence community sharing information. I was just wondering who would you think in your opinion should be the lead in Federal Government?

MR. JOHN MCKAY: I would say the DNI clearly has that role. What I mean is that no one has taken responsibility for building with the locals the information sharing system that we have been taking about. There is no way to migrate, as you know, the local law enforcement information into the federal system unless the federal system helps build regional systems; and what I am saying is no one in DNI to my knowledge has taken responsibility for this, no one in the Department of Homeland Security has taken responsibility for it, and no one in the Department of Justice has taken responsibility for it. Only DoD has done it in the LInX system.

So, my proposal simply is that there be a interdepartmental program management office. We made this proposal in the summer of 2006. It was agreed to by the deputies of all three departments and then they all dropped the ball, and so we don't have any departmental PMO. That's what we should have or the FBI is going can start fighting ice tomorrow over who gets these records, and I

don't want to pick on my friends at the FBI because you could insert any other agency. We have a model and the model is OSADEF. OSADEF meaning the counter drug agency I know you are very familiar with, but there is precedent for interdepartmental PMOs and we could name others. That's what I believe is needed here.

REP. REICHERT: Thank you. I remember the struggle we had back in 2006 with those issues. I wanted to ask also Sheriff Baca and Mr. Porter is it you are feeling too that there is no one responsible. Is anybody taking responsibility? Is there a person that you see as taking a lead role here from the Federal Government? Do you have the same opinion as Mr. McKay?

SHERIFF BACA: To an extent, yes. The thing about the job that was given to the Assistant Secretary Allen, I think they were asking him to do too much in a sense that how far does his authority reach. That's what my question is. If he can't reach out and coordinate a national system of intelligence gathering and have a classification, modification, and let's say scrub specific cases for local training purposes, then who does? And if we don't know the answer, then I think this is part of a subject of congressional piece of legislation.

REP. REICHERT: Mr. Porter?

MR. PORTER: I believe in the field there is a lack of clarity about the lanes in the road in the federal government and who has the authorities and roles for some of these various functions. So, as a result, yes there is a lack of clarity as to who has got the lead responsibility for this. With the revisions to Executive Order 12333, that information I don't think has caught up to most of the people in the field, but I understand there has been some adjustment to authorities there. Mr. Allen, in my meetings with him, he has been very open to listening and wanting to hear what state and local law enforcement officials want from his office, in my recent meetings with him.

REP. REICHERT: Thank you. And very quickly with regard to your comment on the legislation that is being moved through the house is past the house. As mentioned earlier, the chair mentioned that this piece of legislation has actually passed through the senate and hopefully -- we don't know how long we are going to be here, but hopefully before we leave, the President will sign our legislation regarding the funding for intel analysts. So, we are pushing hard on that. The Chairwoman is helping us out with that and we are hoping for some success during the next few days.

MR. PORTER: Thank you. We have appreciated your leadership of the subcommittee on getting that through. Thank you.

REP. REICHERT: We will allow the sheriff to respond. Do you have a comment?

SHERIFF BACA: Yes, I would say that clearly in one of my points, FEMA is not the right place for intelligence funding, and yet all of what we do in the Law Enforcement sector is administered through the FEMA. So, I just want to make a distinction that first five years, first responders have got quite a bit of equipment and training and the sets of information they needed; but when you are preventers, that's a whole different strategy, and therefore it involves purely the Law Enforcement and the Federal law enforcement systems with the local systems to be fully integrated; and it is worth more to prevent a terrorist attack, at the same time we have done a lot to help the first

responders. REP. REICHERT: Thank you for making that clear again because that has been a consistent common complaint even back when I was the sheriff, so it is something I think we need to address here in this committee hopefully next year. Thank you for your comments.

REP. HARMAN: I thank you, Mr. Reichert. Let me point out to our members that following this panel we will have our federal panel with the head of the NCTC and the Head of Intelligence and Analysis at DHS. Mr. Allen, the Head of INA has to be the White House at noon, something that I just learned. So, if anyone here wants to pass on questions for this panel, you will be recognized first in the order you arrive to ask questions of the next panel, and that way you may be able to get more testimony there. Chair now recognizes Mr. Langevin for 5 minutes.

REP. JAMES R. LANGEVIN (D-RI): I thank the Chair, and especially for holding this hearing, I want to thank our panel here this morning. I had a couple of questions here that I want to focus on. Some say that the central mission of the Office of Intelligence and Analysis at DHS should be intelligence from the state and local fusion centers and then combining it with federal intelligence to create situational awareness of threats at a national level. Do you agree and to your knowledge to what extent is this happening already and where and what direction would you like to see this kind of work take? Let met start with that. I have one other question.

SHERIFF BACA: ,Well currently in talking with my colleagues in New York and here in Los Angeles, we have a direct relationship with the FBI. The FBI is considered to be the funnel whereby we push up everything we do in JRIC, especially if it leads to active cases, and it has done so in Los Angeles and I am confident that New York has had the same experience. The issue of passing up information has been the one that I think we have closed with the major JRICs. That is purpose of the federal JRIC system that has been funded federally but it has been operated locally that we would share information without any restrictions. The key of the issue however is not what we generate locally. It is how does the federal-generated intelligence come down, and I think that is where we have a need for more questioning as currently being done.

MR. PORTER: I would like to see the Department of Homeland Security focus on identifying information needs of state and local agencies so that there is clarity for them as to what types of information are important for a given jurisdiction -- be it information about several other countries from around the globe that they might be able to help provide contexts too when developments occur on the other side of the world and provide that back to that local community. I think that would be of great help.

MR. MCKAY: I think that it should go the other way, frankly. I think that state law enforcement agencies have information that is much more valuable to federal government than the federal government has for locals. I think that the aggregate information contained in the records of 18,000 police agencies around the country when utilized by an appropriate analyzing agency and there are several in our federal government, and that is a more pressing issue frankly than what goes the other direction.

