

# ARSON PROBLEMS IN NEW YORK CITY

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HEARING  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES  
NINETY-SIXTH CONGRESS  
FIRST SESSION

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SUBCOMMITTEE ON THE TREASURY, POSTAL SERVICE, AND  
GENERAL GOVERNMENT APPROPRIATIONS

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Printed for the use of the Committee on Appropriations



U.S. GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1979

67044

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## ARSON PROBLEMS IN NEW YORK CITY

SATURDAY, APRIL 28, 1979.

### WITNESSES

CARL CLEMENS, THE RIDGEWOOD TIMES  
MAUREEN WALTHERS  
ROSEMARY R. GUNNING  
CAROL ANN KRUEGER  
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CRIMINAL JUSTICE PROGRAMS, LAW ENFORCEMENT ASSIST-  
ANCE ADMINISTRATION  
ANTHONY C. BRANKMAN, DIVISION OF COMMUNITY AFFAIRS,  
DEPARTMENT OF STATE, STATE OF NEW YORK

Mr. ADDABBO. The committee will come to order.

Under the general jurisdiction of the chairman of our subcommittee, Tom Steed, this hearing is a continuation of appropriations hearings held in Washington relative to the Bureau of Alcohol, Tobacco and Firearms agency and other agencies and their involvement in the serious question of arson.

Arson is a subject about which we know much, but suspect more. We are very ill-equipped actually to deal with this very important crime.

It is, as has been noted many times, a highly profitable crime, one that is estimated to cost up to \$4 billion in property damage

each year. More importantly, upwards of 1,000 per year die from arson-related fires.

Arson takes many forms, from the small children playing with matches who set fires just to see the flames to the sophisticated professional who will set anywhere from one to dozens of fires each year for profit.

The extent of the problem that arson creates for state and local governmental jurisdictions is considerable. Up until recently, federal initiatives have been severely limited in nature, and even today there is only a token response available on the federal level in comparison to the severity of the problem.

No matter what the federal response is to be, the fact remains that arson is the primary problem of the community. When a building burns, it is the city departments which must deal with putting it out, with saving lives, with finding those persons who set the fire and for helping that property become a tax paying parcel again as quickly as possible.

While state and federal agencies can help determine how and why the arson was committed, and perhaps assist in catching the criminal, it is the city that must cope with the act and the consequences of arson.

It is a matter of record that arson is not only a profitable crime but it is one of the few crimes where the possibility of getting caught is far less than the possibility of being detected.

As the Bureau of Alcohol, Tobacco and Firearms has noted in a report that ended February 28, 1979, of 587 investigations initiated, only 127 investigations have been successful. That leaves 460 investigations still current and open.

The number of defendants forwarded for prosecution and those who entered guilty pleas or were convicted as of the end of February include 54 defendants forwarded for prosecution and 13 defendants found guilty.

I note these figures only to show that it is the investigator of an arson crime who has the difficult task of assembling from the burnt ashes of a building how the crime was committed, who committed it and where that person can be found for arrest.

It is a staggering job when seen in the total number of arson-related fires that take place in major cities each year. If these hearings do nothing else, perhaps they will show we mean business and that might be enough to deter some from this crime.

There is no easy way to deal with arson that has been committed. Obviously the easiest means of dealing with arson would be to halt it before it starts. It would be helpful accordingly if some good legal mind would devise a means of removing the profit motive beyond the restrictions already within the law.

I know of no feasible proposal to that end, and I doubt if any exists, although all of us here would welcome such an idea. But we are faced with the reality that arson is profitable, that it will probably remain profitable for years to come and that the only thing we can resign ourselves to is doing the best possible job of enforcement that can be done.

It is in that vein that I believe that these hearings can benefit the men and women who are assigned the unenviable job of routing out arson in our cities. At the very least, our nation needs to

expand the informational systems, utilize new detection methods and create a far greater public awareness of the severity of the problem.

These things can probably be done without creating a huge bureaucratic program to administer them. I believe that a good beginning has been starting in terms of cooperation between state, federal and local agencies.

I hope that the administration, with the support of Congress, will expand what has already been started. I, for one, would like to see much more done.

I believe that while the primary responsibility lies with the community that is afflicted with the arsonist, it is nevertheless very helpful for that community to be able to rely on the demonstrated skills of the federal agencies.

The hearing is designed so that we may hear from these recognized experts in this field and with the hope that they can provide us with their thoughts on how best to proceed. Hopefully, out of this hearing we shall find the means for embellishing a coordinated effort between agencies on all levels of government.

We know from the growing incidences of arson here in New York City and around the country that we face what could be truly called an epidemic. Unless we find the means to stem this epidemic soon, it is not an overstatement to predict that our cities may soon be engulfed in flames—flames not of protest but of profit.

Our first witness this morning will be Mr. Carl Clemens of the Community Task Force on Arson.

#### STATEMENT OF MR. CLEMENS

Mr. ADDABBO. Mr. Clemens, would you identify for the record the witnesses with you at the witness table.

Mr. CLEMENS. I am Carl Clemens, editor and publisher of the Ridgewood Times, a community newspaper which has served the Ridgewood, Glendale, Maspeth, Middle Village, Woodhaven and adjoining areas of Queens County for over 70 years, and I have been a resident of the Ridgewood and Bushwick sections during this time.

The problems that will be addressed by my colleague, Maureen Walthers, have been of lifelong concern. My newspaper has dedicated itself to maintaining the values of the communities it has served these many years.

In this era of changing values we have reported in great detail on the urban decay that has focused national attention on Bushwick and the other areas in our city. We do not intend to witness the destruction of Ridgewood and the adjoining areas.

It is for this reason that I have supported and participated wholeheartedly in the heroic efforts of the Ridgewood-Bushwick Task Force on Insurance Redlining to nip in the bud the seeds of destruction that could, if unchecked as elsewhere to move like a plague into the adjoining areas of Queens County.

We have done a seven-week series on the Agony of Bushwick, which won an award by the Public Relations Society of America, to bring this to the attention of the public.

As you will note, our guest speakers are all from the distaff side, indicating that we do not discriminate against the sexes and realize the value and strength of the women who when aroused at the loss of homes, danger to their children, et cetera, are a most powerful force.

These ladies working on a voluntary basis have become veritable experts on arson, insurance redlining, housing and other related matters that unchecked have caused neighborhood decline elsewhere.

They represent the community's unified effort to tackle and solve the problems that have baffled the bureaucrats and defined governmental solution. Our task force has done quite a job in bringing this vital problem to the attention of the public and officials.

Many years ago Congressman James Delaney introduced and had passed a bill that went a long way in checking the ravages of cancer. Congressman Addabbo's bill we are certain will act as a deterrent against the cancer of arson, redlining, blockbusting and community destruction that has destroyed and made slums of whole areas of not only our city, but nationwide as well.

The Ridgewood-Bushwick Task Force may be only one small step in the struggle for neighborhood survival, but its experiences and dogged determination should encourage all of us to beef up the struggle for neighborhood stability and survival.

The members of our task force are Maureen Walthers, former Assemblywoman Rosemary Gunning, and Carol Krueger.

Mr. ADDABBO. Ms. Walthers?

#### STATEMENT OF Ms. WALTHERS

Ms. WALTHERS. The Federal Government has recognized arson as a national problem. However, local communities have lived and died with this problem for the past ten years. We wish to present our personal observations to this panel for their consideration.

There are three separate areas of concern—prevention, detection and control of arson.

Arson prevention has nothing to do with fire. Arson prevention is the series of events which must be corrected to prevent fires.

