

**WRITTEN STATEMENT**

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**ON BEHALF OF  
THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION (APTA)**

**BEFORE THE**

**HOUSE COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON HOMELAND SECURITY**

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**ON  
PUBLIC TRANSPORTATION SECURITY INVESTMENTS  
FOR FISCAL YEAR 2013**



Good morning Chairman Alderholt, Ranking Member Price and members of the Subcommittee. My name is Michael DePallo and I thank you for the opportunity to offer my testimony. I am the Director and General Manager of the Port Authority Trans-Hudson Corporation, or PATH, which is a subsidiary of The Port Authority of New York and New Jersey. PATH is the seventh largest heavy rail operator in the nation, providing 76 million passenger trips per year. It is the primary transit link between Manhattan, the hub of the world financial market, and neighboring New Jersey urban and suburban communities. Today I am testifying as a representative of public transportation systems across our country as I have the privilege of serving as the Chairman of the Security Affairs Steering Committee of the American Public Transportation Association (APTA) as well as Chair of the Mass Transit Sector Security Coordinating Council (SCC). The Committee and Council include representatives from a number of high-risk, Tier I transit agencies from across the country which collectively inform and guide our views. In accordance with the National Infrastructure Protection Plan, APTA has been tasked by Department of Homeland Security (DHS) to administer the on-going activities of the Mass Transit Sector Coordinating Council (SCC). I am honored to lead such groups.

#### ABOUT APTA

APTA is a nonprofit international association of nearly 1,500 public and private member organizations, including transit systems and commuter, intercity and high-speed rail operators; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA members serve the public interest by providing safe, efficient, and economical public transportation services and products. More than ninety percent of the people using public transportation in the United States and Canada are served by APTA member systems.

## **Need for Continued Partnership**

Let me start by clearly stating that the safety and security of our public transportation systems depends on a mutual commitment of Congress, our federal agency partners and public transportation providers to work together in a strong and effective collaborative relationship. As partners, we must work together but also operate efficiently and strategically in our respective roles.

### *Congress*

I am compelled to urge Congress to acknowledge the risk that our citizens and transit systems continue to face, and ask that, even in these fiscally constrained times, you restore appropriations for the Transit Security Grant Program (TSGP) in this and subsequent appropriation bills. The transit industry asks that you carefully consider the significant security investment needs that persist for our agencies, our employees and the riders we serve. We ask you to reverse the recent trend in cuts to these important grant programs. We are very concerned about the recent decline in transit security funding where, presently in FY2012, we see an allocation of less than \$90 million for transit security. This level is woefully short of the industry's capital needs, and really not enough to address needs at my own agency. As recently as FY2009, federal funding for transit security was set at nearly \$400 million. In 2010, an APTA survey of its members found security investment needs in excess of \$6.4 billion nationwide. These are funds that our agencies simply do not have, as overall funding constraints have led to service cuts, personnel layoffs and fare increases. While there is no indication that our collective security concerns have diminished and the backlog of needed projects continues to grow, federal security grant funds have declined precipitously.

Many have researched, written and even offered testimony before this Subcommittee on the history of terrorist attacks, most notably the work of the Federally funded and chartered, independent Mineta Transportation Institute (MTI), which has documented more than 2,000 separate attacks on

surface transportation – 1,223 involving bombs and incendiaries – since 1970. These attacks caused 6,190 deaths and approximately 19,000 injuries.

Additionally, the Government Accountability Office (GAO), along with the TSA Office of Intelligence, the TSA Office of the Inspector General and the Director of the National Counterterrorism Center (NCTC) have reported on or testified to Congress that public transportation in America remains vulnerable to terrorist attack, that al-Qa'ida remains interested in targeting the sector, and that more needs to be done to prevent and prepare for such a potential attack. Late last year the NCTC testified that the “al-Qa'ida core believed targets worthy of the group's focus included prominent transportation, infrastructure, economic, and political targets.” There is wide agreement that public transportation systems continue to be desired terrorists targets. While we have been very fortunate to date in not having a terrorist attack carried out in our transit systems, we have indeed foiled recent plots and arrested individuals who intended to attack our systems. We believe it is appropriate that the funding commitment to fortifying our systems match the recognized risks and threats.