SHERIFF BACA: Can I add one thing?

REP. LANGEVIN: Go ahead.

SHERIFF BACA: My issue is not information alone. It's how you get it. You see, in the theories of intelligence gathering from a domestic point of view, we have not been flashed out. We are all operating on our own experiences; but I believe when I mentioned earlier that public trust is the key to any kind of information that will pop into the system, and a system that is most self serving is not going to get what it needs on a local level.

REP. LANGEVIN: So are you saying that we have better scrap the federal level what they created and --

SHERIFF BACA: Absolutely not. I think the federal system is intact and doing quite a bit. But, what I am saying is that the likelihood of a terrorist plot is going to come forth in a variety of sources. It could come forth from a federal source. It could come forth from a local source, but the local sourcing as to how to find proper information is what we are lacking. We don't have a national strategy on local intelligence gathering.

REP. LANGEVIN: Great. Let me ask you this. Fusion centers are obviously a major focus of the information sharing effort nationally. The Department of Homeland Security earlier this year issued grant guidance that to a degree limit what funds could be used for what purposes or future steps contrary to the White House's statements about a sustainment funding for these centers. What observations do you have about the funding issues and how our folks coping and why is the department not getting the message?

SHERIFF BACA: Clearly, the department will fund creation of fusion center but will rarely staff a fusion center. Los Angeles has one person from the Department of Homeland Security. We are asking for more analysts. We believe that the Department of Homeland Security should have local analysts in the major fusion centers throughout the nation. Those analysts will help bridge whatever federal sourcing is with local sourcing and help train local sourcing techniques into what the local cops should be able to do.

MR. PORTER: This is a key issue for survival for some fusion centers. It is a critical issue to keep them in existence. We are hoping and one of the things that we have done over the last two weeks is finalize and approve the baseline capabilities for state and major urban area fusion centers so that that can hopefully, we understand, help provide focused funding toward those capabilities at fusion centers in a directed way. REP. LANGEVIN: I thank the panel for your answering the questions this morning. I have always believed that good information and good intelligence is always going to be our and first line defense, and we have obviously got a lot of work to do to get this right. Your testimony here has been very helpful. Thank you.

REP. HARMAN: Thank you, Mr. Langevin. What we have worked out is that Mr. Dicks wants to make a brief comment and Mr. Dent has a brief question. We will then move to our second panel. I hope all of you can stay around, and we will begin questions of that panel with Mr. Dicks.

REP. NORMAN D. DICKS (D-WA): I just wanted to say madam Chair that I wanted to welcome John McKay who has been a long time friend and I have enjoyed working with him and your leadership in creating LInX and giving it security and making it work has been truly extraordinary; and for the good of the order here, I am going to forego questions, but I would look forward to continuing our working relationship on this issue and many others. Thank you.

REP. HARMAN: Thank you, Mr. Dicks. Mr. Dent, your one question.

REP. CHARLES W. DENT (R-PA): I am very pleased to accommodate the schedules. Sheriff Baca, you mentioned in your testimony that our law enforcement agencies must function as a national police system. Would you quickly elaborate on what you mean by national police system. Then I will yield back my time. Thank you.

SHERIFF BACA: In a limited context of intelligence sharing and gathering and the theory of course is that all terrorist activity can occur in any part of our country, conspiracies -- (inaudible) -- are not going to be occurring at the target area exclusively. They could be in rural America, they could be in urban America, they could be in the major cities. And, so if we are going to do prevention strategies with intelligence as the key source of prevention, we need to federate all the 19,000 law enforcement agencies into the JRICs that are currently in place operating and those that are about to be implemented. So, what it would do is it would cause for seamless participation by smaller agencies who we know have a vital role to play as well as the major cities and that's basically what it's about. It's taking technology, giving it a greater capacity, tying all the agencies together in America, and then let it go under a standard that hopefully we can all subscribe to so that we don't step outside of the boundaries of civil rights issues and pick on particular societies for the sake of being clumsy in what we do. So, I think standards, technology, and sharing what we have together is the key to what we call a national counterterrorism strategy.

REP. DENT: Thank you. I yield my time to Mr. Shays.

REP. CHRISTOPHER SHAYS (D-CT): Just one question. When we are consolidating information -- local, state, federal, and all the agencies, what is the role of public information because frankly if we have had integrated public information, and a lot of us and I am one of them who believes 9/11 never would have happened?

SHERIFF BACA: Clearly, public consciousness on this issue --

REP. SHAYS: I am not talking about the public. I am talking about information that's available that's not classified.

SHERIFF BACA: I think any information that we have that indicate certain key critical targets are public information as it stands. The key to your question is what do we share when it comes to suspicious activity or investigations of those engaged in suspicious activity. That kind of information definitely has to be confidential.

REP. SHAYS: I am sorry to interrupt. What I am really driving at is this -- the 9/11 terrorists were saying things publicly that no one paid attention to; and had we integrated that in, we would have seen relationships and we would have been more alert to what happened on September 11, and that is true in a lot of attacks that have taken place around the country. I wanted to know, and may be the answer is this -- on the state facilities, we aren't doing that and may be we are just doing that on the Federal level; and if that's the answer, I just need to know that.

SHERIFF BACA: I think we are doing at both levels. I think you are absolutely right. Suspicious activity is something that we all can be trained to do more of, that is to be sensitive to it; but I think your point about how the

public can be helpful is something that we need to further develop in the way this intelligence theories --

REP. SHAYS: Okay, I am just going to make this last point. It is not just the public, it is what's on the internet, it is the open source information that is there, it stares us in the face. And, sometimes, the classified information is less valuable than some of the open source; but because it is open source, we don't value it. And, I think that on the national level, we are trying to do that. I am wondering if that is happening on the state and local level.