I must preface my testimony by stating that the information I am about to give deals with the conflagration in the Bushwick community of Brooklyn and the imminent threat to areas like Ridgewood, Woodhaven, Cyprus Hills and Ozone Park.

The same set of circumstances which caused Bushwick's desolation can and will be repeated in other communities unless corrective measures are taken. The Federal Government must consider the nation when enacting bills; but in the final analysis Bushwick is a microcosm of the nation.

Our experiences lead us to believe that arson is as much a social problem as a law enforcement problem. Therefore, in our opinion, there are two crucial agencies omitted from the proposed inter-agency committee—the Departments of Housing and Urban Development and Health, Education and Welfare.

The Bushwick community got caught in a time lag. The deterioration which began had its roots in a number of miscalculated programs.

In the late 1950s the Bushwick area began to experience a steady influx of welfare recipients which, by changing the social atmosphere, caused many small homeowners to move. This opened the path for real estate speculators, blockbusters and slum lords who purchased pieces of property at deflated scare prices.

Shifting school populations are an immediate indicator of neighborhood change and should be carefully scrutinized for pertinent information. Declining reading scores, eligibility for certain federal funding programs, such as free lunch, reflect a decrease in the median income of a family. These are the first signs of a change in an area and must be addressed on a continual basis.

During 1950 Bushwick's elementary schools were 100 percent white. By 1960 the figures reflected the ethnic shift in the community—white students were 47 percent of the total, black students 30 percent and Puerto Rican students 23 percent.

By 1968 the white student population had decreased to 19 percent of the total, blacks represented 38 percent and 43 percent were Puerto Rican. 1979 figures of Community School District reflect an enrollment of 67 percent Spanish, 28 percent black and 5 percent others.

Up to 1973 1960 census figures were used when programs were initiated. The transition taking place, the erosion of the tax base, was not computed into the statistical chart which governs many poverty programs.

The same ethnic shifts, declining reading scores and changes are now emerging in Ridgewood, and we are being computed by 1970 census figures.

Ethnic succession must be natural and orderly to succeed. Welfare minorities are not really representative of their ethnic group. Racial and social fears create an unhealthy climate for home ownership, which is the basic stability of any neighborhood. It discourages the retention of present owners and responsible tenants and the acceptance of stable working class buyers and of the new ethnic groups.

Comprehensive educational programs for schools dealing with fire prevention must be geared to the caliber of understanding and dealing with the daily lifestyles found in the home and the school. Smokey the Bear speaking bilingual jibberish is not a persuasive symbol of fire prevention.

In 1968 two square blocks of sound brick housing in Bushwick's core area next to St. Barbara's Church were demolished by the City of New York. More than 200 tenants were relocated with assurances that they would have first call on the new apartments that would be constructed on the site.

A decade later construction is only beginning. This project, a 14-story tower, if ever completed, stands in the center of devastation which serves as a grim reminder of the mistakes of the past.

Practices such as widespread razing, welfare dumping, unrelated housing plans and dislocation of community residents are the seeds of arson. Take a walk along Central Avenue and you can see, feel

and smell the abomination of this desolation. What happened is easy to see. Why it happened is just beginning to emerge.

The absentee landlords which flourished in Bushwick and appear in any area where decay is beginning are not concerned with maintaining their property. The main concern is milking money from the building.

We question the validity of placing welfare clients in houses where the owner manifests a history of tax arrears, flaunts violations, and provides minimal services. These are public funds, portions of which are derived from the Federal Government.

The competition for welfare clients and their inflated rent allotments is big business to the real estate speculator. The higher rent allotments provided by the welfare department make it impossible for the working poor to compete for housing in any community.

Slum lords seek welfare tenants and when the unsupervised members of this group vandalize and destroy, the owner simply walks away or resorts to arson in order to collect the fire insurance premium.

Welfare abuses and decreased housing maintenance can be measured in direct proportion to the incidence of fire in any neighborhood. The fires which followed the growing deterioration in Bushwick were inevitable.

Since the budget of the New York City Fire Department is primarily appropriated for extinguishment, there is little left for prevention. Cutbacks in manpower have depleted the work force from 12,500 firefighters in 1972 to 8,500 today.

Building inspections, reinspection of fire damaged buildings to see if repairs are made, the follow-up to determine if a building is properly sealed when abandoned, and the increase of rubbish which leads to multiple nonstructural fires have been severely curtailed.

In 1972 John T. O'Hagan, then Chief of Department, stated in a letter referring to housing decay in the Bushwick section that, "There are approximately 42,000 housing units in this area. If no action is taken to reverse the decay of this neighborhood, these housing units will effectively disappear from city housing stock in ten years or less."

It was already too late for Bushwick in 1972, but the same set of circumstances are beginning to emerge in communities like Ridgewood. Owners of buildings in Bushwick which have a history of code violations and back taxes are beginning to appear as owners of buildings in other communities.

Members of the Ridgewood community have obtained listings of property owners in Bushwick with back tax arrears and are presently compiling listings of owners of houses in sections of Ridgewood to correlate the information.

They have been working with the Human Resources Administration in reference to the high rental allotment allowed welfare clients. These allotments are the same for all New York City and not related to the going lower rents in outer-borough communities.

The normal competitive market for rents is being destroyed by this practice. Welfare placement must be judicious to be effective. These are just some of the reasons we feel that the inclusion of HUD and HEW are necessary in the proposed committee.

On detection, the proposed bill calls for programs of detection and investigation under the auspices of the Law Enforcement Assistance Administration and the National Fire Prevention and Control Administration.

On a state level, the proposed Governor's arson bill will include an Office of Fire Prevention and Control under the Secretary of State.

On the municipal level the city council established an Arson Strike Force to "foster greater cooperation between the various city agencies in the battle to control the arson problem that confronts the city."

It is presumed that funding for these programs at the state and city level will be channeled through the committee being established under the Arson Control Act of 1979.

At the present time, the Office of the Mayor has established a comprehensive program under the Arson Strike Force which will eventually be instrumental in arson detection.

It has been our experience that the coordination of fire and police department efforts in New York City can only be accomplished by a legislative mandate. There must be an independent committee which has a broader scope than the specific concerns of each particular agency.

We suggest that the Federal Government pattern its interagency committee after the New York City Arson Strike Force model.

The validity of the Strike Force concept is being diminished somewhat by jurisdictional disputes between the police and fire departments. Their separate expertise is not being effectively combined for the greater benefit of the communities.

There will be large amounts of money allocated for educational programs, research laboratories, and purchase of equipment. We urge that the subcommittees carefully scrutinize existing programs and consider the possibility of consolidation.

Arson detection and investigation is a chain of events which spill back and forth through the fire and police departments. Each agency action is a link and, if weakened, leads to eventual breakdown in the final stages of arrest and conviction.

Administration of funding for expanding and improving any programs beneficial to the communities of New York City need an approach that may call for unorthodox procedures.

While it is always distressing to advocate the formation of another bureaucracy in a nation tangled in a web of red tape, the problems of arson may best be served by creating a separate entity to specialize in the solving of arson.

We realize that the ramifications may be more intricate than the problem, but the possibility should be explored in-depth by the proposed committee.

Rigid controls on the administration of funds is essential. Too often, proposals are funded with over-inflated administrative costs that merely serve to perpetuate administrative jobs.

The taxpayers are not absolved of giving. They should at least know that their interests are being served and their communities are being protected.

On control, the forerunner to arson is fire. Fires and arson are separate in nature and, therefore, separate in treatment and con-

trol. When false alarms and fires become markedly increased in any community, arson will follow. Fire is costly, but conversely, arson can be made profitable.

