

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION AND HOMELAND SECURITY**

**Seventy-third Session
February 8, 2005**

The Senate Committee on Transportation and Homeland Security was called to order by Chair Dennis Nolan at 1:31 p.m. on Tuesday, February 8, 2005, in Room 2149 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Dennis Nolan, Chair
Senator Joe Heck, Vice Chair
Senator Mark E. Amodei
Senator Michael Schneider
Senator Maggie Carlton
Senator Steven Horsford

COMMITTEE MEMBERS ABSENT:

Senator Maurice E. Washington (Excused)

STAFF MEMBERS PRESENT:

Patrick Guinan, Committee Policy Analyst
Lee-Ann Kever, Committee Secretary
Sherry Rodriguez, Committee Secretary

OTHERS PRESENT:

Dr. Dale M. Carrison, Director, Nevada Commission on Homeland Security
Frank Siracusa, Chief, Division of Emergency Management, Department of Public Safety
Kimberly McDonald, Nevada Commission on Homeland Security
Giles Vanderhoof, Major General, The Adjutant General of Nevada

CHAIR NOLAN:

Homeland security is at a high level of importance. There needs to be distinction and focus on security issues that will be brought before this Legislature.

Previously, homeland security issues had fallen under a number of different committees. The Senate has put together a group of legislators with background and expertise in these areas to focus on topics paramount to the nature of homeland security. The task of homeland security is an addition to what this Committee has dealt with in the past. It is serious and an important issue. I am looking forward to those issues and the Committee's involvement.

Our policy analyst is going to give a presentation which will include a broad range of statutes being added to this committee as a result of homeland security being assigned to the Senate Committee on Transportation and Homeland Security. There will be several bills that fall under these statutes and will be referred to this Committee.

The Committee has been provided with a copy of the Standing Rules of the Senate Committee on Transportation and Homeland Security ([Exhibit C](#)). Do we have a motion to adopt these rules?

SENATOR AMODEI MOVED TO ADOPT STANDING RULES OF THE SENATE COMMITTEE ON TRANSPORTATION AND HOMELAND SECURITY.

SENATOR SCHNEIDER SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR WASHINGTON WAS ABSENT FOR THE VOTE.)

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PATRICK GUINAN (Committee Policy Analyst):

I have provided the Committee with a copy of my prepared testimony which I will read to you ([Exhibit D](#)). Included with that document is a copy of the Committee Brief, Senate Committee on Transportation and Homeland Security, 2005 Legislative Session ([Exhibit E](#), original is on file in the Research Library), and a list of relevant bill draft requests (BDRs) ([Exhibit F](#)) that may be presented during this Legislative Session.

SENATOR NOLAN:

Although a number of issues coming before this Committee will be relatively insignificant, the homeland security issues are critical for the protection and safety of our citizens in this State.

Having sat on the State Emergency Response Commission and now on the Nevada Commission on Homeland Security, I am aware of the threat and vulnerabilities of this State. Many of our Committee members are also, as well as Senator Heck who has firsthand experience in this area.

We have a PowerPoint presentation ([Exhibit G](#)) on homeland security to show the members of this Committee and the audience here with us today. I felt this was appropriate to remind the Committee of why we are here dealing with this issue in the first place.

I am sure each of us remembers where we were when the tragedy of September 11, 2001 (9/11) occurred. What happened to this country was unthinkable. There are a group of people in this State, working everyday, dealing with this specific issue to see that it does not happen again. There are real threats to our major cities, hard targets like large structural buildings and soft targets such as elementary schools. Attacks such as 9/11 and domestic attacks which might be similar to the Columbine High School shooting on April 20, 1999 all wrap into our roles as members of this Committee to help protect the citizens of this State.

Prior to session, I sent Committee members a copy of *The 9/11 Commission Report*. If you read the first 15 pages, it will tell you how woefully unprepared as a nation, as a state and even our major communities are to address this same type of attack or threat. Yes, we have advanced in our preparation to protect the public from these types of attacks, yet there is still a lot to be done. This Committee is going to have an intricate part in making that a possibility.

DR. DALE M. CARRISON (Director, Nevada Commission on Homeland Security):

The Nevada Commission on Homeland Security was reorganized by the Governor. We have a clear objective of where we want to go with the Homeland Security Commission. It is not our job to get into the nuts and bolts of emergency management. Our purpose is to establish policies and make recommendations to the Governor on what the Commission feels are important issues for the protection of Nevada citizens.