SHERIFF BACA: Yes, it is. For example, there are websites that we know extremists communicate on, may be 300 or 400. We also know where are they being served. We also believe that it is better to monitor them than to just shut them down. So, there is a consistent strategy between the federal, state, and local level when it comes to examining that kind of open source information.

REP. SHAYS): Thank you.

REP. HARMAN: Thank you. The time, gentlemen, has expired, and I want to thank this panel for enormously important testimony which has been listened to either in the audience or in the back room by our two next witnesses. That's why I hope you can stay for their testimony. Our goal as I mentioned in my opening remarks is to help you get the information you need to do your jobs better. Our goal means our subcommittee's goal. And, nobody gave us a grade, but I would give us 1 and it is fairly high at least for the effort to make that happen both through additional legislation if necessary, but certainly cajoling and pointing out gaps if legislation isn't necessary.

So let me excuse you but welcome you to stay here and call our Federal panel. Mr. Allen, we know you have to leave at 11:45. Is that about right, Mr. Allen? What time do you need to leave, Mr. Allen?

MR. CHARLES E. ALLEN: I can stay at least -- (inaudible).

REP. HARMAN: Okay, so we have time. We will have time for all members to ask their full allotment of questions to these witnesses and we will start with Mr. Dicks in this case, but the others will stick around so there will be a possibility if necessary to ask some of them to respond to which, I think, will make for a better hearing record.

So, on the second panel our first witness is Under Secretary for Intelligence and Analysis, Mr. Charles Allen, the Department of Homeland Security's Chief Intelligence Officer. Under Secretary Allen meets the department's intelligence work through the Office of Intelligence and Analysis, INA. He is responsible for ensuring that information is gathered from department component intelligence units as well as federal, state, local, tribal, and private sector partners. It is also his job to ensure that this information is fused with intelligence from other parts of the intelligence community to produce analytic products and services for those partners. Under Secretary Allen has provided decades of distinguished service to this Country within the intelligence community has led several key initiatives during his tenure at DHS. As you know, Charlie, we have tried to be your partner, we have also tried sometimes to be your mother; but at any rate, it has been an intense

collaboration and we do, all of us, see a lot of progress. I want to be sure you know that.

Our second witness, Mr. Michael E. Leiter, is the Director of National Counterterrorism Center. Mr. Leiter previously served as a Deputy Chief of Staff for the Office of the Director of National Intelligence where he assisted in the establishment of the DNI and coordinated all of its internal and external operations. Mr. Leiter also has been involved in the development of national intelligence centers including the NCTC and the National Counterproliferation Center and their integration into the larger intelligence community. In addition he served as an Intelligence and Policy Advisor to the DNI and its Principal Deputy Collector. Before coming to DNI, Mr. Leiter served as the Deputy General Counsel and Assistant Director of the President's Commission on The Intelligence Capabilities of the United States regarding weapons of mass destruction. He, in his prior life, was a law clerk to Associate Justice Steven Brier on the Supreme Court and to Chief Judge Michael Poldine of the US Court of Appeals for the First Circuit; and it has been impressive, Mr. Leiter, to see how NCTC has changed over recent years under your leadership and our prodding to be a much more active advocate for local law enforcement and actually as the ITACG has been set up to include local law enforcement in the designing of intelligence products. So, welcome to both of you. We will start with Mr. Allen for 5 minutes.

MR. ALLEN: Thank you, Chairwoman Harman, ranking member Mr. Reichert, other members of the committee. My written statement I asked to be put in the record. It is far more extensive. So, I will just briefly summarize what my thoughts are on intelligence information sharing.

As you know, previously, prior to September 11, interaction with state and local was limited or nonexistent. We did not look at that as a partnership. 9/11 changed the paradigm, and that created the department eventually, and it also created my job as Chief Intelligence Officer to integrate and develop programs for the intelligence programs of the department. I have been at this for almost three years.

My effort of course is to develop a vision for, design the architecture of, and implement a comprehensive Homeland Security Intelligence Program where one really did not exist at all. I have had to integrate this program within the traditional intelligence committee.

But, I want to emphasize in addition to working within the department, equally important has been my outreach and efforts to share information with my partners at the state and local government as well as with the private sector. My priorities when I came aboard were to improve intelligence analysis. Analysis was not the strong point of the department. Integrating DHS intelligence across the department, which you have assigned to me as you noted in some of the legislation -- the 9/11 Implementation Act makes it very clear that I have to implement an integrated intelligence program for the entire department -- to build strong information sharing relationship with state and local and to take our place as a full member of the intelligence community and of course to develop an open and transparent relationship with you and the Congress.

The breadths and depths of our customer set is vast and unique, it is truly unique within the intelligence community. We have to support the Secretary, the Deputy Secretary, Headquarters, elements, and the components -- the operating components of the department -- with intelligence and

information. Equally vital and crucial is our support to state and local partners, ensuring that they have access to key intelligence and information while ensuring the department has access to information obtained at the local level, and I just heard comments for need to share information, to harvest that which is at the state and local and bringing it to the Federal level, and we are doing that. Third is the support for intelligence community's priorities and requirements.

Let me talk about information sharing. Building and deepening our relationship with state, local, tribal, and private sector is the cornerstone of the department's intelligence and information sharing efforts. Fusion centers are an essential part of our entire intelligence effort. I serve as the department's executive agent for its program to support fusion centers nationwide. I am the executive agent for information sharing on behalf of the secretary. I am responsible for deploying officers to fusion centers nationwide. The co-activities of these officers include providing daily intelligence report in a multitude of ways, routinely communicating and exchanging information with other fusion centers because we do want to develop what was referenced earlier, a network of fusion centers both regionally and nationally across this country, routinely communicating and exchanging information broadly with all fusion centers, writing for and with, and sitting and writing with state and local partners.