A trend of increased fire incidence in any neighborhood is first noticed by the local firehouse servicing that area. This trend cannot be addressed by computer statistics which are oftentimes a year behind, but by actual field work that can be checked against information compiled at any level.

It is requested that the committee formed under the Arson Control Act of 1979 determine the necessity of establishing standards for adequate fire protection within a municipality. Fire service availability in direct proportion to population figures must be considered a prerequisite for any type of fire control.

Arson control dovetails with the availability and type of fire insurance in any community. The insurance industry has admitted that its laxity in investigations of fire-related crimes has proved costly to policyholders, communities and the nation. Arson-for-profit and the insurance industry are practically synonymous.

Fire insurance has been systematically withdrawn from large portions of the city by the voluntary market. Sound housing in stable areas have been arbitrarily placed in the state-created FAIR Plan pools, at exorbitant increases of rates.

In the absence of legislative action by the State of New York on regulating insurance rates in the FAIR Plan and investigating the availability of fire insurance in the voluntary market, our task force if recommending the Congress amend the McCarran-Ferguson Act.

This recommendation is based on the following facts:

—that states have not responsibly tackled the arson problem in relationship to the insurance industry;

—they have not critically evaluated the availability or affordability of fire insurance;

—there is indication in New York State that anti-trust laws are being violated by the insurance industry.

Our position is bolstered by the 1978 congressional study and the need Congress responded to, with the passage of the Holtzman amendment. If the price we have to pay is the return to the Federal Government of the regulatory powers traditionally exercised by individual states, so be it.

Mr. ADDABBO. Thank you very much, Ms. Walthers. We deeply appreciate your extensive research into this matter and setting a good basis for our hearings here this morning.

Any questions? Mr. Smith?

Mr. SMITH. No, sir.

Mr. ADDABBO. Mr. Seelmeyer?

Mr. SEELMEYER. No questions.

Mr. ADDABBO. I want to again note the presence of our former great Assemblywoman, Rosemary Gunning, and commend you for your continued interest in these matters.

Ms. GUNNING. Ms. Krueger and I came to especially have the committee note this is a truly nonpartisan effort in this community. We have no partisan concerns. We are concerned with our community.

Mr. ADDABBO. Thank you very much.

Thank you, Mr. Clemens.

#### STATEMENT OF MR. DICKERSON

Mr. ADDABBO. Our next witness is Mr. G. R. Dickerson, Director, Bureau of Alcohol, Tobacco and Firearms.

Mr. Director, will you introduce for the record those at the witness table with you.

Mr. DICKERSON. Thank you, Mr. Chairman.

Thank you for the opportunity to appear before your committee to detail the efforts being made by the Bureau of Alcohol, Tobacco and Firearms to combat the crime of arson.

Accompanying me are John G. Krogman, my Deputy Director, and Michael J. Laperch, Jr., the Special Agent in charge of our New York office.

As you well know, in recent years arson appears to have greatly increased. Some estimates place the yearly property toll from arson as high as \$1 billion to \$3 billion. The Insurance Information Institute has called arson the nation's costliest property crime.

The number of arsons nationally has increased the burden on the insurance industry, and those police and fire departments faced with the difficult task of attempting to prove and establish the crime of arson.

Two laws enforced by ATF permit ATF investigators to investigate certain types of arson cases. One is the National Firearms Act, which forbids the making, transfer and possession of unregistered explosive devices. The second is Title II of the Organized Crime Control Act of 1970, which in part forbids the bombing of business property.

In late 1977 we initiated a full-fledged arson program. The impetus for this national program came from the Treasury Department. Prior to this ATF had on a limited basis investigated arson in the Philadelphia area in conjunction with the U.S. Attorney and other federal agencies.

The first experimental arson task force was established in Philadelphia and was used as a framework to form the national arson program.

The strategy which was agreed upon by the Department of Justice included the formation of a series of arson task forces in major cities, a broad plan of training for both AFT agents and state and local authorities, and a multi-pronged investigative technique using the latest in technology and supported by forensic laboratories.

By policy design, the AFT involvement in arson is not meant to pre-empt or inhibit state or local authorities from carrying out their responsibilities but rather is usually confined only to those arson cases involving organized crime or white collar crime, and usually only when invited to do so by state or local officials, although we do initiate some arson investigations on our own.

The investigation of explosives cases has been one of our top priorities in criminal investigations. Now arson is included within our group of explosives crimes, and as such we are giving arson cases which meet the aforementioned criteria careful scrutiny.

With the arson strategy formulated, one of the first steps was to form arson task forces in 29 cities where there existed Justice Department strike force or satellite teams.

Approximately 125 ATF special agents have been assigned full-time to these arson task forces so that they could concentrate their investigative efforts on the solution of these type of arson cases.

The result was that during the 14-month period ending this past February, we initiated nationwide 587 ATF arson investigations. Cases against 54 persons have been forwarded for prosecution, 13 of which have culminated in convictions or guilty pleas.

There are presently 460 open ATF arson investigations, and 341 of these are in the 29 cities where ATF task forces are operating. With this intensity of concentration on arson, our special agents have begun to learn more about this crime which is costing Americans so much in loss of life and property.

For instance, our investigators have found that some of the motives for many arson cases can be a desire to eliminate competition or an attempt to defraud insurance companies. In many cases, criminal "torch men" who burn for hire are employed.

One typical case in which ATF was instrumental was the burning of the "Mr. Living Room" furniture store in Marlton, New Jersey. In this case we worked closely with the Secret Service, the FBI and members of the Philadelphia strike force.

The store owner and his conspirators hired an arsonist who burned the store. The owner then attempted to collect \$1 million in insurance claims. Eight persons were convicted and received long prison sentences.

As you may imagine, the size of the arson problem nationally indicates the difficulty investigators have in solving this crime.

Indeed, it is difficult for even the best trained investigator to enter the collapsed rubble of a multi-story building which has been razed by fire and saturated with water and determine if arson has been committed and if an accelerant was used.

Nevertheless, it is possible to sift vital clues out of fire debris. Coupled with this is the use of financial data to determine whether or not insurance fraud may have been involved. This two-pronged investigative attack—studying records and rubble—is being used by ATF to successfully solve these crimes.

During our arson build-up, there was a significant case in Savannah, Georgia. The Savannah case demonstrated the extent to which ATF, by using the explosives law, could become involved in arson cases.

The case concerned a tavern owner who hired two arsonists to burn his building and business. These criminals used a hot plate, rags and a mixture of gasoline and mineral spirits as the accelerant.

Based on ATF testimony that the accelerant mixed with an oxidizing agent constituted an explosive, the defendant was convicted under the explosives law.

By necessity, we are stressing the training of arson investigators. At the Federal Law Enforcement Training Center in Georgia, we have formed our own arson and explosives training school where ATF agents are sent for a week of intensive instruction on all aspects of arson investigation.

To date, we have trained 200 ATF special agents and 14 special agents in charge of district offices. For instructors we use our own experts, as well as guest instructors, such as an insurance company representative, a state fire marshal and a Florida pathologist whose specialty is the study of arson crimes.

I would like to take this opportunity to announce for the first time that ATF may soon begin a nationwide series of arson training schools for state and local officials. It is tentatively scheduled that within the next 12 months these week-long courses will be held in 18 metropolitan cities, including New York City.

This plan is contingent upon the Department of Justice approval of funding by the Law Enforcement Assistance Administration. Instructors, who will concentrate on post-arson investigation, will include ATF personnel, insurance industry representatives, fire marshals and others.

As part of our anti-arson strategy, we have created two national bomb and arson response teams, or flying squads, which can be reused to the scene of major arson or explosives cases anywhere in the United States.

