

**Testimony of**  
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**House Homeland Security Committee/**  
**Subcommittee on Intelligence, Information Sharing and Terrorism Risk**  
**Assessment**

**The Way Forward with Fusion Centers:**  
**Challenges and Strategies for Change**

Good morning, Madame Chairwoman and members of the subcommittee. I am pleased to be here today to share with you the initiatives we are taking through our State and Local Fusion Center Program to ensure information sharing with our State and local partners, and the many efforts within our Office that support the vital work these centers do in protecting our Nation.

As you are aware, Madame Chairwoman, the Office of Intelligence & Analysis (I&A) initiated just over a year ago a plan which was approved by the Secretary of Homeland Security to support in a meaningful fashion the efforts within State and local jurisdictions to share threat information and intelligence assessments, not only between the Federal Government and the State and local governments, but also between the States themselves. Many States and major urban areas had established centers whose purpose was to foster an environment where this information could be assembled and analyzed to ensure proper resources were in place to mitigate the threats as they were revealed. Although some fusion centers were developed without Federal support, many used Federal grant money to create centers. We recognized early on the benefit of local governments taking the initiative to create more robust information and intelligence sharing efforts and tasked our State and Local Program Office to prepare a plan that would optimize the sharing of Federal information with these centers.

Secretary Chertoff understood the unique benefits that could be realized by creating a strategy that would work with these centers and using them as the primary facilitation point for the sharing of information and intelligence with local governments and, as such, appointed I&A as the Executive Agent for the Department in supporting these centers. It is important to realize that

these centers are not Federally owned, managed or developed, they are locally controlled and we at the Federal level must be invited to work within their sphere of control. This of course is a different, more grass roots method of providing federal information, but it is effective. Due to this important distinction, it is appropriate not only to describe the structural support we provide on a daily basis, but also the many creative approaches we have taken within DHS to share intelligence with our State and local partners and work with them collaboratively in these centers to conduct the most important mission we all mutually face as governments—that of protecting the homeland.

As the executive agent for the Department concerning fusion centers, we have become acutely aware of the many challenges that exist when one sets out to partner with local governments in the exchange of information and intelligence. Central to this effort is not only the need to protect the information being exchanged, which in some cases could reveal very sensitive national security information, but also information that is central to ongoing, active criminal investigations that, if compromised, could possibly hinder prosecution or jeopardize our most sensitive law enforcement confidential sources or intelligence capabilities. I am pleased to be sitting here today with the Deputy Assistant Director for Intelligence from the FBI, Mr. Mike Mines, who I know shares deeply our concern that sensitive information remain protected but, like me, also believes in the need to get information to officials at the State and local level who act on this information in variety of ways that keeps us safe. At the core of our effort remains not only a desire to keep this information safe, but also ensure the protection of the civil liberties and privacy rights our citizens enjoy and

which make our nation the model for how government can protect its citizens without damaging the Constitutional protections afforded all of us.

In the invitation to speak before you today our office was asked to describe the present status of the State and Local Fusion Center Program, challenges that DHS may be facing in supporting this effort, and finally how the Congress might help to support our efforts. Let me begin my describing our current status.

### **Current Program Status**

The deployment of DHS analysts to the fusion centers is one way we build a trusted relationship with our state and local partners. As of today, we have 18 intelligence officers deployed to fusion centers nationwide, and we plan on nearly doubling that number by the end of next year. To do this, we continue to perform needs assessments at all fusion centers to deploy the right people, expand DHS component participation in fusion centers, install information technology systems, and provide the centers with access to DHS and National Intelligence Community intelligence.

The Fusion Centers have direct access 24 hours a day, seven days a week to our Intelligence Watch and Warning Division, which is part of the National Operations Center. The Watch serves as an entry point into DHS for the State and Local Fusion Centers and our deployed officers. The watch routinely answers requests for information from the deployed officers and provides them access to current classified threat information through their

daily intelligence briefings, which are sent via Homeland Secure Data Network to each deployed I&A officer.

State and Local Fusion Centers also interact and mutually share information (as appropriate) within the larger Intelligence Community.