We have a lot of common seals, sometimes up to 8 common seals in our products, which will be fusion centers, may be NCTC and the FBI that will also be primarily state seals on the product, collaborating on the search, delivering intelligence products to the customers, and deployed officers also provide analytic training opportunities real time to the analysts down at the fusion center -- I heard the need for this and we have mobile training teams that go around across this country at fusion centers doing training of intelligence officers in the fusion centers.

We have 25 officers and 23 fusion centers, we will have 35 at the end of this year. My goal is to have 70 officers in the field, one to each state designated fusion centers as well as officers in the larger cities. Building strong bonds with state and local partners is really what I am trying to do.

I am very pleased to hear Mr. Porter talk about HS SLIC, the Homeland Security State and Local Intelligence Community of Interest. It is a virtual community of federal, state, and local intelligence analysts focused on Homeland Security issues. This group meets weekly by teleconference and we have hundreds of officers that attend this. SLIC is available to 45 states, only 5 states is not part of SLIC. We have the District of Columbia and 7 Federal agencies involved. And, we also have a secret level conference every two weeks over a Homeland Security Data Network which I have established and which I am putting across the country. The HSDN has something that is really unique. Not only it has our products that we produce, but it has NCTC's online products, secret level products, and we are talking about hundreds if not thousands of assessments that come from Mike Leiter here.

On the ITACG, we are full partner in it, we are leader within it, and a staunch supporter of the ITACG. We could talk about the ITACG and what we have done over the last 9 months in great detail. And, if you have questions, I will be happy to answer them. But, let it be said, it is up and operating. I meet monthly either by teleconference or in person with the Advisory Council of the ITACG, half of whom have to come from state and local governments, and believe me, we have worked at this issue hard so that we not only expand the

current stable of detainees but more than double it, and we will take over full, the FBI is assuring some of the funding now but we will take over full funding in fiscal year 2010.

If you have questions on the ITACG, I think it is extremely robust and I am very pleased with what we have done. DHS intelligence programs are young and growing. We are working hard in increasing our effectiveness to integrate Homeland Security with state and local. I will be happy in question period to try to respond some of the questions posed by the first panel. Thank you, Chairwoman.

REP. HARMAN: Thank you, Mr. Allen. I understand that the clock is now functioning and is not visible, but you did quite a good job by keeping to the time, and I expect Mr. Leiter will do the same.

MR. MICHAEL E. LEITER: Thanks Chairwoman Harman and Mr. Reichert and Mr. Dicks. Actually, in an effort to get through the discussion rather than having this be a hearing -- (inaudible) -- or not, I am going to skip over a lot of what I had to prepare. I want to give you five areas where I think we have improved significantly because this is supposed to be a scorecard and a grade, and I want to tell you what we have done in the last 6 months. Now, I want to at least briefly touch on some of the questions that were posed by my three state local colleagues.

First, six months ago the National Counterterrorism Center did not actually have a daily product at a secret level. We had it top secret and compartmented that went out to state, local, tribal, and private sector. Today we do. Today every day, Monday through Friday, we produce a secret document that is available in state local fusion centers in JTTS, outlining all the major activities that are going on in terrorism throughout the world. That is an improvement, and I think it is a very good thing.

Second, six months ago frankly the interface that state and local government had to get secret level documents from NCTC and CTC Online Secret was lousy. It was antiquated. It didn't look like Google, it looked like kind of AOL 1.0. Today, it is vastly improved and frankly it is better than what federal officials get. It is user friendly and people can find what they need, and that is tangible improvement, if you ask me.

Third, expanding access to unclassified material -- NCTC does not focus on the unclassified. Understating the value and importance of that, we focused our work at the top secret for the federal government and then down to the secret and confidential for state and local officials with some unclassified, but we do produce unclassified material. The fact is we didn't have any way to actually get that out of the state and local officials six months ago. Today, we now have agreements and we are currently posting time through both the Homeland Security Information Network and FBI's Law Enforcement Online, so they can get those documents that we are actually producing.

Fourth, we have started the ITACG six months ago, and it was good and we had quality people but it was not firmly established. Today, we already have

plans and have begun the recruiting and have succeeded in some of that recruiting to expand to 10 local officials, not just police but Homeland Security, Health and Human Services, we just hired our first firefighter from Seattle I would add - these are people who are sitting full time in our spaces.

Frankly, I see them virtually every day, and I think they are doing an outstanding job.

Finally, fifth, and this may sound bureaucratic but it is incredibly important. We had a hard time recruiting six months ago to get people to come to the ITACG. We have changed that radically. With the cooperation of DHS and FBI, we have made equivalent the pay that these people are getting and we provided them frankly with more incentives to come work for the Federal Government than I think any other position in the Federal Government. I just spoke with the FBI yesterday. Members of the ITACG will now have preference when they apply to the FBI National Academy, critical for state and local law enforcement officers.

Charlie and I are now working on this system to get them credit, integrate them into George Washington University's programs for advanced educational credits. So, we have done everything we can in this government frankly some very innovative things to make this a place that they want to come.

Now, those are just some things we have done, and I wanted to give you the tangible examples. There are a lot of things we still have to do. We have to continue to grow and expand the breadth, scope, and number of our terrorism information product sharing. These are the documents the ITACG helps shape specifically for state and local governments. We have to get more out. I do want you to know from June of last year to July of this year, NCTC has increased by 250% the number of secret level reports that we have issued for state and local use, 250% in a year isn't too bad and is because of a concerted effort to get that information out.

Second, one thing that we have worked on and I think will help is for the first time we are actually going out and surveying state and local governments to understand what they need. Although, we imagine what they need, we don't always know. So, we are going to ask that question. We are doing that in conjunction with DHS, FBI, and ODNI and I think it will be quite positive.

Finally, something I mentioned to Ms. Harman recently. We have produced the first ever user's guide to start our own intelligence for state and local partners and it is user friendly, it doesn't have nearly as many acronyms that are frankly in most of our testimony and covers how you use federal intelligence, explaining sourcing, what types of products are available, and I believe this will be a useful tool.