We have completed formation of these handpicked, special agent response teams. There are two primary teams of ten men each, one for the Eastern United States and one for the Western United States with the dividing line at the Mississippi River.

In addition, we have selected two ten-man reserve teams for each of the primary teams in the event they are needed.

Each of these teams is supported by explosives technicians, as well as scientists and technicians from our forensic laboratories. All of the response teams and their supporting technicians have been trained extensively in arson detection and investigation.

We now are completing the outfitting of these explosive and arson squads. We supply each team with the most modern equipment which it can use at the scene of one of these crimes.

This equipment includes specially made, lightweight sifting screens to examine debris, portable drafting tables on which an investigator can reconstruct a crime scene, photographic equipment and supplies, portable generators for lighting, laboratory equipment and a portable radio system with its own suitcase-sized base station.

The existence of these ATF national response teams is extremely helpful in the attack on arson.

I want to emphasize that by necessity these teams will respond only to cases of major proportions. In general, these teams will be reserved for use in cases involving organized crime, or white collar crime.

The intention is to have not only the capability of providing immediate emergency response, but also a more calculated response. That would be after an ATF district office and state and local authorities determined that the case or situation was of a magnitude too large for them to handle.

A response team might not be summoned into action until many days after a fire, when it had been determined that arson was the cause or suspected as the cause.

Mr. Chairman, we believe this approach—arson task forces, intensive training, use of latest technology available to us, specially

trained response teams, and back-up laboratory support of the highest caliber—will provide the American public with additional federal capabilities to combat these destructive crimes.

I have attached to my testimony a synopsis of several representative arson cases which ATF has been instrumental in solving.

This, Mr. Chairman, sums up the current ATF efforts in combating arson. We are prepared to answer any questions the committee might pose.

Mr. ADDABBO. Thank you very much. The cases you cite will be made part of the record at this point.

[The information follows:]

#### SIGNIFICANT INVESTIGATIONS

##### *Charles E. Davis*

In June 1978, in Savannah, Georgia, Federal indictments were returned against three individuals who engaged in an arson-for-profit scheme to destroy a lounge to defraud the underwriting insurance company of \$15,000. The significance of this particular case is that it marks the first time that ATF has successfully invoked Title XI, the Federal Explosives Statute, in an arson investigation where oxidized accelerants were employed to destroy the insured property. Two of the three individuals have pled guilty to the indictment that charged violations of the Explosives Control Act of 1970, as well as aiding and abetting, conspiracy, and mail fraud counts. The third individual and owner of the lounge has been found guilty in Federal court of the explosives statute dealing with arson violations.

##### *Sigmond Moskow*

In January 1978, a slum landlord in Philadelphia, Pennsylvania, was given a 9-month sentence and placed on 3 years probation in Federal court as a result of a conviction on seven mail fraud counts with which he was charged. This slum landlord was investigated by ATF Philadelphia Arson Task Force and charged with mail fraud and conspiracy violations when he hired a "torch" to burn down several tenement dwellings to defraud underwriting insurance companies. The investigation revealed an emerging pattern of face value insurance escalation prior to the arsons and filing the claims.

Moskow owned about 75 properties and over a 5 year period had 23 fires involving 21 properties.

##### *Mr. Living Room, Inc.*

Six individuals were convicted of conspiracy to destroy Mr. Living Room, Inc., Marlton, New Jersey, by intentionally burning the building on March 1, 1977, and attempting to collect in excess of \$1 million from the insurance company. Those convicted included an attorney, an insurance adjuster, and the "torch men." This was a joint investigation conducted by ATF, FBI, U.S. Secret Service, and the Evesham Township, New Jersey Police Department.

##### *Rhinestone Cowboy*

On November 20, 1978, an explosion destroyed "The Rhinestone Cowboy" club in Oklahoma City. Approximately 25 minutes prior to this fire, the "Country Palace" club in Oklahoma City also had a fire. Both of these fires were classified as arson.

At the Rhinestone Cowboy, the explosion blew part of a wall onto a Cadillac equipped with a sprayer and a 100-gallon tank containing a flammable liquid (two parts diesel fuel and 1 part gasoline).

The owner of the Cadillac, Larry Dean Turner, was arrested by ATF and charged with Title XI, 844(i) violation and subornation of perjury. The defendant's mother was also charged with subornation of perjury. During the investigation, 10 persons were under the witness protection plan.

##### *Howard Watch Company*

This investigation concerned a group of individuals who conspired to commit an arson at a watch company in Waltham, Massachusetts. They intended to use 75 gallons of gasoline and 50 pounds of soap flakes to manufacture their own "napalm." Electric blasting caps and a timer were also to be used as the timing delay. This arson was to be committed by the owners of the watch company and their hired "torch men."

Through the coordinated efforts of ATF and the local police, the perpetrators were "caught in the act" with all of the materials which they said they were going to use.

Seven individuals were charged in Middlesex County, Cambridge, Massachusetts; four have been convicted, two are fugitives, and one is scheduled for trial during May 1979. An ATF explosives analyst, Explosives Technical Branch, testified to the incendiary quality of the seized materials.

Mr. ADDABBO. I wish to commend you and the ATF on the great strides you have made in this very serious problem that besets the nation.

As you know, one of the major cities having this problem is New York. Will one of these special task forces be located here in New York?

Mr. DICKERSON. Yes, sir. We do have a special arson task force here now under Mr. Laperch's jurisdiction.

Mr. ADDABBO. How many men are assigned to it?

Mr. DICKERSON. We have currently nine people assigned to the arson task force full time, with assistance, I understand, from other agents.

Mr. ADDABBO. Are any other federal agencies, city or state, associated or involved in this arson task force?

Mr. DICKERSON. Yes, sir. In all of our major arson task forces they are associated with the strike force, organized crime strike force teams around the country. The strike forces include representatives from the FBI, Customs Service, Postal Service, other law enforcement agencies.

So, our task forces are coordinated through strike force efforts with the other federal law enforcement agencies.

In addition, in some of the task force areas we have expanded participation to include state and local officials on a full-time and part-time basis with the task forces. I am not quite sure what the situation is here in New York. Mr. Laperch can amplify on that.

Mr. LAPERCH. There are members assigned to the Organized Crime and Racketeering Section of the Justice Department, both in the eastern and southern district. We also coordinate closely with the fire and police department.

Mr. ADDABBO. Do you receive cooperation or work in cooperation with the insurance company investigators?

Mr. LAPERCH. Yes, we do.

Mr. DICKERSON. In fact, we have met with the Association of Insurance Company Investigators and they are supporting our efforts, and we are coordinating with them to the extent that we can.

Mr. ADDABBO. You have testified to the operation of a new modern crime laboratory which has been funded also by this subcommittee, and which we fully support. To what extent and in what way will this laboratory be used to assist in your arson investigations?

Mr. DICKERSON. We have a national laboratory located in the suburbs of Washington, D.C. We also have four regional laboratories—one in Philadelphia, Atlanta, Cincinnati and San Francisco.

Approximately 20 percent of the effort of our laboratories is devoted to arson and explosive type crimes. This is to support ATF arson investigations, but we give extensive assistance to state and local officials in their investigative efforts.

Mr. ADDABBO. You testified about the arson training schools and expansion of them as far as state and local authorities are concerned. Will that be on a reimbursable basis, or will the Federal Government be providing this as a service to the state and local authorities?

Mr. DICKERSON. This we hope will be sponsored by the Law Enforcement Assistance Administration. We have a request with them, and we have tentative approval to initiate this type of training program.

Mr. ADDABBO. I believe it is a very commendable program. Again, if this committee can be of assistance in having those funds allocated, we would appreciate your advising us.

