

Combating Terrorism: Observations on Options to Improve the Federal Response (24-APR-01, GAO-01-660T).

This testimony discusses three bills that would change the overall leadership and management of programs to combat terrorism. The three bills--H.R. 525, H.R. 1158, and H.R. 1292--vary in scope. H.R. 525 focuses on federal programs to prepare state and local governments for domestic terrorist attacks. Both H.R. 1158 and H.R. 1292 focus on the larger issue of homeland security, which includes terrorism and additional threats such as military attacks. The bills are similar in that they all advocate a single focal point for programs to combat terrorism. However, some bills place the focal point in the Executive Office of the President and others place it with a lead executive agency. In addition, the three bills provide the focal point with different, but often similar, duties to improve the management of federal programs. To the extent that these three bills--or some hybrid of them--address these problem areas, GAO believes that federal programs to combat terrorism will be improved. It will be important to develop a consensus on these matters and provide the focal point with legitimacy and authority through legislation are important tasks that lie ahead.

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COMBATING TERRORISM

Observations on Options to Improve the Federal Response

Statement of Raymond J. Decker, Director, Defense Capabilities and
Management

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Messrs. Chairmen and Members of the Subcommittees: We are pleased to be here to discuss three bills- H. R. 525, H. R. 1158, and H. R. 1292- to change the overall leadership and management of programs to combat terrorism. Federal efforts to combat terrorism are inherently difficult to lead and manage because the policy, strategy, programs, and activities cut across many agencies. Given that \$11 billion will be spent during fiscal year 2001 and that more than 40 federal agencies are involved in this matter, we view this hearing as a positive step in the ongoing debate about the overall leadership and management of programs to combat terrorism.

We will also discuss additional related proposals from other congressional sources, such as Committee reports and commissions. One of these, the Hart-Rudman Commission, had a scope beyond terrorism, including the broader issue of homeland security.

Our testimony is based upon our extensive evaluations- many of them for your Subcommittees- of federal programs to combat terrorism. 1 Most of our experience is in evaluating programs to combat terrorism, and not the broader topic of homeland security. First, we will discuss the three bills and related proposals and how they are similar and different. Second, we will discuss key problems we have noted in federal programs to combat

terrorism and how each of the bills might provide a solution to these problems. In the course of this discussion, we will highlight specific provisions of each bill that could enhance the others.

The three bills and related proposals vary in scope. H. R. 525 focuses on federal programs to prepare state and local governments for dealing with domestic terrorist attacks. Both H. R. 1158 and H. R. 1292 focus on the larger issue of homeland security, which includes terrorism and additional threats such as military attacks. Other proposals include both domestic and international terrorism and/ or both crisis and consequence management. 2 The bills and related proposals are similar in that they all

1 Our related reports and testimonies are listed in appendix I. 2 Crisis management includes efforts to stop a terrorist attack, arrest terrorists, and gather evidence for criminal prosecution. Consequence management includes efforts to provide medical treatment and emergency services, evacuate people from dangerous areas, and restore government services. Summary

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advocate a single focal point for programs to combat terrorism. However, the bills and proposals vary in where they place the focal point. Some of them place the focal point in the Executive Office of the President and others place it with a Lead Executive Agency. Both locations have potential advantages and disadvantages.

Based upon the problems we have identified during 5 years of evaluations, we believe the following actions need to be taken: (1) create a single highlevel federal focal point for policy and coordination, (2) develop a comprehensive threat and risk assessment, (3) develop a national strategy with a defined end state to measure progress against, (4) analyze and prioritize governmentwide programs and budgets to identify gaps and reduce duplication of effort, and (5) coordinate implementation among the different federal agencies. To the extent that these three bills- or some hybrid of them all- address these five actions, we believe that federal programs to combat terrorism will be improved.

Three recent bills have been introduced to change the overall leadership and management of programs to combat terrorism and homeland security. On February 8, 2001, Representative Gilchrest introduced H. R. 525, the Preparedness Against Domestic Terrorism Act of 2001, which proposes establishing a President's Council on Domestic Terrorism Preparedness within the Executive Office of the President to address preparedness and consequence management issues. On March 21, 2001, Representative Thornberry introduced H. R. 1158, the National Homeland Security Act, which advocates the creation of a cabinet- level head within the proposed National Homeland Security Agency to lead homeland security activities. On March 29, 2001,

Representative Skelton introduced H. R. 1292, the Homeland Security Strategy Act of 2001, which calls for the development of a homeland security strategy developed by a single official designated by the President.