Last, I want to note that we have expanded our outreach, largely using the ITACG significantly and we are looking for ways to bring state and local officials into the federal government. So, one initiative Ms. Harman that we have spoken about previously is the LAPD obviously has done a fantastic job and we have now fundamentally poached their lead on the suspicious activity reporting and bringing them to NCTC, working with Chief Bratton and Deputy Chief Downing, we have now recruited to have Commander McNamara come from the LAPD to NCTC to help us understand what would be useful. In a brief period of time because I will note that Charlie went over by 2 minutes, so I get another minute and 30 seconds. I do want to note very quickly the three questions.

First, Sheriff Baca, how do we incorporate fusion centers into a comprehensive national solution? I think this is a very fair question and one that Charlie and very importantly the FBI and I have been discussing more, because frankly it is not just about state local fusion centers, it is also making sure that they are integrated regionally and they are well and effectively coordinated with the corresponding joint terrorism task forces. So, I think that it is a fair criticism that we are not there yet, but this is something that we have been building. So, we have to have it built before we exactly know what we can do with that.

Second, I am going to skip to Mr. McKay, the question of how do we incorporate state and local tribal information into a federal model. Let me just note there are huge civil liberties associated with this, and we can't dive into it too quickly because not all information from my perspective is counterterrorism information, and we simply have to move with this intelligently because otherwise we can put ourselves in a very bad position.

Third, and I left my friend Russell Porter's for the last, is when are we going to get serious about the mess of terrorism and getting info to the street. Excepting the last part of that -- when are we going to get serious about getting to the street -- I have tried to explain some of the ways we are doing that, but I will challenge him on the premise of when are we getting serious about the mess of terrorism. I can tell you from my perspective, every day -- I don't care if it happens in Pakistan, Peshawar, or Philadelphia -- it is terrorism. It is not going to make a bit of difference to me whether Americans are killed by someone from Pakistan or a domestic terrorist from Philadelphia. There is no question in my mind that Department of Homeland Security, FBI, and NCTC are deathly serious about the mess of terrorism. Thank you for your time.

REP. HARMAN: Thank you, Mr. Leiter, and thank you both for addressing questions posed by the prior panel. The subcommittee sees enormous progress in both of your operations. I said that at the beginning, and I think your testimony has really nailed it in terms of what has changed. I now yield 5 minutes to Mr. Dicks for questions.

REP. DICKS: Charlie, let me ask you this, on the fusion centers, is it a question about funding this, how it is financed? I mean, I know you are sending out an agent to each one of these things, but isn't there have been some concern by the locals -- they think that Fed should fund us -- can you tell me about that?

MR. ALLEN: I certainly can Congressman. The funding issue is a policy decision that is reached by the Secretary and by the department in consultation obviously with the Office of Management Budget. Our job requires to provide the information, put the officers out, and in some fusion centers we have more than one officer. In fact, we hope to put multiple officers in some of the major fusion centers. But, the funding issue is a very serious one. We do the threats. We do the domestic threat working with NCTC, working with the FBI, and we look at their grants, urban assistance grants, their state grants, port grants, transportation grants. (Inaudible) -- solely on the threat side, but the decisions ultimately are made at the policy level as to whether what money should flow and grants are very vital for the fusion centers to stay on. I took a position after two years the Federal government is not going to fund intelligence analysts. The Secretary did a recon with ONB and we have extended that for three years. We are very sensitive on that and some of these fusion centers are very immature and some are very mature and they do need assistance.

REP. DICKS: I just think that somehow we have to work this out to make it as easy as possible for the states to use their grants, or may be we ought to have to authorize it and fund it. I mean this is such an important part. I think the approach here to have these things work effectively at the local -- I believe you are going to get a lot of the potential threats, suspicious activities, you know we had the situation in California where these guys were in prison and then they came out, and some good police work locally that may be stopped a terrorist attack. To me, we have got to make these fusion centers work, and it is not that much money. I mean, to figure out all the money we are spending on homeland security, we have got to figure out a way to do it. I just think it is unacceptable.

REP. HARMAN: If you just yield to me, and I will give you additional time, the bill that we authored in the subcommittee on sustainment funding is now poised to pass the senate. So, we are making some dent in this problem.

REP. DICKS: Right. I mean, I just think we have to figure out an answer to it. I know this administration has been very tight, subcommittee Chairwoman, on appropriations and I know what they have done to my bill. It is not easy and we have a major problem here with the budget. So, I take that seriously. The other thing is that I am glad to hear that you are taking this seriously. I mean we just heard three individuals testify before you, people who have had enormous experience, and they still are saying to us we have our ways to go yet, we haven't finally gotten there; but it seems to me Mr. Leiter what you just said in your 5 points is that we are making some serious progress on this; and I just think that this information sharing and working this thing out and then having it sustained so that everybody can be confident that it is in place and information is going to be flow and it is going to be funded, somehow we have to -- we just can't dump this back on the locals. I mean, this is like an unfunded mandate I think. This is a national problem and we are asking them to help us work in these fusion centers. I think we have to step up and make it possible for the grants and other things to be utilized or directly funding this initiative.

That's all I have. Thank you.

REP. HARMAN: Thank you, Mr. Dicks. Mr. Shays is now recognized for 5 minutes.

REP. SHAYS: Thank you very much. Before September 11, the committee I chaired was called National Security Subcommittee, and one of the things that we were struck with was that there was so much information that was available that was not classified, and then we have had hearings where some think that we over classify 90%; in other words, we should classify 10% of what we classify. And, then we even had DoD say that at least 50% of what they classify probably should not be. Then we have "for official eyes only" and so on. Can each of you speak to the danger of overclassification, not in any great length, but tell me what is the danger. There is a danger to overclassification, I want to know how you define the danger?