At the present time do you feel that you have an adequate number of agents assigned to this very important crime, which is spreading throughout the United States?

Mr. DICKERSON. Yes, sir. I think we have to recognize that this primarily is a state and local situation, state and local problem, and that our role is limited to those areas where there is interstate involvement, as well as arson for crime, or involving organized crime in the white collar role.

We are getting into this, as I pointed out, in a major way only in the last year or two. I think we have had a gradual build-up. We currently feel that the staffing we have is sufficient to provide that limited role.

Mr. ADDABBO. Do you have funds available to you that you could use to pay informers for information?

Mr. DICKERSON. Yes, sir.

Mr. ADDABBO. Mr. Smith?

Mr. SMITH. No questions.

Mr. ADDABBO. Mr. Seelmeyer.

Mr. SEELMEYER. If you get final approval for that training program, will the outfits in the cities where you put your program together be as sophisticated as these task forces are that you use?

Mr. KROGMAN. No, sir. What we are talking about here is in connection with funding for training purposes only. If there is any additional funding that would have to come under a separate request by the local department to LEAA.

But the funding we are talking about here is strictly for providing our training to the state and local agencies primarily in the cities where they do have an extensive arson problem. But it would not encompass any additional equipment as such.

Mr. ADDABBO. Thank you very much, gentlemen. We appreciate your testimony.

Mr. DICKERSON. Thank you, Mr. Chairman.

#### STATEMENT OF MR. SHARP

Mr. ADDABBO. The next witness is Mr. Edwin J. Sharp, Section Chief, Criminal Investigations Division, Federal Bureau of Investigation.

Mr. SHARP. Good morning, sir.

On behalf of the FBI let me say that it is a privilege to appear here today before your subcommittee and convey to you our re-

sponsibilities and recent contributions in our firm commitment to combat the widespread arson problem.

As part of our high priority campaign against organized crime, the FBI is allocating our available investigative and support resources to achieve tangible results in the protection of the American public from the growing organized 'arson-for-hire' criminal groups now active in many communities across the country.

We are concerned that the impact of arson directly and adversely affects the daily lives of our citizens, property is destroyed, people are killed or injured, insurance premiums are raised and the overall quality of life is considerably diminished.

The focus of the FBI's arson-related jurisdiction is aimed at curtailing organized crime involvement and targeting major impact cases of widespread significance for prosecutive action.

Specifically, our statutory authority for these investigations is under the auspices of Title 18, United States Code, Section 1961, et seq., Racketeer Influenced and Corrupt Organizations (RICO) Statute, which is an effective means to prosecute large-scale arson rings.

Additionally, Title 18, United States Code, Section 1952, Interstate Transportation in Aid of Racketeering-Arson, is another effective statute falling within the FBI's investigative jurisdiction.

Essentially, these statutes require the establishment of an organized crime connection or a pattern of racketeering activity before the FBI enters into a given arson case. Under the RICO Statute, there are several arson-related unlawful acts known as 'predicate' violations which form this pattern.

Among these federal violations are mail fraud, fraud by wire, obstruction of justice, and bankruptcy fraud. Among the felony violations of state law included under this statute are arson, extortion, murder and bribery.

As an example of a quality RICO case I would cite one which was successfully investigated for almost two years by the FBI in close cooperation with the prosecutors of the local federal strike force in Tampa, Florida.

This case resulted in the solution of hundreds of arsons and the convictions of 19 individuals who were sentenced to substantial jail terms coupled with the directed forfeiture of over \$350,000.

One of the convicted defendants was a professional arsonist who testified as a government witness. He provided a detailed account as to the minimal risks he incurred as a torch compared to the high profit potential in this insidious criminal activity.

Thus, as a result of this in-depth prosecutive approach, the entire arson-for-hire activity was exposed and conclusively terminated.

A similarly successful RICO-arson case in Milwaukee, Wisconsin investigated by the FBI and prosecuted by the United States Attorney concluded with the convictions of six individuals in an arson-for-hire ring.

This group specialized in burning inner-city properties which were inflated in value as part of a sophisticated organized fraud scheme to collect large sums of money from insurance companies.

Presently, in a united approach with other responsive agencies, the FBI is investigating numerous arson-related racketeering viola-

tions from coast to coast. These cases involve a great deal of time-consuming, detailed and penetrative work.

However, we believe the successful prosecution of these criminals will positively assist in achieving our collective goal; namely, the ultimate resolution of this serious problem in so many of our local communities.

Additionally, FBI Director Webster has approved and implemented an extensive arson training program to insure that the FBI is fully responsive to its responsibilities in this area.

For example, the FBI academy utilizing the expertise of our laboratory and organized crime specialists conduct formalized in-service training sessions. This training is supplemented by guest appearances by recognized authorities in the firefighting, prosecutorial and insurance sectors.

These week-long classes are designed to enhance the investigative skills of our personnel assigned to these cases. Additionally, we have conducted this instruction with local arson investigators working side-by-side with our special agents to emphasize the cooperative nature of these investigations.

Other resources of our training facilities have been allocated to assist local arson investigators and laboratory experts in the proper handling and evaluation of arson crime scene evidence.

An arson investigative course of instruction is also offered to the 1,000 local police officer attendees of the FBI national academy each year.

The full supportive resources of the FBI laboratory are available for the examination of arson crime scene evidence submitted by local jurisdictions. The facilities of our laboratory are always available for the evaluation of evidence for any duly constituted state, county, municipal law enforcement agency at no cost to their respective organization.

In this regard, over 1,000 items of arson-related evidence were examined by our laboratory experts for local authorities during the past fiscal year.

All special agents in charge of our field offices have been provided with specific guidelines to intensify investigative efforts in this very important area within our investigative jurisdiction.

Thank you.

Mr. ADDABBO. Thank you very much, Mr. Sharp.

Could you supply for the record a copy to the Committee of the special guidelines?

Mr. SHARP. Yes, sir, we can.

Mr. ADDABBO. In your opening statement, Mr. Sharp, you point out that the FBI gets involved where there are large-scale arson rings or those associated with organized crime. Is that decision made by your office, or are you first notified by the local authorities that they believe an arson ring or organized crime is involved?

Mr. SHARP. Well, we are attempting, sir, in the last two years to identify these major arson rings that are operating throughout the country. So, we are working closely with local authorities and following these activities plus programs that we are currently implementing to identify these professional torches and people that are bilking the American community in these major fraud schemes.

Mr. ADDABBO. You mentioned also the fact of the training being given to your agents at your academy. Do you place special emphasis on agents who are assigned to cities such as New York, where there is a high instance of arson?

Mr. SHARP. They receive the high priority of selection. 140 have been trained to date. Of the 210 we contemplate in training in the next nine months, they will be from major metropolitan cities, and New York will have a representative share.

Mr. ADDABBO. Do you have any statistics to show how many arson cases that the FBI has been involved in in New York City or some of the other major cities?

Mr. SHARP. Well, currently under investigation in the New York area the FBI has 13 major investigations.

Mr. ADDABBO. Do you feel at the present time that sufficient notice and advertisement is going to the local authorities that they know what is available to them from your office?

Mr. SHARP. I believe so, sir. The FBI academy is well established. It is a training ground for local law enforcement. The FBI laboratory has been in existence since the 1930s. Their services have been available to local law enforcement.

Yes, sir, I believe it is well known.

Mr. ADDABBO. In your investigations, where the FBI does investigate a possible arson, organized crime or arson ring-related burning, do you get full cooperation from the local authorities?

Mr. SHARP. Yes, sir, it has been outstanding.

Mr. ADDABBO. Mr. Smith.

Mr. SMITH. No questions, Mr. Chairman.