Related proposals from congressional committee reports and congressionally chartered commissions provide additional, often complementary, options for structuring and managing federal efforts to combat terrorism. These include Senate Report 106- 404 to Accompany H. R. 4690 on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Bill 2001, submitted by Senator Gregg on September 8, 2000; the report by the Gilmore Panel (the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, chaired by Governor James S. Gilmore, III) dated December 15, 2000; and the report of the Hart- Rudman Background

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Commission (the U. S. Commission on National Security/ 21st Century, chaired by Senators Gary Hart and Warren B. Rudman) dated January 31, 2001. 3 H. R. 1158 is based upon the report of the Hart- Rudman Commission.

The bills and related proposals vary in the scope of their coverage. H. R. 525 focuses on federal programs to prepare state and local governments for dealing with domestic terrorist attacks. Both H. R. 1158 and H. R. 1292 focus on the larger issue of homeland security that includes threats other than terrorism, such as military attacks. However, only H. R. 1292 includes a specific definition of homeland security. The Senate Report 106- 404 proposal is limited to domestic terrorism preparedness, including programs for both crisis and consequence management. The Gilmore Panel report includes both international and domestic terrorism programs. The Hart- Rudman Commission report (like H. R. 1158) focuses on the larger issue of homeland security.

The bills and related proposals also vary in where they locate the focal point for overall leadership. Federal efforts to combat terrorism are inherently difficult to lead and manage because the policy, strategies, programs, and activities to combat terrorism cut across more than 40 agencies. The bills and related proposals would create a single focal point for programs to combat terrorism, and some would have the focal point perform many of the same functions. For example, some of the proposals would have the focal point lead efforts to develop a national strategy. The proposals (with one exception) would have the focal point appointed with the advice and consent of the Senate. The various bills and proposals differ in where they would locate the focal point for overall leadership and management. The two proposed locations for the focal point are in the Executive Office of the President or in a Lead Executive Agency.

Table 1 summarizes the various bills and proposals regarding the focal point for overall leadership, the scope of its activities, and its location.

3 Another congressionally mandated commission, the National Commission on Terrorism chaired by Ambassador Paul Bremer, is not included in our analysis because it was primarily focused on international terrorism and did not address domestic terrorism or homeland security. Bills and Related

Proposals Vary in Scope and the Location of Overall Leadership

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Table 1: Proposals to Create a Focal Point for Overall Leadership and Management of Programs to Combat Terrorism
Source of proposal Focal point for overall leadership Scope of responsibilities Location of focal point

H. R. 525 President's Council on Domestic Terrorism Preparedness Domestic terrorism preparedness Executive Office of the

President H. R. 1158 Cabinet- level head of proposed

National Homeland Security Agency

Homeland security (including domestic terrorism, maritime and border security, disaster relief and critical infrastructure activities)

Lead Executive Agency (National Homeland Security Agency)

H. R. 1292 Single official to be designated by the President Homeland security (including

antiterrorism and protection of territory and critical infrastructures from unconventional and conventional threats by military or other means)

To be determined based upon the President's designation

Senate Report 106- 404 Deputy Attorney General for Combating Counterterrorism Domestic terrorism preparedness

(crisis and consequence management)

Lead Executive Agency (Department of Justice)

Gilmore Panel National Office for Combating Terrorism Domestic and international terrorism

(crisis and consequence management)

Executive Office of the President

Hart- Rudman Commission Cabinet- level head of proposed

National Homeland Security Agency

Homeland security (including domestic terrorism, maritime and border security, disaster relief, and critical infrastructure activities)

Lead Executive Agency (National Homeland Security Agency)

Source: GAO analysis of various proposals.

Based upon our analysis of legislative proposals, various commission reports, and our ongoing discussions with agency officials, each of the two locations for the focal point- the Executive Office of the President or a Lead Executive Agency- has its potential advantages and disadvantages. An important advantage of placing the position with the Executive Office of the President is that the focal point would be positioned to rise above the particular interests of any one federal agency. Another advantage is that the focal point would be located close to the President to resolve cross agency disagreements. A disadvantage of such a focal point would be the potential to interfere with operations conducted by the respective executive agencies. Another potential disadvantage is that the focal point might hinder direct communications between the President and the cabinet officers in charge of the respective executive agencies.