In addition to deploying analysts, DHS Headquarters' I&A analysts and SLPO officials spend a great deal of time building relationships with their fusion center partners. I&A analysts are in contact daily with fusion centers, via e-mail and phone, fielding queries on the latest threat information, al-Qa'ida messaging, or even simply providing analytic POCs. Analysts frequently visit their counterparts at the state and local level to make contacts and discuss analytic threat issues—all to build the trust that will take the partnership to the next level.

Now that nearly 50 fusion centers are up and running across the country, we want to further enhance their effectiveness. Our assistance focuses on the management of fusion centers as intelligence nodes. This assistance covers management and direction, planning capabilities centered on the elements of the intelligence cycle, and best practices and lessons learned.

Our goal is to sustain and capitalize on our investment. We ensure that DHS operations in fusion centers support information exchange and the intelligence cycle. Our people and tools, combined with the efforts of other partners in the fusion centers, help provide continuous situational awareness for all members of the National Fusion Center Network, at all levels of government and with the private sector.

The National Fusion Center Network was called for by the President as part of the Information Sharing Guideline Two report to be the method that information will flow vertically among the State and locals. This network of trusted partners creates a technique for passing information in emergent or tactical situations with little to no potential for disruption or time delays since each person acts as a node receiving point-to-point communication.

Getting more eyes on the information to analyze it within the local and national context is critical for guarding the security of the homeland. It is in this area that we have made the biggest strides since, our Chief Intelligence Officer, Mr. Charlie Allen, last briefed you on the program. Our efforts to support the centers are underpinned by some very important initiatives within our office that have been recently praised by our State and local colleagues.

From the outset, DHS recognized that there must be a robust analytical effort to support the provision of threat warning and intelligence assessments to fusion centers. To date, the Department has taken a very active role in supporting the information and intelligence exchanges with fusion centers. For example, in our Critical Infrastructure Threat Assessment (CITA) Division within the Office of Intelligence and Analysis, classified threat papers were prepared for each State and the territories and each State participated in working groups to review these with the states. This combined approach has helped DHS better understand the unique threat environment each State faces. It will also inform efforts within DHS, to include decisions involving distribution of grant money and other forms of

support. While this catered approach is very labor intensive, we believe it must be done to ensure the States believe their equities are being considered when we make decisions in Washington that affect their threat mitigation posture.

The Office of Intelligence and Analysis analytical divisions hosted two conferences this year for State and local analysts working in fusion centers, one focused on WMD Threats to the Homeland, and the other on Extremism and Radicalization. In both cases, more than 100 analysts from across the country participated in workshops designed to enhance their understanding of these very critical areas of concern. The WMD conference, held at Camp Parks, CA, was conducted in cooperation with Sandia National Laboratory. This conference provided greater insight and understanding of the many tools the Federal government leverages to support the mitigation of this threat. For many State analysts, this was their first exposure to this form of training and the feedback was universally positive from our customers. We are planning a future analytic conference next year on border and maritime security threat issues. Our hope is to encourage a greater dialogue and understanding of common threats. Throughout the year, analysts come together in smaller groups to discuss specific topics of interest, such as prison radicalization, domestic extremism, and infrastructure concerns in specific areas of the country.

We realize that understanding the threat can be complex and often clouded by unrelated events or issues not associated with a particular threat stream. Therefore, when events occur, the Federal government must provide our State and Local partners prompt, responsive notifications and the proper

context so that they can discern between an actual terrorist threat and a criminal incident that lacks any nexus to terrorism. As a result, our Intelligence Watch and Warning Division provides Chief Intelligence Officer (CINT) Notices, or CINT Notes, a new product line that communicates information and analysis on emergent issues, domestic or international, to Homeland Security partners, to include Federal, State, Local, Tribal, and Private Sector. These CINT Notes are fully coordinated with the FBI and are disseminated as a joint-sealed product by DHS and FBI, to ensure our State and Local customers hear one voice from the Federal government. To date, we have disseminated 41 CINT Notes to keep more than 1,000 partners informed of breaking events worldwide and to diffuse any speculation about threats to the Homeland. Examples of coverage include incidents occurring in the Homeland such as the Cory Lidle plane crash in New York City, the Ft. Dix plotters, terrorist group media announcements such as the recent al-Qa'ida media blitz and international terrorist attacks like the London and Glasgow bombings, and the release of the U.S. National Intelligence Estimate. When warranted, we conduct these notifications via teleconferences, allowing questions and answers for our customers. We are receiving positive feedback from State and local customers as well as the Intelligence Community on these products. We have focused on ensuring that we reach this new customer set at the State and local level, not just in the ways described thus far, but also by asking our customers what they value in the information exchange and working with the fusion centers to determine what information they require and in what form they most easily digest that information.