Mr. ADDABBO. Mr. Seelmeyer?

Mr. SEELMEYER. Is most of the professional arson done in this country today by people related to organized crime in one way or another?

Mr. SHARP. I think our experience has been in certain areas of the country that organized crime has had an influence, either directly or indirectly. However, there are other areas of the country where there are major arson type investigations and groups that are not organized crime-related.

In the traditional sense, when I speak of organized crime, the FBI looks at traditional organized crime and other organized crime, criminal groups.

Mr. SEELMEYER. Is the skill of the arsonist increasing as far as your skills are increasing?

Mr. SHARP. Obviously they have had a head start on most of us. I think we are beginning to catch up to them and identify them. Of course, that is the first step in investigative endeavors, is to identify your enemy.

Mr. SEELMEYER. Thank you.

Mr. ADDABBO. Mr. Sharp, will you introduce the gentleman with you?

Mr. SHARP. Yes, sir.

Mr. Rick Dean, with our Uniform Crime Reporting Section at FBI headquarters. If you have any questions in that particular area, I am sure he would be more than willing to answer them.

Mr. ADDABBO. There is full cooperation with the local authorities?

Mr. DEAN. Yes, sir. We have some 15,000 local and state crime reporting contributing agencies, and we estimate we cover approximately 98 percent of the nation's population in crime statistics. By adding arson to the crime index, we feel we will have excellent cooperation.

So, we meet with fire services community representatives, organizations and fire marshals, fire chiefs, and have excellent cooperation.

Our collection form has been approved by OMB and we will participate in filling out the form, submitting it to the state programs, and then to the FBI, beginning in May.

Mr. ADDABBO. Thank you very much, Mr. Sharp.

#### STATEMENT OF MR. STROTHER

Mr. ADDABBO. The next witness is Mr. Richard Strother, Associate Administrator for Planning and Education, United States Fire Administration.

Mr. STROTHER. Mr. Congressman, it is a pleasure to appear before you to represent Mr. Gordon Vickery, the Administrator of the United States Fire Administration at this hearing.

This is a timely hearing, Mr. Congressman. I know in Bushwick, the area which you represent, we recently completed a study with Professor Paul Desico from PolyTech Institute of Brooklyn, and he has pictures showing that area where you can actually watch the spread of arson, like a cancer, or like locusts, moving from neighborhood to neighborhood across that area.

You see the beginning in some areas, you see buildings taken down, to where whole neighborhoods and complete blocks are leveled. It is an amazing picture, and a very graphic demonstration of the seriousness of this problem, particularly in your area.

The United States Fire Administration is providing assistance to the City of New York currently in the form of grants and technical assistance to the New York Arson Strike Force—Mr. John Engel, the Arson Strike Force coordinator.

This is an interesting relationship because it spans between initiatives of several federal agencies. Assistance from the Law Enforcement Assistance Administration is making it possible to have senior citizens on the one hand collecting information and data on a community level, an arson early warning system, processing that data, and then moving forward to an analysis of that data through federal support and state support, to actually having investigators who are skilled in the paper chase side of this problem.

We are particularly proud of the cooperation that we have with the Law Enforcement Assistance Administration in this area, in the joint model, the type of program that could be presented nationally.

We are also working, sir, with the Department of Housing and Urban Development through an interagency agreement. Recently we have worked with them to shift an \$110 million program which they have in community anti-crime, to take a portion of that and aim it at the arson problem.

Similar efforts are being worked out with the Federal Insurance Administration, which manages the FAIR Plan, and with other

federal agencies, so that we try to get at that issue of cooperation which we all see as the key on the federal, state or local level to arson prevention and control.

It is interesting also that we have found to date 24 different brands of arson, if you will. You inquired earlier about the relative proportion of these brands or types of arson. What we find is that they vary significantly from state to state, from region to region.

One of the problems is that they are idiosyncratic to the types of prosecution and the types of economics, the types of politics in the various parts of the country.

We have one type of building fire that we have found that can look the same. It may be over insurance, it might be to stop a business loss, it might be to evict welfare or to bring in welfare clients, or it could be used as a tax shelter.

All four of those sophisticated paper chase and analysis that can only be done by trained people, as the previous witnesses have described.

I think also in terms of the total problem, it is interesting to note that other major Part I crimes, such as larceny theft, is about \$1.1 billion according to the FBI crime statistics of 1977 or 1978, and the other comparable, robbery, is \$1.3 billion.

Arson has been estimated anywhere from \$1.25 billion to \$1.5 billion, making it comparable to these other Part I crimes.

What is really interesting is that this is only the direct loss figures. What it hasn't shown in these figures is the loss in tax revenues which can multiply these four times, or the fact that some of these other crimes are spread throughout areas, whereas arson tends to in many ways impact high concentration areas, leaving behind complete economic and social devastation.

The Fire Administration became involved two years ago with Symphony Tenants Organizing Project in Boston. We assisted them to gather the information which was then provided to the State's Attorney General.

We didn't know at the time, but it was the Law Enforcement Administration funds supporting them, to break up that arson ring, which is a \$6 million ring. We are currently packaging that program for national dissemination.

We have been mandated by Congress to provide a report to them on the Federal Government's role in arson prevention and control. Although it is not a part of the formal statement, I have provided your staff with a copy of the outline of that report and would hope that would be included as part of the Committee records.

Mr. ADDABBO. Without objection, that shall be made part of the Committee record.

Mr. STROTHER. This report looks at state and local capabilities in arson prevention and control, assesses the laws that provide incentives and disincentives to arson, looks at federal programs, and then comes up with a series of recommendations for reducing arson.

These recommendations fall into four major areas—talking to the issues you have raised here in your hearing. In the management area, the Arson Task Force is one of the key elements at the federal, state or local level in the cooperation between insurance,

banking, housing, as well as law enforcement, prosecution and fire officials.

In the data area we need national statistics, and we also need methods to identify which of the 24 brands of arson is occurring in that particular neighborhood, so resources can be allocated.

We need arson early warning systems. We are putting together a conference next week bringing together people who have used early warning systems in various ways.

Public arson education has been very, very important in reducing arson. In Seattle, they have a system where there are a lot of used car fires, or fires in used car lots. They go to these areas and have expensive inspections. They walk in and say, "Well, you don't have any fire hazards here. I expect you probably won't have any fires soon. We will see you next week." It has been a great disincentive to arson.

Community organization is a great deterrent to arson. As testified to by people in your district, it is a major portion to any arson prevention and control strategy.

The other areas involve detection, improved investigation, prosecution, training and improved technology.

The third area, decreasing economic incentives. This can be done. Our report lists 46 different ways in which the insurance incentives to arson can be mitigated or reduced. It involved changing underwriting practices, changing claims practices, and in particular sharing information between law enforcement and insurance agents.

There are currently problems now, for example, where the fireman on the scene must have a hose laid entirely to justify his being present if he wants to do an arson investigation.

The "Tyler versus Michigan" decision says once he leaves that scene he has to come back with a warrant before he can investigate that fire.

Now, the insurance agent or the insurance investigator can come back simply by the fact that there is a claim and make an investigation. But currently in some states there are prohibitions against the insurance agent providing the information he gathers to the law enforcement or fire officials.

If he does make the charge that he suspects this to be arson, and he cannot prove that charge, then he is liable to three times damages. Also, most of his records currently in many states must be made available to the man he is investigating under the Freedom of Information Act.

So there is a whole series of practices here that need close examination to see how we can actually go at and protect and maintain this order of prosecution and investigation of arson.

In the personal incentives area, in many areas arson for revenge and juvenile fire setting is a serious problem. In California there has been a manual and series of techniques for handling the juvenile fire setting problem.