Alternately, a focal point with a Lead Executive Agency could have the advantage of providing a clear and streamlined chain of command within an agency in matters of policy and operations. Under this arrangement, we believe that the Lead Executive Agency would have to be one with a dominant role in both policy and operations related to combating terrorism. Specific proposals have suggested that this agency could be

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either the Department of Justice (per Senate Report 106- 404) or an enhanced Federal Emergency Management Agency (per H. R. 1158 and its proposed National Homeland Security Agency). Another potential advantage is that the cabinet officer of the Lead Executive Agency might have better access to the President than a mid- level focal point with the Executive Office of the President. A disadvantage of the Lead Executive Agency approach is that the focal point- which would report to the cabinet head of the Lead Executive Agency- would lack autonomy. Further, a Lead Executive Agency would have other major missions and duties that might distract the focal point from combating terrorism. Also, other agencies may view the focal point's decisions and actions as parochial rather than in the collective best interest.

Based upon the problems we have identified during 5 years of GAO

evaluations, we believe the following actions need to be taken: (1) create a single high-level federal focal point for policy and coordination, (2) develop a comprehensive threat and risk assessment, (3) develop a national strategy with a defined end state to measure progress against, (4) analyze and prioritize governmentwide programs and budgets to identify gaps and reduce duplication of effort, and (5) coordinate implementation among the different federal agencies. The three bills would collectively address many of these actions. We will now discuss each of these needed actions, executive branch attempts to complete them, and how the three bills would address them.

In our testimony last May, we reported that overall federal efforts to combat terrorism were fragmented. 4 To provide a focal point, the President appointed a National Coordinator for Security, Infrastructure Protection, and Counterterrorism at the National Security Council. 5 This position, however, has significant duties indirectly related to terrorism, including infrastructure protection and continuity of government operations. Notwithstanding the creation of this National Coordinator, it was the Attorney General who led interagency efforts to develop a

4 Combating Terrorism: Comments on Bill H. R. 4210 to Manage Selected Counterterrorist Programs (GAO/ T- NSIAD- 00- 172, May 4, 2000). 5 In May 1998, the President established the Office of the National Coordinator for Security, Infrastructure Protection, and Counterterrorism within the National Security Council, which is tasked to oversee a broad variety of relevant policies and programs. The Three Bills Would

Address Some Key Actions Needed to Combat Terrorism

Need for a Single Focal Point

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national strategy. Thus, at least two top officials are responsible for combating terrorism, and both of them have other significant duties.

- H. R. 525 would set up a single, high-level focal point in the President's Council on Domestic Terrorism Preparedness. In addition, H. R. 525 would require that the new Council's executive chairman- who would represent the President as chairman- be appointed with the advice and consent of the Senate. This last requirement would provide Congress with greater influence and raise the visibility of the office.

- H. R. 1158 would designate the Director of the proposed National Homeland Security Agency as the focal point for policy and coordination. As with H. R. 525, the appointment of the Director by the President and with the advice and consent of the Senate, provides Congress with greater influence and raises the visibility of the office.

- H. R. 1292 would require the President to designate a single official within the U. S. government to be responsible and accountable to the President concerning homeland security.

We testified in July 2000 that one step in developing sound programs to combat terrorism is to conduct a threat and risk assessment that can be used to develop a strategy and guide resource investments. 6 Based upon our recommendation, the executive branch has made progress in implementing our recommendations that threat and risk assessments be done to improve federal efforts to combat terrorism. However, we remain concerned that such assessments are not being coordinated across the federal government.

- H. R. 525 would require a threat, risk, and capability assessment that examines critical infrastructure vulnerabilities, evaluates federal and applicable state laws used to combat terrorist attacks, and evaluates available technology and practices for protecting critical infrastructure against terrorist attacks. This assessment would form the basis for the domestic terrorism preparedness plan and annual implementation strategy.

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(GAO/ T- NSIAD- 00- 218, July 26, 2000). Need for a Threat and Risk

Assessment

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- Although H. R. 1158 would not require the National Homeland Security Agency Director to conduct a threat and risk assessment, it directs this individual to establish and maintain strong mechanisms for sharing information and intelligence with U. S. and international intelligence entities. Information and intelligence sharing may help identify potential threats and risks against which the United States could direct resources and efforts.
- H. R. 1292 would require the President to conduct a comprehensive homeland security threat and risk assessment. This assessment would be the basis for a comprehensive national strategy.

