

**TESTIMONY OF THE HONORABLE PAULA B. DOCKERY, FLORIDA STATE SENATOR,
BEFORE THE SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY,
INTERGOVERNMENTAL RELATIONS AND THE CENSUS
COMMITTEE ON GOVERNMENT REFORM**

**THE HONORABLE PAULA B. DOCKERY
Chairman, Senate Committee on Home Defense, Public Security and Ports
The Florida Senate, District 15**

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Washington, D.C.**

Good Morning, Mr. Chairman and Members of the Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census. It is an honor to be here to testify before you this morning at a time when our nation faces such a challenging situation. As a member of the Florida Senate, I hope my comments here today will give you insight into the important work being performed in states around this nation to support the war on terrorism. As you will see, Florida has seized the initiative in this fight for the protection of our homeland.

The issue of enhanced information sharing by our law enforcement and public safety professionals is at the forefront in our war against terrorism and our efforts to keep America safe. Florida has taken a strong leadership role in this effort, one that can serve as a model for other states. This model and its reliance on data mining is the focus of our discussion today.

Factual Data Analysis

Data mining is a technological process, which provides the ability to sort through and analyze massive amounts of data in a systematic and logical manner. The core elements of this powerful analytical tool are data systems, decision trees, deviation detection, algorithms, and image analysis.

Florida uses the term Factual Data Analysis to describe this information processing system. This process includes the collection of information from multiple sources.

Once this information is collected, it is then processed, analyzed and evaluated resulting in the *intelligence* needed to assist law enforcement. This intelligence can then be used in a proactive and preventative approach to detect criminal patterns, crime trends, modus operandi, financial criminal activity, and criminal organizations.

Data collection is much different today than in years past. The number of databases and the information contained therein is immense. Factual Data Analysis plays a critical role in filtering the vast quantity of information by separating significant data from insignificant data. This analysis is crucial to effectively and efficiently analyze available data in a timely manner. Without a defined analysis method, the quantity of potential information results could be overwhelming.

Privacy Safeguards

Some individuals and groups voiced concern for a perceived loss of privacy and a perceived attempt to foster the examination of private information. Florida's law enforcement efforts are aimed at utilizing only that specific data which law enforcement already has a legal right to use, while doing so in a proficient, professional, and expeditious manner. Many safeguards have been implemented to ensure appropriate use of information. These include user name and password protection, user training, agency user agreements, system audits, quality control reviews and established purge criteria.

Florida's criminal intelligence systems are operated in compliance with standards established by 28 Code of Federal Regulations (CFR) Part 23. This regulation was written to protect the privacy rights of individuals and to encourage and expedite the exchange of criminal intelligence information between and among law enforcement agencies. The regulation provides operational guidance for law enforcement agencies in five primary areas: submission and entry of criminal intelligence information; system security; inquiry; dissemination; and, review and purge process.

Application of Factual Data Analysis: Financial Crime Analysis Center

Prior to the September 11th attacks, Florida utilized Factual Data Analysis on criminal investigations through the Financial Crime Analysis Center (FCAC) at the Florida Department of Law enforcement (FDLE). FCAC integrates and analyzes financial data in partnership with local and federal criminal justice agencies to identify and combat financial crimes.

FDLE's FCAC has developed a "data-warehouse" which contains information from various sources already available to law enforcement. As part of the analytical process, the Center utilizes specialized software to identify anomalies associated with financial transactions. Analytical personnel and investigators then examine the results to determine if the information is related to a crime. The software currently used by law enforcement agencies provides a graphical representation of suspicious activity identified by financial services companies. This method ensures that the user does not see individual records, only the result - a safeguard we believe important. The pattern of behavior is a key element of the decision process of whether to investigate further. Users of this system are trained to identify behaviors of known criminal activity during all stages of money laundering. It is important to note that, by FDLE guidelines, reasonable suspicion is necessary before initiating an investigation.

When reasonable suspicion is developed, analyzed data are supplied to local, state and federal law enforcement agencies, as well as to other states, for possible investigation. This proactive approach results in increased teamwork amongst law enforcement entities as well as a force multiplier effect for the investigative process. FDLE agents regularly travel to other states to investigate common targets. Arizona and Florida are known as the two most effective states in conducting these types of proactive investigations.

Arizona has identified tens of millions of dollars in laundering by illegal migrant smuggling groups. Florida has discovered major international narcotics smuggling

rings: Jamaican networks that move millions in narcotics; international organizations trafficking in heroin; and even suspicious money transactions that identified dozens of victims of Nigerian fraud scams.

Application of Factual Data Analysis: Terrorist Investigations

After the September 11th attacks, FDLE integrated this process and applied it toward the fight against terrorism. FDLE employed the assistance of public corporations that have access to civil data records. In certain domestic security related situations, FDLE has contracted with nationally recognized public search businesses to analyze their records based on criteria supplied by law enforcement. After the data is processed, the results are provided to law enforcement for further review. To ensure that the results are as indicative as possible, a mathematical analysis is used and includes as many as 14 criteria, producing a probability score for criminal behavior. Prior to additional investigation or dissemination, intelligence analysts and investigators examine only the results with the highest scores. This information can be used to identify, locate, target and monitor terrorists and other criminals. This ability is essential if future terrorist events are to be prevented.

Florida has partnered with a vendor, Seisint Technologies, to provide the data analysis tools using both public and private data. Over several years, Seisint Technologies has acquired technology and data from multiple sources useful to law enforcement. Following the terrorist attacks of September 11th, Seisint focused on helping local, state, and federal law enforcement agencies locate and track individuals who might be a threat to the United States. As a result of Seisint's partnership with Florida law enforcement, a customized investigative tool was developed. This system has already proven useful in that a review of the known information, intelligence and reported activities of the 19 hijackers associated with the terrorist events of September 11 identified several common and associated variables. This system has proven useful in Florida, but the need for timely sharing and exchange of information nationwide remains a critical need.

Project MATRIX

This critical need for timely sharing and exchange of information nationwide is being addressed with a pilot project: the Multistate Anti-Terrorism Information Exchange (MATRIX). This effort, which is partially funded through a grant from the Department of Justice, is a thirteen-state pilot project that utilizes Factual Data Analysis to increase and enhance the exchange of sensitive terrorist and criminal intelligence information. The project maximizes and integrates existing and proven technology while appropriately disseminating information nationwide in a secure, efficient and timely manner. The ultimate goal is to expand this system to all states. Implementation of this pilot represents a critical component of a nationwide prevention plan. While some skepticism exists, the results of data analysis are made available only to law enforcement agencies, and then only on a need-to-know and right-to-know basis.

It is imperative that our law enforcement agencies have access to appropriate information. We have demonstrated that prior to September 11th, Factual Data Analysis was a successful tool for developing associations between people and organizations, tracking and identifying financial inconsistencies, and proactively partnering with other states and organizations. After the attacks, Florida joined forces with Seisint Technologies to create a system that analyzes diverse information in minutes. Such analyses would have taken hours, days or weeks prior to the utilization of this new "Factual Data Analysis" tool.

Finally, through MATRIX, law enforcement agencies nationwide will be able to maximize efforts and better prepare for future activities. The ultimate goal is to ensure the safety of our citizens. To this end, we should employ all the necessary tools to detect, prevent and respond to criminal and terrorist activity.

Thank you for your time. I look forward to working with you on these complex issues.