The Commission is not simply here for weapons of mass destruction and homeland security. Our purpose is to make recommendations that will allow emergency management in Nevada to have an all-hazards management approach. Regardless of the cause of the disaster, our institutions and those responding will be prepared and have the resources available.

Since the formation of the Commission, we determined there were multiple areas of concerns with respect to our mission and guidelines. Some guidelines prevent us from operating as efficiently as we should. I have provided you with a small portion of my presentation ([Exhibit H](#)). Another document just made available today is the Commission on Homeland Security, the Governor's annual report. Everything the Commission has done, what the goals are to be accomplished, and the problems that we foresee are available in this document.

One of our difficulties is being able to hold committee meetings. The way the law is structured, the Commission cannot appoint a committee or a task force unless they are all Commission members. That clearly hinders the ability of the Commission to gather expertise from the community that could quite possibly present information that would allow us to make policy recommendations to benefit the State.

This document [Exhibit H](#) will clarify BDR 19-611. With your support, this request will enable the Commission to be more efficient at doing the job with which the Senate and Assembly have tasked us.

BILL DRAFT REQUEST 19-611: Makes various changes relating to the Nevada Commission on Homeland Security. (Later introduced as [Senate Bill 380](#).)

DR. CARRISON:

I have another document for the Committee entitled State-wide Threat and Vulnerability Based Risk Analysis (TVRA) ([Exhibit I](#)). When making recommendations for allocations of resources for the federal grant monies from the U.S. Department of Homeland Security (DHS), we need to have that vulnerability analysis, because without a TVRA, the ability of the Commission to make rational recommendations concerning allocation of resources is almost impossible.

No threat analysis has been done. We have made recommendations for the TVRA. I have provided you with a TVRA [Exhibit I](#) which was created by the

Institute for Security Studies at the University of Nevada, Las Vegas. The TVRA provides an introduction, an objective, definitions of terms, and a model, and then proposes how the study will be executed in Nevada.

We have made some recommendations. A letter is being sent to all counties in Nevada regarding the allocation of resources so we may be able to do the TVRA. We will meet again and make our final recommendation to the Governor about conducting this TVRA for our State. With the results, we can intelligently make decisions concerning the allocation of resources that will benefit most of the population and do the greatest good in Nevada.

There is another issue with DHS monies coming into Nevada and the various grant programs. We took a significant cut this year. The federal government does not understand that on any given day or weekend, Nevada may have 300,000 to 500,000 visitors. Our congressional delegations on both sides of the aisle are working hard on this. The Commission has made its recommendations. Tourism is a major consideration in the allocation of funds for protection of the people. If an event similar to 9/11 were to happen in Las Vegas, if our economy collapsed, it would have a profound effect, not only on us, but on the surrounding communities and throughout the United States.

Congress needs to be aware of that, obviously more aware than they are now, as is reflected in the reduced funding received by the State this year.

The Commission is not involved in recommending communication systems, but all institutions within Nevada need to be able to respond to a given situation. If there is an incident in northern Nevada and southern Nevada has to respond, those agencies responding must be able to communicate with each other.

Fortunately there is a separate funding stream that enables the communication task force, currently in operation, to function. Consequently, we are getting the best information possible regarding the direction we should take with our communications. Because the members of the communication task force are not members of the Homeland Security Commission, that task force could not exist under our present rules; we could not appoint the members who currently serve on the task force.

Another priority is the classification of documents. I want everyone to know that as Director of the Commission and as a former Federal Bureau of

Investigation (FBI) agent, former deputy sheriff, and emergency physician, I absolutely believe in the openness of government and that an informed public supports a democracy. Clearly there are areas in homeland security where we have vulnerabilities such as our utilities, water, gas and electric facilities. We are speaking of vulnerabilities in our major institutions. Our casino industry, which is a tremendous economic force in this State, is being required to provide information to the Commission with absolutely no security safeguards for that information as a result of the manner in which the law is currently written. Essentially, casino industry information is public information.

I would not want to broadcast the vulnerabilities of our water districts. If a TVRA is done, it would show where the weaknesses are in those systems. Why would we want to publish such a TVRA or make it public information? Making such information public makes it easier for those who would choose to harm such institutions.