In our testimony last July, we noted that the United States has no comprehensive national strategy that could be used to measure progress. 7 The Attorney General's Five- Year Plan 8 represents a substantial interagency effort to develop a federal strategy, but it lacks defined outcomes. The Department of Justice believes that their current plan has measurable outcomes about specific agency actions. However, in our view, the plan needs to go beyond this to define an end state. As we have previously testified, the national strategy should incorporate the chief tenets of the

Government Performance and Results Act of 1993 (P. L. 130- 62). The Results Act holds federal agencies accountable for achieving program results and requires federal agencies to clarify their missions, set program goals, and measure performance toward achieving these goals. 9

- H. R. 525 would require the new council to publish a domestic terrorism preparedness plan with objectives and priorities; an implementation plan; a description of roles of federal, state, and local activities; and a defined end state with measurable standards for preparedness.
- H. R. 1158 would require the annual development of a federal response plan for homeland security and emergency preparedness and would

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(GAO/ T- NSIAD- 00- 218, July 26, 2000). 8 In December 1998, the Attorney General published the classified Five- Year Interagency Counterterrorism and Technology Crime Plan. An annual update on accomplishments is to be published.

9 Combating Terrorism: Comments on Counterterrorism Leadership and National Strategy (GAO- 01- 555T, Mar. 27, 2001). Need for a National

Strategy

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require the Director to provide overall planning and guidance to federal agencies concerning homeland security. The bill would require the Director to work with state and local governments, but it would not explicitly require that the plan include the roles of state and local governments.

- H. R. 1292 would require the President to develop a strategy and multiyear phased implementation plan and budget for antiterrorism and consequence management. The bill requires the inclusion of specific, measurable objectives based on findings identified in a threat and risk assessment. Furthermore, it requires the strategy to (1) define federal agencies' responsibilities; (2) permit the selective use of military personnel and assets without infringing on civil liberties; (3) provide for the use of intelligence assets and capabilities; and (4) augment existing medical response capabilities and equipment stockpiles at the federal, state, and local levels.

In our December 1997 report, we reported that there was no mechanism to centrally manage funding requirements and requests to ensure an efficient, focused governmentwide approach to combat terrorism. 10 Our work led to legislation that required the Office of Management and Budget to provide annual reports on governmentwide spending to combat terrorism. 11 These

reports represent a significant step toward improved management by providing strategic oversight of the magnitude and direction of spending for these programs. Yet, we have not seen evidence that these reports have established priorities or identified duplication of effort.

- H. R. 525 would require the new council to develop and make budget recommendations for federal agencies and the Office of Management and Budget. The Office of Management and Budget would have to provide an explanation in cases where the new council's recommendations were not followed. The new council would also identify and eliminate duplication, fragmentation, and overlap in federal preparedness programs.

- H. R. 1158 would not explicitly require an analysis and prioritization of governmentwide budgets to identify gaps and reduce duplication of effort. Rather, it would require the Director to establish procedures to ensure

10 Combating Terrorism: Spending on Governmentwide Programs Requires Better Management and Coordination (GAO/ NSIAD- 98- 39, Dec. 1, 1997). 11 National Defense Authorization Act for Fiscal Year 1998 (P. L. 105- 85 section 1051).
Need to Analyze and

Prioritize Governmentwide Programs and Budgets

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that the planning, programming, budgeting, and financial activities of the National Homeland Security Agency use funds that are available for obligation for a limited number of years.

- H. R. 1292 would provide for the development of a comprehensive budget based on the homeland security strategy and would allow for the restructuring of appropriation accounts by the Director of the Office of Management and Budget as necessary to fulfill the organizational and operational changes needed to implement the national strategy.

In our April 2000 testimony, we observed that federal programs addressing terrorism appear in many cases to be overlapping and uncoordinated. 12 To improve coordination, the executive branch created organizations like the National Domestic Preparedness Office and various interagency working groups. In addition, the annual updates to the Attorney General's Five- Year Plan now tracks individual agencies' accomplishments. Nevertheless, we have noted that the multitude of similar federal programs have led to confusion among the state and local first responders they are meant to serve.