Our Collections and Requirements Division (CR) has worked closely with State and local stakeholders to improve the Department's ability to respond quickly to their inquiries for information. In 2007, the CR Division has thus far processed over 117 formal requests for information from State and Local Fusion Centers. CR Division officers have also briefed Emergency Managers and State National Guard Staff in 10 hurricane-prone states and U.S. territories on how the Interagency Remote Sensing Coordination Cell (IRSCC) might satisfy their geospatial and remote-sensing needs during Incidents of National Significance.

Additionally, in accordance with the legal authorities that protect the handling of US Person information, we are beginning to see the fruits of the trusted relationship we have developed, as our state and local partners begin sharing their unique information with us. This type of ground-truth information has never before been available to the Intelligence Community. One of the ways we can do this securely is via the Homeland Security Data Network (HSDN) webpage created for each fusion center. The Production Division has been working with the I&A's State and Local Program Office to develop these pages that will allow each fusion center to post their information at the SECRET level, which we hope will inform the rest of our Intelligence Community partners of the information available to them from the domestic realm. Just last week New York City delivered 22 intelligence products for posting. Now anyone across the country with SIPRNET or HSDN access can search a topic and return hits that include New York City's and other fusion centers' products. These can and will inform the thinking of all Community analysts.

Finally, each of our divisions produces monthly digests, which are concise, open source, products tailored to the State and local audience that provide important insights on specific topic areas. For example, we produce monthly products on Domestic Extremism, Radicalization, Critical Infrastructure and Borders. Feedback on these monthly products by our fusion center partners has been positive.

Let me detail some substantive information sharing numbers that I believe will inform the committee on the breadth of the work accomplished in recent months. The first Homeland Security WMD Intelligence Reporting Guide will be produced for state and locals soon. We have released over 120 finished intelligence products and 1,300 unclassified Homeland Intelligence Reports, HIRs, to our state and local partners. Based on state and local customer feedback, we have changed the way we present our information to improve the quality and relevance of our products. We have recruited and trained Reports Officers at SLFCs by providing mobile training teams to seven states. The connectivity to fusion centers has enabled us to write 22 Homeland Intelligence Reports using state-or local-origin information – information that would not have made it to the Intelligence Community, or other parts of the Federal Government, any other way.

I&A is developing joint products with State and local analysts on bioterrorism and health security issues, chemical, nuclear and radiological topics. We have collaboratively produced baseline assessments of radicalization trends in both California and Ohio. In each case, analysts in our Office worked with State and local analysts as well as our deployed officers to look at issues of common concern and work together to determine

a common view which can then be presented to the Intelligence Community and shared with our Federal and State partners.

This summer I&A began a State-and-Local Fellows program, which we hope is the first step in enhancing individual States' capabilities and understandings of intelligence workings. Captain Charles Rapp, of the Baltimore Police Department, was selected as the first fellow and he has been instrumental in assisting our Headquarters personnel in better understanding the current State and Local environment. Recently the 9/11 Commission Act provided guidance on this effort and we are now in discussions on sustaining this program with short-term analytic exchange visits throughout the year. Sgt. Joel Howard, of the Chicago Police Department, will join us beginning in November. We are also currently hosting an analyst from the New Jersey Office of Homeland Security and Preparedness, Mr. Tavis Rendell, and we expect to bring an analyst from Georgia to Headquarters to work on a specific intelligence assessment in the coming months.

Many State and local fusion centers assist in the very important role of protecting our borders. The 9/11 Commission Act emphasizes the importance of enhancing our border intelligence and our Borders Analytic Branch is developing ways of consulting with state, local, and tribal partners to identify topics and analytic methods that will be most useful to Federal, State, and local operators in the field. Along with the deployment of officers to fusion centers, we have sent a specially assigned officer to the El Paso Intelligence Center (EPIC) to work with the Southwest Border States and our federal partners to better understand the threats there and to assist our

local and federal partners in developing a common approach to the information exchanges required to secure our border.