It is important that we have openness; but we must have some way of ensuring that sensitive intelligence information about our vulnerabilities is safeguarded. It must not be put in the newspaper so every terrorist or similar person who wanted to attack would have access to that information. We are looking to the Legislature for proposed solutions with regard to the establishment of a standardized system that will satisfy the resort hotel filing requirements mandated in A.B. No. 250 of the 72nd Session.

There is a lot of proprietary information that is sensitive to individual casinos. The leaders of our casino industry want to cooperate. We can have the best response plan possible, but there is no way of ensuring that information will not be made public. Although providing required information is mandated, there are no penalties for not complying with those mandates. In reality, it does not have to be followed. We are in a catch-22 position; we are required to make recommendations with regard to vulnerabilities that we cannot enforce.

The Commission is asking for accountability for monies that have been granted to the various entities in the State and grant monies that have been distributed. We would like reports completed and filed about how the allocated monies have been spent and how those expenditures made Nevada more secure for its citizens. There are millions of homeland security dollars coming into Nevada; the Commission has no idea how the money is being used.

We are certain this Legislature wants us to understand what the homeland security money is being used for and where it comes from. The Commission is making recommendations that all DHS monies funded to the State be reported to the Commission so we can do a better job making recommendations for the allocations of those funds.

SENATOR NOLAN:
Are there any questions from the Committee?

SENATOR AMODEI:
I am assuming the majority of the resources we are looking for to operate the Commission and fulfill your mission would be from federal funding. Is that correct?

DR. CARRISON:
Essentially, the Commission is 100 percent voluntary. There is one full-time person working for the Commission. I would defer to Mr. Siracusa to answer your question about the funding portion. Funding goes through the Division of Emergency Management (DEM) in Nevada, which is administered by Mr. Siracusa.

SENATOR AMODEI:
You stated your concern about the records and publishing information. You do not want to make those open records available, which is probably not a very controversial statement. Do you have any plans in place, once that information is provided, to make the data secure? How will that work if you get the authority to sequester information? How do you plan to make sure the information is secure in the context of other secured databases the State extensively operates?

DR. CARRISON:
Yes, it is possible to make it secure. We are not talking about top secret information. We are not talking about the release of information critical to the State or the federal government. We are talking about emergency management information that does not need to be public, but needs to be available to police, firefighters, and first responders that are responding to an incident.

Information would be in a secure database with the DEM, and available in the case of disaster. Having access to that information, a fire battalion chief, fire

captain, or a law enforcement supervisor with troops responding to an incident could be directed to the locations of the vulnerabilities identified by such institutions. We would know exactly where to go; that is the kind of information available in a database. That is what I meant by the integration of the emergency management systems.

SENATOR AMODEI:

The Commission makes recommendations to the Governor regarding policies relating to funding, appointees, mandates and communications interoperability. In terms of the mandates, do you know what the mandate picture is going to look like from the federal government in comparison with the funding picture from the federal government?

DR. CARRISON:

Yes, we do. There are two examples. First is the National Incident Management System (NIMS) that has been adopted by the federal government but is being uniformly implemented throughout the United States. If Nevada does not adopt NIMS legislatively, the federal government will reduce our funding pool. The federal government is recommending for a state to receive 2006 and 2007 grant dollars, the state must have a governor's executive order or a legislative mandate for all municipalities to use the recommended incident command system.

SENATOR AMODEI:

In order to implement the example that you have used, is that \$10 million price tag in federal grant funds to implement it, or is the amount unclear, perhaps \$10 million, \$5 million, or whatever to implement?

DR. CARRISON:

The State must integrate the emergency management system into its emergency plan. There is no funding stream attached to that; it is simply bookkeeping we must do or we receive no federal funds. It is not that it costs \$10 million to implement integration of NIMS into the State emergency plan; it simply means that if the State does not implement the system, the State will not get any more DHS funds.

SENATOR AMODEI:

Do you have an idea of what it will cost the State to achieve the appropriate level of compliance? Is there a cost above and beyond what the federal government is providing?

We as a committee do not want to come back two years from now and hear that resources are an issue because the federal government did not fully fund the program. I am trying to get a feel for the resource picture which clearly is key in anything we try to do in any area, much less one that is as important as this one.

DR. CARRISON:

Mr. Siracusa is going to address that specifically.

SENATOR AMODEI:

One final question on communications interoperability, it is an issue and seems to be a challenge for us. Who is the overall czar of communications? Does one exist? If not, do you need help recommending to the Governor who should be communications czar? You say it is your job to make sure there is interoperability. Who is the person who would say, "I want Elko Fire Department to be able to talk with North Las Vegas Fire Protection, Truckee Meadows, the Division of Forestry, Nevada Highway Patrol, and Douglas County Sheriff's Office?"