The revenge fire is a difficult area, but there is some research going on in this area.

Lately we are preparing a cost benefit analysis to begin to look at trade-offs in allocation of resources. In terms of resources, we feel for the most part that the resources do exist at the federal, state

and local level if they maintain a current funding, slightly enhanced funding levels.

We know the Law Enforcement Assistance Administration is a key in providing this kind of support in other areas, and has a major initiative underway to shift their resources towards arson. We think this is something that should be supported.

This, sir, concludes our testimony. I would be happy to answer any questions you have.

Mr. ADBAZZO. Thank you very much, Mr. Strother.

Without objection, the statement of Mr. Gordon Vickery will be made part of the record.

[The information follows:]

**STATEMENT OF GORDON VICKERY, ADMINISTRATOR, U.S. FIRE ADMINISTRATION, FEDERAL EMERGENCY MANAGEMENT AGENCY, PRESENTED BY RICHARD R. STROTHER, ASSOCIATE ADMINISTRATOR, U.S. FIRE ADMINISTRATION**

Gordon Vickery, the Administrator of the U.S. Fire Administration (USFA) regrets that he is unable to appear before you to present this testimony on the problem of arson prevention and control. The U.S. Fire Administration is providing assistance to the City of New York Arson Strike Force under Deputy Mayor for Criminal Justice, Herbert Sturtz, Mr. John Engel, Arson Strike Force coordinator, requested USFA assistance in establishing an arson early warning system. We are providing technical assistance in a grant to New York City for that purpose. This effort is being closely coordinated with other funding being provided by the Law Enforcement Assistance Administration.

We are particularly proud of the close cooperation which has been established between USFA and LEAA in coordinating federal arson prevention and control initiatives. Coordination is key to the arson problem at all levels of government.

Representatives from our National Fire Data Center have met with members of the New York City Fire Department directed by Commissioner Augustus Beekman to provide assistance in the collection and analysis of arson related data.

In cities across the Nation from Seattle to the South Bronx, arson has become a national epidemic. The South Bronx stands as a stark testimony of the effect of arson on our cities.

The national annual direct loss from arson is estimated at \$1.25 billion dollars per year, which is comparable to losses due to other part I crimes, such as larceny-theft (\$1.1 billion) or robbery (\$1.3 billion). Beyond this, annual tax losses and other secondary and tertiary effects due to arson could multiply these annual loss figures. Boston has estimated \$15 million dollars a year of tax revenue is lost to arson. In Ohio and California, incendiary and suspicious fires are the leading cause of property loss in buildings. These fires cause about 20 percent of the known residential dollar loss and almost 36 percent of the known losses in non-residential buildings in those states.

Much of the arson loss is due to vandalism which is not listed as a part I crime. Dollar figures for arson loss including these types of arson would increase the figure substantially.

Arson, however, is an issue of broad scope and complexity. The arsonist motives range from revenge to arson-for-profit. Arsonists scheme to stop business losses, to remove low-income tenants, to create new parcels for construction, to collect over-insurance monies, and to go to the head of the new apartment list on the welfare rolls. Criminal involvement, human behavior, social change, business and economic trends, urban decay, all contribute to the national arson epidemic.

Arson is a killer. Arson claims over a thousand lives annually and this rate is growing. In New Jersey alone, in a one month period, 16 people died as victims of arson fires. The responsibility for stopping arson rests with several agencies. Coordination between fire, police, prosecutors, insurance agents, banking representatives and municipal officials is critical to solving this problem at the federal, state and local levels. Arson is a crime which crosses organizational barriers and requires broad base counter-measures for solution.

In October 1977, Boston headlines announced the arrests of 26 alleged members of an arson ring operating in neighborhoods near the Boston Symphony. Information contributing to the breakup of this ring came from a Boston community group, the Symphony Tenants Organizing Project (STOP), with technical assistance from Office of Planning and Education.

This assistance helped Boston residents take advantage of socio-economic studies performed on urban fire problems by the Office of Planning and Education. The result of this effort was an early warning system which monitors factors such as inflated property values, cost to mortgage ratios and property conveyances. The system has been used to forecast arson with a high degree of reliability.

Since the breakup of the Boston ring, the Department of Commerce's Economic Development Administration and USFA are working with the Massachusetts Arson Task Force in developing a Boston-style model community program that can be transferred to other communities around the nation.

In March, the USFA will submit a mandated report to Congress on the federal role in arson prevention and control. The major recommendations of the report fall in four action areas: investigation and prosecution, management of arson programs, removing economic incentives to arson and dealing with the psychologically motivated arson.

In investigation and prosecution, police and fire prosecutor coordination is the key element. The Center for Fire Research is developing a fire investigation handbook to assist in this area. Training is required for fire departments, fire investigators, police departments, prosecutors and judges. The USFA course on fire investigation should be disseminated broadly to all police and fire personnel now working on arson. State and local governments need assistance in laboratory support to identify accelerants and to process criminal evidence.

In the management area, there is a need for valid major national estimates and for assisting local municipalities in analyzing their data to identify the types of arson that may be occurring in their community. There is a need for municipal arson early warning systems to predict where arson may occur and permit preventive action. There is a need for broad public education in preventing arson and publicizing successful arrests and prosecution to prevent would-be arsonists. There is a need for community organization in high arson incidence areas which can provide a first-line monitoring of arson activities.

Current economic practices with respect to laws and practices affecting the insurance, banking, housing and commercial industries must be changed as they are providing incentives to arson. Forty-six different recommendations in this area are being reviewed at this time with the private sector, states and local government officials.

In the behaviorial area, programs on children with matches must be disseminated. Communities with juvenile firesetting problems must receive training in the successful models which reduced juvenile firesetting in Los Angeles and Upper Arlington, Ohio. Prosecutors and fire service personnel must be trained on how to apprehend and prosecute revenge fires.

The Office of Planning and Education is coordinating with other agencies in arson prevention and control. Interagency cooperative programs are being developed with the Law Enforcement Assistance Administration, Department of Housing and Urban Development, the Federal Bureau of Investigation, Department of Alcohol, Tobacco and Firearms and the Federal Insurance Administration. USFA is developing a model arson task force program which can be adapted by states and communities to meet their needs in coordinating local arson prevention and control activities. This task force model will be the focus of a series of training seminars to be conducted in 1979. In the areas of data collection analysis, cooperative effort with the Federal Bureau of Investigation and private sector agencies, such as the National Fire Protection Association, are being made to develop a reliable national estimate on the extent and degree of the arson problem. Support is being provided to local fire departments and arson investigation units in analyzing local fire data to determine arson patterns. A Handbook for Neighborhood Organizations on utilizing the arson early warning system will be published and disseminated.

Arson is and will remain primarily a local problem. However, the arson patterns, the criminals' operations and the magnitude of the problem extend beyond municipal boundaries. Only through coordinated efforts among federal, state and local agencies can arson be reduced.

**Mr. ADDABBO.** I commend you on your efforts.

In your work, under the U.S. Fire Administration, are you getting full cooperation from all the other agencies? Do they fully realize the importance of this work and the importance of the growing crime of arson?

**Mr. STROTHER.** The answer is yes, sir. It is partly by the recognition of these agencies and our own of resources needed to be moved

in this area, and clearly by the congressional interest in the issue of arson, that has moved us all forward, I think, at an accelerated rate.

Currently we have a series of intragency agreements that have been signed or are being negotiated between other agencies. But we are pleased that the Fire Administration who has the major coordinating role at the federal level is closely participating and cooperating with these agencies.