Our Information Sharing and Knowledge Management (ISKM) group continues to provide forward leaning and formative assistance to the State and Local Program Office in a number of ways to achieve the goal of enhanced information exchange and the development of collaborative projects. For example, DHS hosts a weekly threat teleconference with the 26 fusion centers that have joined the Community of Interest created by ISKM to provide the DHS perspective on threats and to allow states the opportunity to discuss threats from their perspective. This weekly conference is gaining wide praise for the openness of the content and its ability to bring many areas of concern to the attention of a national audience whose unique perspectives inform our many analytical efforts at headquarters. Additionally, ISKM has taken the lead in providing technical solutions to the fusions centers to include Secret Video Teleconferencing (SVTC) capabilities, Homeland Security Data Network, our SECRET-level data network, which will be in 20 fusion centers by the end of this year and double that number by the end of next year.

Further, Madam Chairwoman, I am particularly pleased to report to you that the Interagency Threat Assessment & Coordination Group, or ITACG—mandated by Guideline Two of the President’s 2005 Memorandum to Heads of Departments and Agencies and recently enacted into law by the 9/11 Act, or PL 110–53—will soon begin operation at the National Counterterrorism Center (NCTC).

As you know, the ITACG will advise, counsel, and use its subject matter experts, including federal and state and local officials, to educate NCTC and other federal agencies, whose products ultimately are destined for state and local consumers, on what is most important and actionable from their perspective. Per the direction of both the President and the Congress, the ITACG's advice, counsel, and subject matter expertise will facilitate the production and dissemination to state and local stakeholders of "federally-coordinated terrorism information products" in the areas of time-sensitive threats, situational awareness reporting, and strategic assessments. Moreover, for the first time ever, state and local officials in fusion centers will have access to key systems and information available at NCTC.

The ITACG initiative will facilitate the dissemination of key information and analyses to our fusion center efforts and provide a unique access into the Intelligence Community's terrorism-related holdings. This initiative was requested by many fusion center leaders and the Major City Chiefs Association and we are pleased to report progress in its implementation.

Within I&A routine communications and information exchanges occur 24 hours a day, seven days a week. We have undertaken a review of our existing channels and seek to continuously improve them. Presently a Fusion Cell is continuously manned at the National Operations Center in DHS to keep the Secretary and senior leadership apprised of all activities relating to DHS' interactions with State and local governments. Fusion centers reach out to this cell for routine and emergent information and intelligence exchanges. DHS has recently decided to expand this desk to

work in the TS/SCI realm along with the present SECRET level area within the NOC.

All of the efforts currently underway to support the fusion centers and State and local information needs more broadly are foundationally supported by effective training. When Mr. Allen last spoke with you on fusion centers, Madame Chairwoman, earlier this year you closed the discussion with a very poignant remark concerning the need for training. I am pleased to inform you that our Mission Integration Division's Training Branch has worked diligently to address your concerns. Every one of our DHS officers receives training from the Offices of General Counsel and Civil Rights/Civil Liberties. The Department of Justice along with DHS' Technical Assistance Office in FEMA has facilitated two regional workshops to help fusion centers begin to develop and implement policy relating to privacy and civil liberties.

Individual training supports the intelligence cadre of the fusion centers. This mobile training is synchronized with standard intelligence and privacy and civil rights/civil liberties training offered to DHS intelligence officers. The set of training courses include a Privacy, Civil Liberties and Civil Rights Overview; Reports Officer Training; Intelligence Writing and Briefing; Critical Thinking and Analytic Methods; and Intelligence Oversight and / or the Criminal Intelligence Systems Operating Policies under Title 28 CFR Part 23. We have also hosted discussions with privacy rights advocates to capture their insights and understand their concerns.