DR. CARRISON:

There are wars occurring right now with regard to individuals or companies who want to be the supplier for Nevada. There are huge issues associated with determining the supplier and with funding. Who is the bottom-line person? That is the \$64,000 question.

If we do not choose a system the federal government has mandated, then there will be financial penalties for the State. The federal government will simply not give us the money if we do not build a communication system that meets their requirements.

Will this be the best communication system for the State? Is it what we should have? I cannot answer your question, because I do not know the answer.

SENATOR AMODEI:

Any recommendations you come up with would be warmly received.

SENATOR NOLAN:

We dealt with the creation of the Nevada Commission on Homeland Security in the last Legislative Session. It was a broadly discussed issue. As a result, there were a number of unintended consequences. Oversight in the legislation would help to confine the initial formation of the Commission to put it into a working mode, probably taking about a year.

Dr. Carrison had inherited the director position and dutifully accepted the appointment. The Commission has been focused and has been on track for approximately the last six months. It has made some progress. A member of that Commission is here with us today, Kimberly McDonald. Ms. McDonald oversees the legislative committee. Ms. McDonald, how many BDRs are going to be introduced?

KIMBERLY McDONALD (Nevada Commission on Homeland Security):

There is only one BDR. It includes all the initiatives that have just been addressed.

SENATOR NOLAN:

One thing I want to mention is the Waterfall Fire which occurred in July 2004. It was a disaster for this community, and could have been much worse. A report recently released summarizing the emergency response and the events of that fire really highlighted the lack of communication among emergency agencies that responded. It was probably the number one issue; had there been better communication, things may have turned out differently. Is that something you gentlemen are going to discuss?

FRANK SIRACUSA (Chief, Division of Emergency Management, Department of Public Safety):

I was going to touch on that.

SENATOR NOLAN:

If you would highlight some of those areas. Ultimately, some homes may have been saved and the disaster could have been minimized had communications been better in that instance.

SENATOR CARLTON:

Page 3, paragraph 8 [Exhibit H](#): "a desire to draft proposed legislation that would grant authority to the Commission to enforce the provisions of A.B. No. 250 of the 72nd Session as it would relate to resort hotels." I am employed by a resort hotel and understand how hard it is to work with some of them. I would like to fully understand what information it is that you are trying to get. When I look at A.B. No. 250 of the 72nd Session, there is a section that protects any information they would provide. Where is the problem?

DR. CARRISON:

Essentially, if you look at the restrictions, those restrictions go away completely. Any newspaper reporter, any time, can request the information and be given that information. The information is essentially public. The bill has holes; it simply gives access authority to anyone. If I say I am a news reporter and I work for B Newspaper that has a circulation of 200, I can get any proprietary information I want.

SENATOR CARLTON:

Can you tell me what the hotels believe to be proprietary in these lists? The list I have seen basically includes things they teach employees anyway, such as hazardous substances locations and evacuation routes. I do not know where the emergency response command post would be, but I am assuming it would not be someplace inside the hotel; that would not be proprietary information. I am trying to understand what is so sensitive in the list of things the Commission has asked for that the hotels are not willing to provide.

MR. SIRACUSA:

I am going to give an overview of the Division of Emergency Management (DEM). I will explain how it fits in State government and its mission. I will address funding issues and homeland security grant monies, and try to answer questions that have been asked.

The DEM is a division within the Department of Public Safety. This division has 22 employees, mainly made up of professional staff and clerical support. Our primary mission is to ensure Nevada, and all of its political subdivisions, are prepared to respond successfully and recover from any emergency or disaster. An emergency or disaster can be natural or technological or an act of terrorism. The response is basically the same and recovery processes are in place.

Prior to 9/11, life was simple. We had limited federal grant dollars to support and provide local governments with help in the planning and training needed to enable our State and its local governments to respond to any kind of natural or man-made disaster. It was quite simple. Local governments worked through county governments; county governments worked through the State. The State, particularly the DEM, coordinated and functioned through the Federal Emergency Management Agency.