MR. ALLEN: Well, historically we have protected sources and methods and we have overprotected them even during the Cold War. We have found that in information sharing we can shred out the basic facts, hide and protect sources and methods and get that information out. This is the reason ITACG is so valuable to us, this is the reason why I embedded all this.

REP. SHAYS: Thank you, but I just wanted to make sure that I -- but, is that the only danger? It seems to be another danger. Why don't we hear from you, Mr. Leiter first?

MR. LEITER: Congressman, the preeminent danger to me, this is a danger --

REP. SHAYS: Of over classifying --

MR. LEITER: Yes -- was in some ways much less important pre 9/11. The information is not getting to the operators in the field who need to get it --

REP. SHAYS: Yes. And, so, isn't it a fact that -- this isn't a trick question, this is just the reality. Isn't it a fact that with your fusion centers we are dealing with classified information, and so in some cases they may know things that they can't tell their fellow co-workers because it is classified. Isn't one of the dangers of over classification -- I mean, you said it, I think, but let me emphasize it -- isn't the real danger of over classification is that too few people knowing what they need to know and too many people don't not know what they need to know.

MR. LEITER: It is, but -- let me raise two points. One, this is not something which is different in national security matters than any other law enforcement investigation. People may be working with an undercover that they don't want every police officer on the street to be aware of and you have to create systems whereby you can run those operations, protect your source --

REP. SHAYS: I understand why you have to protect your source. I understand why you have classified material; but in our hearing, outside sources who used to be in intelligence thought we are over classifying.

MR. LEITER: I agree wholeheartedly.

REP. SHAYS: And, so, it strikes me that the reason intelligence have to working at ways to make sure that we are not over classifying.

REP. HARMAN: Would you yield me for one second, Mr. Shays, I will give you additional time, and that is just to say that we passed a bill here, the House passed it about a month ago on over classification because we feel so strongly that the only reason to classify is to protect sources and methods, not

to protect somebody from political embarrassment or protect turf, a point made repeatedly; and I just wanted to observe. I think it is different in counterterrorism then it may be a classic law enforcement case because the stakes are so high. I mean if over classification prevents one of these cops on the beat from uncovering the plot to put the huge fertilizer bomb on the truck that blows up LAX, I think that that is a horrible consequence; and I just wanted to state, and I get back to you, my view that this is a hugely important issue, and I am very disappointed that at least as of yet the senate has not seized this issue.

REP. SHAYS: Well, if anyone knows about this, it would be someone like yourself who has been on the intelligence committee in such an active and central manner. Yes, Mr. Allen.

MR. ALLEN: Congressman, things have changed I think dramatically because we are getting that information out. We publish and reviewed by the ITACG hundreds of advisories, some may be threat warnings, threat assessments like we did on the weekend because of the Marriott bombing. We put out a lot of foundational work, working with NCTC and ITACG and the FBI which is very useful. We got a lot of stuff out there for official use which can go down to the lowest first responder and on clearances. When I came there, we weren't clearing anyone at state and local. I cleared at the secret level 1500 and others. REP. SHAYS: Let me congratulate you on that. That's another problem and it is hugely important. Let me just ask quickly Mr. Leiter, it is my sense that when we are talking about open source data where we can use computers to just see relationships, that would happen more likely I would think in the National Counterterrorism Center than it would in the different fusion centers around the country, and can I feel comfortable that open source data is getting integrated?

MR. LEITER: I have representatives from the open source center embedded in the National Counterterrorism Center and we routinely use it both domestically and overseas to link with classified information.

REP. SHAYS: Thank you. Thank you both. Mr. Allen, I just have to say that you have that classical look of someone in intelligence, and it makes me feel very comfortable that you are there.

MR. ALLEN: Thank you, sir. I appreciate that.

MR. LEITER: If I may ask, and this isn't a trick question either, are you suggesting that I don't provide you with that comfort?

(Laughs)

REP. SHAYS: I am just saying you both are a wonderful team, and collectively you carry the whole gamut. Good question. (laughs)

REP. HARMAN: Thank you, Mr. Shays. Your time has expired. We all think you give us confidence too. So, we want to observe this. Mr. Reichert is now yielded time for 5 minutes of questions.

REP. REICHERT: Thank you, madam Chair. Great to have you both. Again, thank you for taking time to come and visit with us and answer further questions. You do make a great team, and I just want to take a moment to specifically thank Mr. Allen for his service to our nation. You didn't have to take on this challenge for the past 3 years but you did and the nation is better for us. So, thank you, sir.

MR. ALLEN: Thank you, Congressman, my wife agrees to that. I do wish you call her as the witness next.

REP. REICHERT: Just to touch on that topic a little bit more. You know, as you heard the first panel testify, they suggested that there might be a disconnect to your leadership to the field, and I can certainly understand that. You are one man and this is a national effort. So, a disconnect I think would be a natural phenomena that people would experience, but Sheriff Baca mentioned specifically that you might need some help.

MR. ALLEN: Sheriff Baca is one of the wiser individuals across this country in law enforcement and information sharing. I think I do have the authorities and responsibilities to be able to work with my colleague here and with the FBI in particular to get the information out. It is just that we are very early in this process, and the 9/11 bill that was passed gave me significant authority to direct that information sharing on behalf of the department and to unify the department intelligence activities. Bureaucracy grinds slowly in Washington some times. So, I have not achieved as much as I wanted to in the last couple of years, particularly in integrating intelligence across the department, but I am working at it very hard. But, I think have the authority and I certainly have the support of Secretary Chertoff.

So, it is just a matter of grinding on, working with the NCTC, working with the ITACG, working with my officers out in the fusion centers, and working with my good friends at the FBI where we have a very rich relationship.