I must also mention the many staff officers in I&A who work tirelessly to support our State and Local Program Office in a variety of ways, whether through support to budgeting and planning or even the very real processes of preparing testimony for this committee on the program. It should not go unnoticed that these back office functions are every bit as important as the direct day-to-day analytical and technical support our office provides to our State and local customers. Our security division in particular provides direct security support to the fusion centers on a daily basis. They are in fact the security managers for each and every state and local partner, providing security clearances, facility clearances – allowing the deployment of our secure IT platforms - and general subject matter expertise.

With the assistance of the Program Manager, Information Sharing Environment (PM-ISE) a combined Federal and State fusion center policy group has been created to take a continuous look at the issues affecting and relating to fusion centers. The National Fusion Center Coordination Group, co-chaired by our State and Local Program Director, Mr. Robert Riegler and Special Agent Mines, has taken a proactive approach to the formulation of standards for the centers in areas of training, civil liberties and civil rights, privacy and baseline qualifications for analysts. I felt it important to bring this to your attention as I know it to be a topic of great interest to you as evidenced by your inclusion of \$8 million in the Iraq War Supplemental, to allow the State and Local Fusion Centers to address many of the concerns outlined in Mr. Allen's previous visits before this Committee. I am pleased to inform you that \$500,000 of this money is planned specifically for training in fusion centers on Civil Liberties and Privacy and will soon be

delivered to our Civil Liberties and Civil Rights Office through an interagency agreement.

Congress continues to be a significant contributor to our success. Recognition of our efforts in the Implementing Recommendations of the 9/11 Commission Act of 2007 (PL 110-53) will help us as we build and sustain the Program. We are on track to provide a Department-wide Concept of Operations for interaction with fusion centers by November as required by the Act.

I would like to take a moment and detail what the current efforts to support State and Local Fusion Centers has accomplished. We have seen fusion centers serve as hubs for intelligence collection and analysis all over the country – allowing us all the ability to determine the exact nature of threats, separate the credible from the non-credible, and make decisions about what actions to take to protect local communities. They support vertical integration through all levels of government as well as horizontal integration across the nation.

Recently the New York State Intelligence Center (NYSIC) received three reports of unexplained behavior that took place in three different communities across the State. A request was made to the Office of Intelligence and Analysis to see if there were other similar reports across the country. We checked Intelligence Community, DHS, and fusion center databases revealing several other instances of this sort of behavior. As stated by New York Deputy Secretary for Public Safety, Michael Balboni,



“It is this type of connectivity to the DHS community which will provide the intelligence to prevent another attack.”

Last year, we received threat information that a tall building in Los Angeles was the target of a potential attack. We had to decide quickly whether this threat was credible, what information to share, and what actions to take. Because we had a DHS officer stationed in the Los Angeles Joint Regional Intelligence Center, we immediately communicated the information to him and offered our view that the threat had little credibility, but we wanted to obtain the view from the local level. Our officer reached out to the FBI field office and the JTTF and together they analyzed the credibility of the threat. DHS, FBI, and local law enforcement partners in the JRIC – including the Los Angeles Police Department and Los Angeles County Sheriff’s Department – presented that assessment to officials in the Los Angeles area and the California Office of Homeland Security. Together, all of these partners came to a decision that the threat was not credible. Why is this important? First, it saved time and ensured a rapid response. Information flowed quickly and was immediately acted upon. Second, it was a coordinated effort. Everyone came to an agreement about what needed to be done and did not waste a lot of time or resources on something that ended up being not credible. Third – and most importantly – it allowed state and local authorities to work directly with the Intelligence Community to corroborate, or in this case refute, threat information originating overseas. The allocation of resources to a non-credible threat did not occur ensuring these assets remained available for other efforts that required their use. This is a new capability that really didn’t exist before.

During the unfolding events of the Virginia Tech incident earlier this year, the Virginia Fusion Center, the Virginia State Police, and our officer in that Center, were able to keep our office and the Secretary informed as the event unfolded. This spirit of cooperation allowed us to keep other Homeland Security stakeholders around the country in the loop as we quickly determined that this was not a terrorist act. The Virginia Fusion Center, responsible for providing information to the investigators on the ground, contacted the DHS Law Enforcement Support Center, the LESC, to verify the citizenship status of the perpetrator as well as information relating to the owner of the weapons found at the scene. The need to rule out terrorism was especially important to Virginia's fellow States as they all needed to know whether their own Universities were at risk.