Things changed after 9/11. Our world became very complex. More agencies created a much larger bureaucracy to deal with. No longer were we dealing with a single federal agency. We are dealing with a newly created Department of Homeland Security. We are dealing with the Office for Domestic Preparedness, the Centers for Disease Control and Prevention and the Health Resources and Services Administration. We deal with various federal agencies such as the Transportation Security Administration. All are a part of how we coordinate and interface in assisting and preparing to respond to and recover from any particular emergency or disaster.

MR. SIRACUSA:

I categorize the DEM as a twofold operation. It is what we do during peacetime, which is planning and training and assisting local governments in those disciplines. During times of emergency, it is the DEM that coordinates and manages the State's operations center. The State's operations center is where state government comes to the support of local government. An emergency is always going to occur at the local government level. The local government owns that emergency or disaster. State government is there to provide support and assistance to local government, whether that support is physical in nature, technical assistance and support, or only financial assistance; that is what the State does and how it supports local government.

After 9/11, we started to see a massive increase in federal homeland security funds coming into the states. Each governor was asked to identify a single point of contact or a single state agency that would be the conduit for the management and oversight of those homeland security funds. In Nevada, the Governor identified the DEM as that agency. It fits because we already have an infrastructure in place with the local governments and the local emergency planning committees. The infrastructure is already in place with the local emergency management agencies. Before and after 9/11, the DEM provided grant dollars to local governments helping them prepare for, respond to, and

recover from any emergency or disaster. A process was already in place so it was a smooth and clean fit.

In most of the 50 states, with exception of 2 or 3, the state agency for emergency management is typically also the state administrative agency for administering homeland security grant dollars. To date, Nevada has received more than \$100 million in homeland security grant dollars. Grant money allows state and local governments to adequately pay for equipment and train first responders to respond to an act of terrorism or any type of emergency. Remember, we are not concerned with what caused the incident, for example, whether the World Trade Center Towers collapsed as a result of terrorists flying airplanes into the buildings or whether they collapsed as a result of an earthquake. The response is going to be the same.

The management of homeland security dollars is a three-part process. There is the administrative side, the fiscal and fiscal oversight, and probably the biggest management portion is the programmatic side.

MR. SIRACUSA:

This is what we are talking about regarding program requirements with each of the grant cycles. We have been receiving homeland security dollars since fiscal year (FY) 1999. They have increased dramatically since 9/11.

On the average, Nevada received anywhere from \$30 million to \$35 million a year in homeland security grants. In each FY there were specific requirements and criteria that were attached to those grant dollars. The DEM has the responsibility of ensuring the criteria requested by the federal government is complied with down to the local government, as well as enacting requirements mandated by the Commission on Homeland Security.

The federal government puts stringent criteria on homeland security grant dollars. The criteria changes with each grant cycle; it actually increases. An example would be NIMS. One of the things the federal government was a great proponent of was standardization of the NIMS nationwide. The primary reason was if Nevada, for example, had a catastrophic disaster, the State would probably request outside state assistance as well as federal assistance. A lot of assistance comes not from federal agencies as much as it comes from other state agencies. We have compacts between Nevada and several other states.

The Emergency Management Assistance Compact basically brings together all states in support.

It is the intent of the federal government to have consistency. So, when state responders come from Pennsylvania to Nevada and get with our first responders, they are all speaking the same language. We are all part of the same incident command system; it merges right into the same process. All the equipment is typecast so everyone is talking in the same language. National Incident Management System is becoming a federal mandate. In FY 2007, the federal government stipulates that no local government or state agency will be able to receive federal homeland security or emergency preparedness funds until they are fully compliant with the NIMS.

The federal dollars we receive for FY 2005 will be allocated over the next few months; those monies are very broad. That money will allow state and local governments to provide training, planning and equipment, enabling those local governments to do the necessary planning and research to become fully NIMS-compliant by FY 2007.

MR. SIRACUSA:

Yes, the resources are there. We want to make sure the recommendations from the Commission are stipulated requirements on those dollars. You must use these dollars or a percentage of these dollars for specific purposes. Otherwise, by FY 2007, the State will not be entitled to receive any of those dollars.

The same thing applies for communications and communication interoperability. The federal government stipulates within the next couple of FYs there will be a federally mandated requirement that all communications equipment be Project 25 (P25) compliant. I cannot tell you the specifics of P25, other than, for a state administrative agency, P25 will become a requirement. If it does become a requirement by a certain FY, any local government or state agency would be unable to use homeland security funds for the purchase or maintenance of communications equipment unless the equipment is P25 compliant.