REP. REICHERT: I just want to ask one more question Madam Chair and that is related to also some comments that were made by Sheriff Baca that again a concern of mine and were a concern of mine when I was the Sheriff in Seattle and that is the grant process and as it is set up, it is housed now essentially under the FEMA side of Homeland Security and does create some consternation for the law enforcement world in not feeling like there is enough attention paid to the needs of those sheriffs and police chiefs across the country. Do you see that as an area where we need to do some additional work, and have you listened to those concerns and taken a look at solution that might apply?

MR. ALLEN: I have listened to those concerns and I have similar concerns. I do believe that part of my responsibility is to reach out to Chief Paulison, Undersecretary at FEMA and to his Deputy Director. We are building closer relationships and we brief them regularly on the threat, foreign and domestic, so that they know as they make decisions and make recommendations to the Secretary final funding decisions that the threat is fully represented. In my view, we need to get the threat a little higher in the overall algorithm by which those decisions are made. That's my personal view, and I am going to push toward that goal.

REP. REICHERT: Okay. Thank you madam Chair. I yield to you.

REP. HARMAN: Thank you Mr. Reichert. I now yield myself 5 minutes of questions. Again, I want to observe that enormous progress has been made, and this hearing record is very different from the hearing record we would have had two years ago. I am sure both of you agree, you are nodding your heads. And, I think a lot of the credit for that goes to state, local, and tribal entities who have helped us push in the right direction, not as your adversary Mr. Leiter, but as your partner, which is I think our correct role to make this more seamless. We have all pointed out that if the information about what to look

for and what to do is not in local hands, the chances of our unraveling the next plot are far slimmer. No one is disagreeing with this. I want to now come back to privacy and civil liberties because it is a conundrum. Clearly, what we want to do is collect the right information that is accurate and actionable and timely in these fusion centers. They are not spy units, that's been alleged, that's false. They are units that fuse information collected elsewhere hopefully in products that are useful. So, we want to do that correctly. I think most of us believe that one size does not fit all because different regions have different needs. I have personally been to a number of these places. They all look different for a reason I believe, because the needs are different. But on the other hand, everyone believes that strict privacy and civil liberties protections have to apply. Now Sheriff Baca asked you both this question, how do we build a more robust national capability that is closer to one size fits all capability and you Mr. Leiter said problem -- civil liberties problem. Could I ask you both to elaborate on this? I will be better off trying to standardize and impose Federal standards -- there are existing federal standards -- on this or are we better off not doing that and making sure there is rigid training at the local and state levels or is hybrid a better model?

MR. LEITER: Madam Chairwoman, if I suggested that a network of fusion centers pose significant civil liberties concern, I think that leaves with you the impression that I think fusion centers pose such a problem to start, and I think the record of the fusion centers is outstanding and they are collecting information, they are not spying, and they are conveying. I do think that there are potential civil liberties issues with every bit of information concerning every traffic stop for example being sent to the National Counterterrorism Center. That I think is far beyond our mandate and more information sharing than we should actually seek.

Sheriff Baca's point I took it to be -- do we have a clear plan to make sure that all the fusion centers out there, which undoubtedly might be we will have to stay hybrid, there is no one size that fits all, you are absolutely right, what works in LA is different from what works in Seattle and different from what works in Kansas City and so on. But whatever models you have out there, they are linked together in a sensible way and then linked back to Washington, and that is the challenge. We had built these fusion centers, we had built JTTS, they are working incredibly well together; but do we have a regional system that then feeds that to Washington consistent with civil liberties protections, and from my perspective, Sheriff Baca is correct. Charlie and I and the director of FBI and the like have to work harder in coming up with that sensible system to link all this together consistent with civil liberties.

REP. HARMAN: Mr. Allen.

MR. ALLEN: Madam Chairwoman, I support what Mike has said. As far as privacy, civil rights, and civil liberties that's very much on our mind. There are massive amount of data at the local level that is not necessarily related to security, but there are a lot of data that we harvest, and I have about 40 reports officers assigned around the county in addition to my embedded officers who do report information that is lawful and legally collected that is of a national security and particularly of terrorism interest. We are moving up to build a national fusion center network. It is happening naturally as fusion centers begin to work together, as regions begin to work together. For that reason, in addition to my embedded officers, I have now appointed regional coordinators or circuit writes. I have an officer who focuses only on the South East, one that focuses on the North East, one that focuses on the Midwest.

REP. HARMAN: All of them aware of civil liberties and privacy?

MR. ALLEN: They are all rigorously trained in civil rights and civil liberties. I have four lawyers that hover around me everyday. So, we absolutely do give them rigorous training and they know what can be harvested and what can't. We have put out about 3000 Homeland Intelligence Reports, HIRs, which is a raw intelligence report. Some of them, I and my senior officers say, "No, that doesn't quite meet the standard. We do not have a reasonable belief in this case for reporting this out to our federal partners." But, I think we have a very high standard for privacy, civil rights, and civil liberties. I am very comfortable in that arena. We have a lot of work to do to build this network of fusion centers and regional centers as was pointed out by Mr. McKay, but we are on our way and we are doing the right thing right now.

REP. HARMAN: Thank you, Mr. Allen. I often say that privacy and civil liberties are not a zero sum game. We either get more of both or less of both. Actually, the first fellow who said that was named Ben Franklin, and I just like to remind you and our members and our audience of what Mr. McKay said that "If another attack comes, the first thing that goes is going to be our constitution and some of our rules and that's not something I want to see. We have got to get this right, right now."

We are now going to do something unorthodox. Mr. Allen you have I think you said five more minutes. Our first panel is still here; and in the spirit of information sharing, I am offering to our first panel the opportunity to take the mic and make any additional observations you would like to make since you have heard the testimony of the two federal witnesses. You can be shy and hide out, but I knew Lee Baca wouldn't be shy. And, do identify yourselves for the record.