And most recently, a traffic stop in Goose Creek, South Carolina for speeding occurred involving a car with Florida tags. The two Egyptian nationals in the vehicle had materials that could possibly be used in making explosives as well as bomb-making manuals. The FBI was notified. Both subjects were charged under State law with "possession of a destructive device". Both remain at the Berkeley County Detention Center facing charges relating to immigration violations, which were brought by Immigration and Customs Enforcement officers in DHS . This event highlights the value of having a national fusion center network; nodes in each state prepared to field inquiries from other state and Federal agencies and respond quickly to a suspect activity consistent with terrorism. In this case, the fusion centers and the deployed DHS Intelligence and Analysis officers worked closely together with the FBI to meet the immediate information needs of the law enforcement agencies on the ground.

Information is our nation's force multiplier against potential terrorist attacks and crime. In all these cases, information was leveraged quickly and completely to enable action.

## **Future Challenges**

I believe that I have given you a good understanding on the current status of State and local fusion center efforts, and I am sure Mr. Mines will have more information to add. What I would like to do now is answer the second part of the committee's request, which asked that I detail some of the challenges and what Congress might do to help.

At the outset of our program's development, we understood that identifying, hiring and retaining qualified personnel to deploy to the fusion centers as our single greatest risk to the program. These people are individual contributors and, in many cases, the single face of DHS to the partners in the fusion centers. They have a complex job and our information sharing efforts often fall completely in their laps – they have to balance sensitive situations in their states as well as engage the National Intelligence Community to ensure that everyone has the information they need, when they need it. We depend on these people a great deal.

Finding the right officer, with appropriate skills, in this highly competitive environment can be difficult. Even though we are a member of the Intelligence Community, as part of DHS, we are required to use the competitive service processes to hire people. This process often does not

identify those people we need for these critical positions in a timely and efficient manner.

The Senate Select Intelligence Committee drafted a provision in its FY 2008 authorization bill that allows the DNI to convert competitive service positions within an IC element to excepted service positions. We support this provision.

We welcome Congress' support of our activities. The Implementing Recommendations of the 9/11 Commission Act, however, add several tasks to our current Program. We have analyzed these requirements and recognize that we will need to substantially reprioritize our efforts to ensure we are doing all we can to comply. Several of these efforts have been included in the strategic plan previously mentioned, but we must increase the scope and the scale of the efforts, including:

- Incorporate information gathered in fusion centers into DHS' own information
- Integrate the fusion centers into exercises
- Provide more fusion center management assistance
- Provide robust training for fusion center personnel on-site
- Assign officers and intelligence analysts from DHS components
- Provide officers and analysts at all levels with continuing privacy and civil liberties training, and
- Prioritize support to border fusion centers.

We need to carry out all of these responsibilities.

As you are aware State and local fusion centers were the focus of a Congressional Research Service Report. While we agree with many of the recommendations detailed in the annex of the report, we find the main body to be in error in one simple premise made by the report, that fusion centers are neglecting their primary mission, that of counter-terrorism. We do not agree with that assessment, since the premise is false. The vast majority of centers stood up as “all crimes” centers or “all crimes, all threats, and all hazards” centers. They like DHS understand there are many criminal interdependencies relating to terrorism and also understand that threat mitigation, regardless of the source of threat requires a coordinated and competent analytical and information exchange to be successful. The counter-terrorism role remains important to them and continues to receive a great deal of attention in spite of the report’s conclusion. In addition, DHS works closely with state and local communities, not only through law enforcement channels, but through mayors’ and governors’ offices. This enables the analysis we jointly provide to enable, not only law enforcement actions, but broader community policies and programs that allow us to tackle problems before they become criminal. For example, a radicalization threat study that focused on at-risk youth or insular immigrant populations might influence state and local officials to focus on outreach and social service solutions. We in DHS intelligence support the centers by looking intensely at terrorism, but we look at terrorism through the broader prism of threats to the homeland.