The programmatic side of these grants is monumental. Accompanying the grants are the requirements that we must train our people. We have to facilitate and develop statewide training programs and statewide standards for training. We must make sure all our local governments have proper planning in place.

We have a major exercise coming up in southern Nevada in July 2005, which will not only task all of Clark County, but all of State government. That is how we can tell if what we have spent our dollars on is really paying off.

SENATOR CARLTON:

I am still wondering what problems you were having in getting resort hotels to comply with the things requested of them. What on that list did they not want to provide? What reasons did they give?

MR. SIRACUSA:

I believe it was part of A.B. No. 250 of the 72nd Session that required resort hotels to provide their emergency operation and evacuation plans to their respective local fire departments, local police departments and also to the DEM. One of the concerns was they wanted to ensure the information provided did not get out to just anyone.

Some of the information to be provided from the casinos would include floor plans, information pertaining to where their money pits were and how they route those types of things. There are specifics they do not want made public. Even though the information is readily available to most folks, they did not want this type of information on the Internet or easily accessible because it identified their vulnerabilities.

SENATOR CARLTON:

You referred to A.B. No. 250 of the 72nd Session; in that bill was the caveat that the information would be kept secure. Now I hear that this part did not make it into the final version. Did I misunderstand that?

MR. SIRACUSA:

There are several things we have done to make sure that information was available to local first responders as needed but not available to the general public.

SENATOR CARLTON:

Was it your Commission or one of the police entities that requested hotel casinos provide a list of registered guests over the New Year's holiday?

MR. SIRACUSA:

That was the federal government.

SENATOR NOLAN:

General Vanderhoof, do you have anything to add at this time?

GILES VANDERHOOF (Major General, The Adjutant General of Nevada):

I agree with these two gentlemen. We do have a partnership; we work very closely with each other. When the casino hotels were tasked with providing the information there was nothing we could do if they did not comply. Anytime you start talking to somebody about vulnerabilities, they get nervous about providing certain information because everybody wants that close hold. Releasing some information would not be a problem. But there are things in every organization that have a close hold.

I have had a team of guardsmen doing critical infrastructure vulnerability assessments. It takes a while to get my people into these hotels to talk to them just because the casinos want such a close hold. We have done Hoover Dam, Las Vegas Convention Center, McCarran International Airport, Henderson Airport, North Las Vegas Airport and a few other facilities. All of those people, unless they are very confident the information will remain secure, are very reluctant to open their doors to us. We are making headway and are getting into some of these places. I also may have been reluctant had you approached me about something like this. If we do not have the information, we will not have the ability to respond appropriately.

We are not interoperable with all of our equipment in Nevada, and that is a problem; that is why the federal government ties money to requirements like this. The sheriffs are not accountable, they are independently elected and work for the people. They do not work for the Governor or the Legislature although they are dependent upon bodies like this and the federal government for various things, so there is a problem.

The Weapons of Mass Destruction Civil Support Team and the National Guard will be fully trained and operational by December 2005. We have all the equipment, and some of the people are trained. We have a mobile command suite with the ability to take radio input from any source and transfer it to any other source. In effect, if you have radio B and someone else has radio A and they do not talk together, then by going through this command suite the two can communicate. It is not the final product we want, but we do have the ability in an emergency to communicate with each other through that kind of a

venue. The National Guard also has a few ways to communicate around the State even if other systems go out.

This is something I am proud of that we have done in Nevada. When we talk about the prevention and deterrence, we have got every intelligence agency in Nevada, whether it be military, federal, State, or county working together sharing classified intelligence. We started this over a year ago. We have working groups from the intelligence analyst level that meet weekly to discuss and share information. We have the benefit of finding out about what is coming down from the FBI, Adjutant General, U.S. Air Force Office of Special Investigations, National Guard Bureau, U.S. Navy, U.S. Marshal's Service, U.S. Secret Service and Las Vegas Metropolitan Police Department (Metro). At least our agencies in Nevada are getting a common picture of the threat and what is happening.

Often an item we are discussing is the same but the Air Force may have a different cut on it than does the Adjutant General. The shared information has been helpful to us and my terrorism task force; everything we have they are involved in also. I think we have one of the best teams and best chances at being successful.

SENATOR NOLAN:

I would like to see a demonstration using the new apparatus I understand has recently arrived. The mobile communication vehicles you have talked about are really key to helping us on the prevention and response side.

Are there any questions from the committee members?