In addition to TSGP funding, let me briefly mention two other programs that are priorities for our industry. We are pleased with the collaborative efforts of Transportation Security Administration's (TSA) Transportation Sector Network Management (TSNM) Mass Transit Division in funding the continued operations of the Public Transit Information Sharing Analysis Center (PT ISAC), as well as their support with the development of transit security standards. It is our understanding that resources are factored into the TSA budget for these continuing efforts, and we urge the committee to support the TSA in this regard. The PT ISAC and security standards are two important national programs that, although modest in funding needs, can significantly enhance transit security. Industry-wide standard setting lays the ground work for sound practices and quality projects, while the ability to share vital intelligence and information is crucial in preventing and mitigating potential terrorist attacks.

*Department of Homeland Security*

To our agency partners within DHS, I am pleased that many working relations between transit agencies and DHS divisions have improved. Open lines of communication must continue and federal agency funding priorities, instruction and expectations of grant performance must be clear and consistent. These directives should also reflect the stated concerns, desires and challenges of the industry; however, I would respectfully suggest this is not the case in regards to various elements of the FY2012 TSGP Guidance. For example, the guidance institutes a new 24-month grant period of performance for all projects. This is a reduction from the previous 3-5 year allowable expenditure period. I certainly appreciate the concerns regarding unexpended TSGP dollars as we all desire that security projects be implemented in a timely fashion in order to provide the protections they are designed for. However, immediately reducing the time allotted to expend funding without fully addressing widespread agency administrative and grantee implementation hurdles seems counterproductive to efforts to expedite project completion. Also, as many security enhancement capital projects require multiple years to complete, a reduction in the time allotted to expend funding would also compel many grant recipients to shift funding to operational expenses versus capital infrastructure security projects. This would not be in the best interest of fortifying our systems against attacks, as the majority of the security needs identified in APTA's survey relate to capital projects.

Additionally, the FY2012 grant guidance states that this year's funding priorities will be based on a pre-designated "Top Transit Asset List" or TTAL. Some PATH assets are included on the TTAL and I would welcome this added benefit for funding consideration from this risk-based approach. APTA has testified previously that security investment decisions should be risk-based. However, speaking on behalf of the larger industry, including thousands of assets not listed on the TTAL, I recognize that this narrower funding approach could preclude other important security improvements from receiving funding consideration with such limited transit security dollars

available. This underscores the need for increased funding. We must continue to work together to ensure that DHS has the resources to meet the extensive needs of systems across the country.

### *Transit Agencies*

Threats against public transportation are growing in number, complexity and scale. To prevent and combat these threats, we must continue to employ cutting edge technology and processes to maintain and operate our security resources and assets. Equally as important, we must also establish and sustain sound, efficient administrative, planning and management practices. Many may not see the operational-administrative connection in securing our transit systems, but the deployment of well armed and trained law enforcement officers or K-9 units, or operation of high tech surveillance equipment, or the construction of a large-scale infrastructure fortification projects come only after months and months of planning, development, and administrative work. Planning, procurement and project management are all precursors to successful security projects as well as sound evaluation and grant management systems. Public transportation systems must be committed to robust operational procedures and administrative systems when implementing security initiatives if we are to serve as good partners in our national fight against terrorism with the federal government and Congress.

### **Key Implications of the New National Preparedness Grant Program**

As you know, the Department of Homeland Security has proposed to implement a new “National Preparedness Grant Program” along with several other programmatic changes to the current Transit Security Grant Program. The new program and proposed changes have alarmed the industry. The most drastic change is the elimination the Transit Security Grant Program – the exclusive pool of funding for our nation’s public transportation systems which, we all agree, are highly desired terrorist targets. Additionally, under the proposal, while transit agencies would be

eligible for security funding, they would have to apply for funding through their State Administrative Agency (SAA), and compete in this process with other state security priorities. This is a radical shift from the current program, where transit agencies are authorized to apply directly to DHS. We believe, under the proposed approach, that sufficient funding would not consistently reach transit agencies and severely dilute their security programs. As the leader of a multi-state agency, I also foresee a challenge coordinating with SAA's when an individual system's operations span multiple states, as is the case with many of large transit properties. This administrative change could actually add to delays in project implementation. We strongly urge DHS to reconsider this proposal and maintain a sufficiently-funded, segregated grant program for surface transportation security where transit agencies may prioritize their needs and directly apply for federal funding.

### **Conclusion**

As I conclude, let me thank you all for the opportunity to testify on these critical homeland security issues. There is no greater priority for public transportation systems than the safety and security of our passengers and workers. I urge you not to wait for the "wake-up" call of an attack on our systems to provide us the support we need. Transit systems across the country continue to stand ready, committed and vigilant in utilizing available resources efficiently to protect our systems and our riders. We urge you to sustain the critical partnership between transit agencies, Congress and the Department of Homeland Security that helps to keep our nation safe and moving toward economic prosperity.