Fusion centers remain heavily scrutinized, The Government Accountability Office will soon be releasing their report on fusion centers and just this past

week we received notice of a DHS Inspector General's investigation prompted by the House Homeland Security Committee Chairman which seeks to review the State and Local Fusion Center Program and is due out early next year. We welcome the scrutiny because we are comfortable in our approach and believe we have made major progress in just over a year in managing the program. We believe in our State and local government partner's ability to manage the information exchange in an environment they control and we know of no other effort that has captured this much momentum and success in such a short period of time. We are sensitive to the scrutiny of the many civil liberties organizations of our mutual information exchanges with our State and local partners. Our program office, which is smaller than you might imagine struggles mightily to address and respond to these concerns. I think however it important to emphasize that we have thus far only responded to the potential for abuses, we are not aware of any actual abuses occurring in our information exchanges, nor does evidence suggest that there are any. I applaud Congress on their efforts to assist our office as we move forward in this relationship.

### **Final Thoughts**

I would like take a moment to share some highlights of our recent progress in the areas of outreach, focused requirements development, and enhanced internal coordination. As the fusion center concept evolves, it is becoming clear that there are other non-traditional partners who may have a legitimate need to participate, and we have begun discussions on how to incorporate their needs.

Just in the past several weeks, senior DHS intelligence representatives have engaged potentially vital new partners in our information-sharing efforts. New York City Fire Commissioner Nicholas Scoppetta and Mr. Allen keynoted the first national meeting of the Fire Service Intelligence Enterprise Conference. At this first-of-its-kind conference, the major city fire chiefs and our federal representatives explored ways in which the first responder community can become more integrated into our networks, and how we can produce information tailored to their needs. We brought their ideas back to Washington, and met with senior leadership of the Federal Emergency Management Agency, which oversees the U.S. Fire Administration and its many member organizations. This step reinforces DHS' position that many first responders are the first to identify threats in their regions and they too are a valuable and contributing member to the fusion process.

You may be aware that this year DHS, along with our federal partners sponsored the first ever National Fusion Center Conference in Destin, FL. I believe several staffers were in attendance and we were also fortunate to have the Secretary speak at this conference as well. The Destin conference had over 600 attendees, nearly 450 of which were State or local representatives. Next year's conference will be held in San Francisco and will focus on the inclusion of non-traditional partners in fusion centers to include Fire/EMS, public safety, natural resource managers, and public health to name a few. This conference is expected to host nearly one thousand guests this year and we expect the vast majority to be our State and local partners. I extend to you now, Madame Chairwoman, an invitation to meet with these fine partners in March next year, as I know this is your

home State. Many of the Fire Chiefs I mentioned earlier will be in attendance. This signifies our intention to assist State and local governments in the continuing development of these centers,

In the same time period as the Fire Services Intelligence Enterprise meeting, I attended the DSAC Academy, sponsored by the FBI. The Domestic Security Advisory Council has been developed using the successful model of OSAC in the Department of State. Chief Intelligence Officer Allen has made a commitment for I&A to be full partners with the Bureau in this important initiative. This joint FBI/DHS Program is intended to provide the private sector in the United States with threat information that will inform their decisions on how to mitigate threats, and open a channel to DHS and the Bureau for intelligence from the private sector.

Finally, and perhaps as important as any of our initiatives, we are conducting a pilot program concentrating on five fusion centers in New York, California, Florida, Massachusetts, and Illinois. The pilot program is being driven by a small team of experienced security and intelligence personnel. The goal is to improve DHS's ability to meet the needs of fusion centers in three key areas: standing information needs, requests for information, and open source support. The team has visited the pilot sites, and engaged the centers' leadership and staff. Based on their feedback, we are working to adjust the way we receive and respond to fusion center strategic and tactical information needs, while ensuring the protection of our citizen's fundamental rights. We also will help fusion centers improve their ability to exploit open source information. In the coming months, DHS will pilot new procedures with the five sites, continuously seeking their input along the



way to ensure that their needs are being met effectively and efficiently. While the Department and its components have been delivering products to our partners for years, the fusion center pilot program gives us an opportunity to fine-tune these products based on the direct, continuous input of our state and local partners and increase the products' value. We will implement changes which emerge from the pilot with fusion centers across the country.

While it is barely a year old, the State and Local Fusion Center Program is making steady, solid progress toward accomplishing the critical national mission of creating an information sharing environment that works for all of us.

I'll be happy to take your questions.