SENATOR AMODEI:

Mr. Siracusa, I appreciate your view that if an incident occurs, the locals own it. But, the State owns the coordination infrastructure. In terms of making sure, as the Adjutant General has indicated, Group 2 Intelligence people are coordinated with regard to communication, operations and training and that is great. In listening to this panel, we learned there is \$100 million a year, so far, from the federal government.

We have 118 days left in this Legislative Session. What do you need from us? Remember, whatever it is, we have 118 days in which to give it to you. If the answer is nothing, then that is your answer. I do not want to pick up the paper

in August and see a statement saying the Legislature let you down. I do not mean that to be challenging or adversarial. What do you guys need from us?

I have a sense that our biggest challenge is coordinating federal resources that come into the State and making sure we comply with federal requirements. What do we need from you guys operationally? What are we going to want our locals to do, which is obviously going to vary for each jurisdiction.

That brings me back to my first question. How are you doing budget wise? Assuming for the majority of your task you have 22 people. Is that a sufficient number for you to manage all the coordination the federal government requires? Are we providing State resources for your entity or the entities that are primarily responsible for coordinating this huge mission? Do you have more people now than you did two years ago?

MR. SIRACUSA:

Four years ago, prior to 9/11, the Division of Emergency Management was in that nice, pleasant, easy world. We were managing about \$1.5 million to \$2.5 million in grants. Along with that is the fiscal side, the administrative side, and the programmatic side. This FY 2005, we are managing in excess of \$160 million.

Currently, with another part of our mission dealing with recovery, we have, through the Governor, requests for four presidential declarations. There are presidential declarations for Clark County, Overton and the Mesquite area as a result of the severe flooding. There is a request for a major presidential declaration for Lincoln County for massive damage sustained to their public infrastructure.

We also have two presidential snow declarations, which is unprecedented for Nevada, related to the two 72-hour periods during the December 2004 and January 2005 snow events. If we get these presidential declarations, it will probably bring another \$15 million to \$20 million that we are going to need to manage through the DEM.

Our staffing has increased. This Legislature gave us four positions to assist in the management of the federal Office for Domestic Preparedness (ODP) grants and we are grateful for that. In the DEM budget, we are requesting two new positions. One is an Administrative Office III position, which is needed because

of the complexity of the grants and to help oversee the grants from a higher management level. We also have requested a planner position. That position will be used to assist the local governments to attain their NIMS compliance. We are fiscally conservative in those positions. Would more positions help? Certainly, but we are trying to be fiscally conservative and take baby steps along the way.

Another budget is the homeland security budget for which General Vanderhoof will be the administrator with his executive assistant and three support staff positions.

Dr. Carrison with the Commission on Homeland Security will have two full-time staff positions to provide technical support.

SENATOR AMODEI:

You have described an 80-fold increase in federal assets coming our way in 48 months. Could you provide information to this Committee that indicates with this increase in resources we have what we need to carry out the missions that you have basically described for the Committee today, in a State sense?

SENATOR NOLAN:

We will ask for a presentation when the homeland security BDRs are introduced into Committee. Mr. Siracusa, if you would have the information available Senator Amodei has requested, that would be helpful.

The members of this Committee recognize the importance and urgency of your task. We understand as a result your workload has increased. Everyone here is concerned that we protect the citizens the best we can. The door has been opened. If you are not getting what you want somewhere else, talk to us. We are sympathetic; we have a limited amount of time to help you with the resources needed. Please have that information ready when we hear the BDRs from the Commission on Homeland Security.

MR. SIRACUSA:

We certainly will.

SENATOR HORSFORD:

I agree with Senator Amodei. He raised several valid points. Mr. Siracusa, could you elaborate on the approximately \$100 million from the U.S. Department of Homeland Security that is coming into Nevada?

MR. SIRACUSA:

That would be all inclusive, from inception of the program in FY 1999 up to and including FY 2005.

SENATOR HORSFORD:

Does the State take a percentage?

MR. SIRACUSA:

Federal mandates require that 80 percent of all homeland security funds that come into the State must go to local government. Up to 20 percent of those homeland security funds can reside with state government and state agency first responders.

Three percent of the total amount of the grant money goes towards administration. Those are the funds the DEM and the Commission on Homeland Security will use to run those operations.

It is the Governor's discretion as to the 20 percent. That is why I said up to 20 percent, but it is concrete that a minimum of 80 percent of the funds go to local government. The 3 percent that comes off the top is subtracted from the State's 20 percent. That is statutorily set through the U.S. Congress.