And, Mr. Allen let me add that we understand that you will have to leave in five minutes, but I appreciate your staying to here any comments focused on the conversation we have been having.

SHERIFF BACA: Let me say first of all the testimony of our colleagues has won not only admiration of all of us here, it is the fact that we both from the local and federal levels believe that our nation can always do better, and that's the spirit of this conversation. Policy relative to shifting from a first responder strategy to a more balanced prevention strategy is the issue as I see it, and the only way we are going to prevent any form of terrorist attack is if the local resources are fully integrated with the federal resources when it comes to intelligence information. This means that the national policy that is under the control Mr. Allen and the Secretary of Homeland Security should be intact and remain as it is, but the advice of the local law enforcement officials throughout our nation needs to be brought to the table. Clearly, funding becomes a arguable strategy as to how to best spend the dollars.

I say that our response community, and we are a part of it, law enforcement is, has been well served and so has our firefighting systems and medical systems; but if we are going to economize our dollars nationally, we have to say, "What is cheaper -- preventing a terrorist attack or responding to one? And, at what point do we start moving more dollars into the prevention side?"

I think that local law enforcement through the LInX program has clearly proven that traffic stops are critical part of gathering this kind of information. That can be easily pushed up into a national system without violating anyone's civil rights, because we have clearly the right to stop people when they violate the law, even the traffic law.

The complexity of the task is that there are not 20 dots or 100 dots, there are millions of potential dots that have to be connected, and you can't do that without this full build out of the regional intelligence centers as nodes to all the other police departments. I am not asking for small police department to have an intelligence center. They don't need one, but they should be in partnership with those of us that have an intelligence center; and their liaison officers can work in a trained fashion to make sure the civil rights are not violated and that information is carried in a format that is sensible and analysts will be able to look at that data for the sake of preventing a terrorist attack or alerting an investigation. Those are the two things -- alerting an investigation as is indicated by all panel members of this committee.

When do you do something that is obvious? When someone asks for a flight training in a flight school and says, "I am not interested in taking off or landing. All I want to know is how to fly the plane." I mean that is such an obvious thing that it defies commonsense that wouldn't be acted upon, but somehow that got lost because of the lack of robust analytical participation. The backup system is you got more than analyst looking at the same stuff and a policy issue, as you got more than one reviewer at the top looking at the same stuff and all we are saying at the local level as we want to be part of the process of reviewing some of the more critical stuff, especially if it effects New York, especially if it effects Chicago, especially if it effects DC, and especially if it effects Los Angeles because the theory is the more you know and the more who have responsibility to know, then everyone gets blamed if it goes wrong; but currently, if we don't know locally, I can assure you when the next one occurs and it is in Los Angeles and I don't know and Chief Bratton doesn't know, then we are going to blame the feds. And, so, intelligence gathering is not only good theory, it's good management theory.

REP. HARMAN: Thank you. I would just amend that to say this isn't about who we are going to blame next time, it is about how we are going to prevent the next one and then we do not have to blame anybody. Mr. Porter, Mr. McKay you have any additional thoughts? We have a vote on the floor, but we have enough time to hear from each of you.

MR. PORTER: A brief rejoinder to Mr. Leiter, but let me introduce it by noting that I am in probably a unique position where I meet with Mr. Allen probably monthly as a state and local official, and I also meet with Mr. Leiter on a bimonthly basis at the ITACG advisory council meetings; and as I pointed out earlier, they do listen, they do take notes as we speak; but I think sometimes we all get caught up in the business of the agenda and we sometimes don't hear one another. Sometimes we speak past one another. My colleagues in the state and local levels still tell me we have a long way to go to get information out to the outer reaches and it's a challenge with respect to the

domestic issues, and I look forward to further communication about that. Thank you.

REP. HARMAN: Thank you. Mr. McKay.

MR. MCKAY: Thank you madam chair. I think that the prior panel has underscored the point I tried to make to the subcommittee earlier. I would just urge those who are making decisions in Washington DC to look at the LInX system because the question of civil liberties that you ask both of the speakers from the prior panel is -- we run this already, we have taken the records locally, they have migrated into a federal system, they are in the MTAC now which is the Analytical Center at NCIS. They have passed every legal review of every municipality, county, state, and the federal government. There are no civil liberties issues associated with the law enforcement records that are being analyzed. Intelligence products and perhaps open source information is different, and those have to be carefully reviewed and absolute strict scrutiny paid to the civil liberties and civil rights of individuals if they are targeted without a reasonable suspicion of a crime and that is the issue, privacy side for a moment.

So, we know that this can be done legally. It has already been carried out in a model program in the LInX. So, I agree with my colleague to my right. I mean, we are talking past each other, and again the question I asked before I think remains unanswered. Who is in charge of building the local systems and migrating them to the federal government? The first person who told me that the most important record of any investigator is the small record, it is the seatbelt violation, believe it or not, it's the traffic offense; and now with Sheriff Baca I think every federal agent would agree with. REP. HARMAN: Thank you very much. If any panel member wants to make one additional sentence of comment, please go ahead. I just want to thank all of our witnesses. I think this has been a conversation which is rare in a hearing format, and our goal is to make that conversation as robust as possible and make it two ways -- from federal down to local and from local back to federal. The ITACG is a huge improvement over where we were. I will see our first four ITACG members later today as they leave; but growing to ten is a good start, Mr. Leiter, growing to more than 10 is a better idea, Mr. Leiter. But, I do want to congratulate you and not just pick on you for visible progress under your watch. Any other comments, Mr. Dicks?

REP. DICKS: I just want to say thank you. It has been very enlightening and we still have a lot of work to do, but I think we are making progress. I think we have got the attention of both sides and I agree. I think some of this is we are talking past each other, we have got to figure out a way not to do that and end that, and to come to grips with the remaining issues. Thank you.

REP. HARMAN: Thank you all. The hearing stands adjourned.

END.