- H. R. 525 would require the new council to coordinate and oversee the implementation of related programs by federal agencies in accordance with the proposed domestic terrorism preparedness plan. The new council would also make recommendations to the heads of federal agencies regarding their

programs. Furthermore, the new council would provide notification to any department that it believes has not complied with its responsibilities under the plan.

- H. R. 1158 would require extensive coordination among federal agencies- especially those under the National Homeland Defense Agency- concerning their activities relating to homeland security. For instance, the bill would require the agency's Directorate of Critical Infrastructure Protection to coordinate efforts to address vulnerabilities in the U. S. critical infrastructure by working with other federal agencies to establish security policies, standards, and mechanisms and to share intelligence. Additionally, H. R. 1158 would instruct the Directorate for Emergency Preparedness and Response to coordinate activities among private sector

12 Combating Terrorism: Issues in Managing Counterterrorist Programs

(GAO/ T- NSIAD- 00- 145, Apr. 6, 2000). Need to Coordinate

Implementation

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entities and federal agencies and the bill would delegate the coordination of all U. S. border security activities to the Directorate of Prevention.

- H. R. 1292 would require a national strategy to provide for the coordination of federal programs. For example the strategy would identify federal agencies and their respective roles and responsibilities for homeland security.

In our ongoing work, we have found that there is no consensus- in Congress, the Executive Branch, the various panels and commissions, and among organizations representing first responders- on the matters discussed in our testimony. Specifically, there is no consensus on the required scope of duties or the location for a single focal point. In addition, the three bills provide the focal point with different, but often similar, duties to improve the management of federal programs. To the extent that these three bills- or some hybrid of them all- address the problem areas we have identified above, we believe that federal programs to combat terrorism will be improved. Developing a consensus on these matters and providing the focal point with legitimacy and authority through legislation, is an important task that lies ahead. We believe that this hearing and the debate that it engenders, will help to reach that consensus.

This concludes our testimony. We would be happy to answer any questions you may have.

For future questions about this testimony, please contact Raymond J. Decker,

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GAO Contacts and Staff Acknowledgment

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Combating Terrorism: Comments on Counterterrorism Leadership and National Strategy (GAO- 01- 556T, Mar. 27, 2001)

Combating Terrorism: FEMA Continues to Make Progress in Coordinating Preparedness and Response (GAO- 01- 15, Mar. 20, 2001).

Combating Terrorism: Federal Response Teams Provide Varied Capabilities; Opportunities Remain to Improve Coordination

(GAO- 01- 14, Nov. 30, 2000).

Combating Terrorism: Linking Threats to Strategies and Resources

(GAO/ T- NSIAD- 00- 218, July 26, 2000).

Combating Terrorism: Comments on Bill H. R. 4210 to Manage Selected Counterterrorist Programs (GAO/ T- NSIAD- 00- 172, May 4, 2000).

Combating Terrorism: How Five Foreign Countries Are Organized to Combat Terrorism (GAO/ NSIAD- 00- 85, Apr. 7, 2000).

Combating Terrorism: Issues in Managing Counterterrorist Programs

(GAO/ T- NSIAD- 00- 145, Apr. 6, 2000).

Combating Terrorism: Need to Eliminate Duplicate Federal Weapons of Mass Destruction Training (GAO/ NSIAD- 00- 64, Mar. 21, 2000).

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Combating Terrorism: Issues to Be Resolved to Improve Counterterrorist Operations (GAO/ NSIAD- 99- 135, May 13, 1999).

Combating Terrorism: Observations on Federal Spending to Combat Terrorism

(GAO/ T- NSIAD/ GGD- 99- 107, Mar. 11, 1999).

Combating Terrorism: Opportunities to Improve Domestic Preparedness Program Focus and Efficiency (GAO/ NSIAD- 99- 3, Nov. 12, 1998). Appendix I: Related GAO Products

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Combating Terrorism: Observations on Crosscutting Issues

(GAO/ T- NSIAD- 98- 164, Apr. 23, 1998).

Combating Terrorism: Threat and Risk Assessments Can Help Prioritize and Target Program Investments (GAO/ NSIAD- 98- 74, Apr. 9, 1998).

Combating Terrorism: Spending on Governmentwide Programs Requires Better Management and Coordination

(GAO/ NSIAD- 98- 39, Dec. 1, 1997).

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