SENATOR HORSFORD:

Okay, that is similar to other federal grants. I have read accounts and heard from local governments about the process by which grants are awarded. Can you explain that process and how communities are selected?

MR. SIRACUSA:

When we started this process, the federal government had certain criteria they established as concrete. There is also some flexibility for states. When the federal government stipulates 80 percent of grant funds must go to local government, they do not care how that is derived or implemented or what formula is used, as long as some of their criteria is followed.

In Nevada, we considered each county. We identified the 17 counties as the agencies through which we pass the monies. There is an agency within each county already in existence that represents all the disciplines; that is the local emergency planning committee (LEPC). We have an established body that already exists in the county; most importantly, it represents all disciplines.

Police, fire, health and medical are all part of these LEPCs. On the State side, we established the policy that each of the counties would follow Clark County as an example, because it has all incorporated cities working through the Clark County LEPC. The Clark County LEPC, as representative of all the disciplines in the county, would submit a county-wide application. The purpose is twofold; we only had to deal with one agency in each county, but more importantly, all the disciplines are talking. They are communicating with each other.

The last thing we want to do is buy a piece of equipment for one county when that piece of equipment may already exist in another county. They can share through mutual aid and then we can buy something else that makes more sense. We established that as a policy. Dr. Carrison of the Commission has endorsed that.

Now we have a process that is working. We will get a notice of availability from the federal government that says the State is eligible to apply for \$35 million for FY 2005. We submit an application through the DEM. We then send a notice of availability and an application package to each local government or each county LEPC. In that application, all the federal criteria are identified. The application materials identify guidelines established by the Commission on Homeland Security, explaining what has been done with the money. That application and notice of availability is sent to each of the county LEPCs.

The county LEPCs meet in their subcommittees. For example, Clark County will come up with an application, and the application spells out what Metro, Las Vegas, Henderson and Boulder City want. Everything in the application must meet the goals and objectives of the State strategy. All equipment and training classes must conform to the requirements set up by ODP. The application is then sent to DEM. We review each application line item by line item. Every nickel and dime is reviewed. We make sure that every line item and every piece of equipment or training class meets not only the requirements of the federal government, but also meets the State's requirements.

Once the application review is accomplished, we call a meeting of the Commission's finance committee and present each of the applications. The DEM endorses and determines whether or not that application meets the requirements. Once the applications are endorsed through the committee of finance, they go before the entire Commission on Homeland Security; the

Commission gets a general overview and reviews, votes and supports the application. A notice of grant award is then sent to each of the county LEPCs. The notices state they have been awarded specific funds for the specified purposes.

From that point, our work begins. Local governments start spending their funds and implementing different programs and projects. We track the programs and projects on a quarterly basis and report to the federal government on a quarterly basis.

In everything we are doing, the programs are all based on State strategy. These programs that our local governments are asking to implement are going to help us get where we want to be in the next three to five years. That is the process that we use in tracking and monitoring these funds.

SENATOR HORSFORD:

Would you provide the Committee with a list of the grant awards that are currently in place by the local emergency planning committees?

MR. SIRACUSA:

We have the Commission report that will be provided to each of the legislators. The report includes a spreadsheet that delineates up to and including federal fiscal year 2004, where all of the grant dollars have gone to all the political subdivisions and state agencies. You will have that by next week. I will also provide the 2005 allocation distributions once we have those. But in this book, up to and including 2004, it completely identifies where every dollar has gone to every political subdivision and every State agency from the inception of the program from FY 1999 up to and including FY 2004.

SENATOR NOLAN:

We look forward to getting the information the Committee members have requested. Again, if there is something this Committee can do, if there is something that has not been forwarded or contemplated, the sooner you get that to us, the better opportunity we have to take some action on it.

MR. SIRACUSA:

George Togliatti (Director, Nevada Department of Public Safety) asked me to convey his regrets that he could not be here today because of a prior

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commitment in Las Vegas. He is very much committed to this process and he wanted me to relay that information to this committee.

SENATOR NOLAN:

That concludes our formal presentation. If there is no one else wishing to appear before this committee today, I will adjourn this meeting at 3:11 p.m.

RESPECTFULLY SUBMITTED:

Sherry Rodriguez,
Committee Secretary

APPROVED BY:

Senator Dennis Nolan, Chair

DATE: _____