Mr. ADDABBO. I am happy to hear that because I know some of the other law enforcement federal agencies that I have dealt with, none of those who will testify here this morning—I think Mr. Dickerson will remember some of the battles we have had between Customs and Immigration, some of the questions we have had at points of entry, where you have questions of jealousy of jurisdiction. It has impeded investigations.

I am happy we do not find that here in this most serious crime of arson.

Relative to the report and study that you are making, which seems like a very good and comprehensive report, and a good starting point, how far into that report are you and when can we expect the completion of that report?

Mr. STROTHER. We have the report completed in draft form. We are in final editing process. We can provide sections of that report to your staff. We expect to have it completed within two weeks.

Mr. ADDABBO. I would appreciate any part that has been completed be submitted to us as soon as possible. When the final report is prepared, would you also submit it to the committee because it may be very important to us in our funding of the very agencies that may be under our jurisdiction, involved in this cooperation.

Mr. Smith?

Mr. SMITH. How closely do you work with LEAA in coordinating this arson prevention effort?

Mr. STROTHER. Very closely. We are on the phone with Mr. Grimes and Mr. O'Connor almost every day. This is a good example of close police fire cooperation and federal relationships.

We started writing this report last fall, and since then they have provided us extremely good assistance. They have as part of the interagency agreement that we have signed provided funding to our administration in an area in which we were seriously underfunded; that is, doing training at the state and local level in arson investigation and detection, and bringing about training and resources in the area of arson task force formation.

Mr. SMITH. Thank you.

Mr. ADDABBO. Mr. Seelmeyer?

Mr. SEELMEYER. No questions, Mr. Chairman.

Mr. ADDABBO. Thank you very much, Mr. Strother.

#### STATEMENT OF MR. VIZZINI

Mr. ADDABBO. Our next witness is Mr. Richard J. Vizzini, First District Vice President, International Association of Fire Fighters. Good to see you again, Mr. Vizzini.

Mr. VIZZINI. Good morning, Mr. Chairman.

Members of the subcommittee, I am Richard Vizzini. I am First District Vice President for the International Association of Fire Fighters, which represents over 175,000 professional fire fighters nationally.

Additionally, I am President of Local 94 in New York City, which has a membership of over 8,500. Of course, we would like to have more fire fighters because of the cuts that have been put before us.

I am pleased to appear before the subcommittee today to express the IAFF's views on the nation's arson problem and what can be done to alleviate that problem.

Over the past few years several factors have combined to heighten the public's awareness of arson. In New York City, whole neighborhoods have been destroyed by fire and fire officials estimate that at least 25 to 40 percent of the building fires in our city are deliberately set.

In the ten-year period between 1965 and 1975 the number of arson fires in the City of New York increased by over 200 percent, and that rate has continued.

Responding to a critical situation, cities and local governments began to develop and initiate various anti-arson programs. New York City, for example, began a reward program for arson information, adjusted some of their housing regulations so that the incentive for occupants to burn their homes would be decreased, and made changes in the state FAIR insurance plans underwriting procedures, to require an arson history investigation of the property owner.

Skyrocketing arson rates have been experienced all over the country. Arson has ceased to be a local problem—it has become a national tragedy. Total annual losses, direct and indirect, attributed to arson exceed an estimated \$15 billion per year, and the costs in life and property continue to grow.

The spiraling national arson rate, which grows in spite of various local efforts, clearly demonstrates the need for a federal initiative and federal support in the fight against arson.

There are various factors that contribute to the increasing national arson rates. Many of them stem from a lack of training and awareness which could be remedied through a concerted national effort.

We need to develop and expand training programs in fire investigation and fire detection for fire personnel, prosecutors and other professionals who impact on the problem.

We need to refine the skills and increase the awareness of prosecutors, who are often reluctant to accept arson cases, and of judges who often take a casual attitude toward the crime of arson.

An improved and better coordinated federal strategy would greatly assist state and local governments in training personnel and developing the technical expertise to effectively fight arson.

Recently, federal legislation has been introduced in both Houses of the Congress, which provides for a coordinated and upgraded federal anti-arson effort. Overall, the provisions of the Anti-Arson Act of 1979, as the legislation has been titled, would go a long way in alleviating the national arson problem and in eliminating the various factors that have contributed to that problem.

The act would provide the needed coordination of efforts by creating a Federal Intragency Committee on Arson Control. The committee would provide assistance to state and local governments in developing and implementing a comprehensive strategy in the prevention, detection and control of arson.

The committee would coordinate arson training and education programs and arson prevention research, and it will assist in the development of local technical capabilities and expertise.

To increase a national focus for arson prevention and to increase national awareness of the problem, the legislation authorizes the classification of arson as a major crime in the FBI's uniform crime reports on a permanent basis and directs the bureau to set up and carry out a special investigation program for the crime of arson.

In New York City, as well as all over the country, one of the major motivating factors behind the high arson rates is profit. Generally, current insurance underwriting practices tend to encourage arsonists in many ways. For instance, they permit the overinsurance of property and they neglect the arson history of property owners.

The Anti-Arson Act of 1979 recognizes the significant role that profit plans and therefore amends the Urban Property and Reinsurance Act of 1968 by providing that prior to the issuance of FAIR insurance policies, the property owner must list those properties which he owns and their arson history, if any.

A pattern of owner-related arsons would disqualify the prospective policyholder.

New York State has already taken steps to allow greater underwriting flexibility for FAIR plans, and we believe that similar changes in all state FAIR plans are a step in the right direction for the alleviation of our national arson problem.

The proposed legislation also addresses the need for assistance to state and local governments in the development of the technical capabilities and expertise for the investigation of arson.

As currently written, the bill gives specific authority to the Law Enforcement Assistance Agency to provide grants for purchasing equipment and establishing laboratories. Although we are in total agreement with the goals of this provision, we do feel that there is a need for clarification of the role that the U.S. Fire Administration will play in the investigation of arson.

New York City has recently experienced a good deal of controversy over the roles and responsibilities of the various agencies involved in the investigation of arson. Such jurisdictional controversies can become bitter, and must be avoided on the national level.

Our feeling has always been that all arson prevention and control programs, including investigation programs, fall within three service jurisdictions.

The Anti-Arson Act should make it clear that the U.S. Fire Administration must have the final responsibility and ultimate jurisdiction in carrying out any arson research, education, training and investigation programs. This would keep such programs within the appropriate jurisdiction and, at the same time, it would prevent a duplication of efforts.

Finally, the legislation authorizes \$5 million for the U.S. Fire Administration to initiate a research program to develop, test, and evaluate techniques and equipment in arson prediction, prevention and control.

Arson is a deadly, expensive and contagious plague. In New York City and in cities all over the country, arson is consuming block after block of many neighborhoods, undermining local and federal rehabilitation efforts, eroding city tax bases, and adding to the insurance premiums of every American taxpayer.

Although various local efforts have been initiated, the need continues for a totally coordinated local and federal effort that encompasses research, training, investigation, insurance considerations and all the various factors contributing to our nation's arson problem.

The Anti-Arson Act of 1979 goes a long way in meeting that need. The bill is the culmination of a great deal of research, done in conjunction with all of the relevant federal agencies, police and fire officials, public interest groups, insurance officials and many others.

The IAFF is pleased to see this federal initiative and we will support such efforts to finally bring arson under control in this country.

We would hope that the members of this subcommittee will add their support to this legislation as it comes up for consideration in Congress.

I would like to thank the subcommittee for this opportunity to express the view of our organization and its members.

I will be open to any questions by the committee.

Mr. ADDABBO. Thank you very much, Mr. Vizzini.

As you know, the subcommittee will support that legislation. I am one of the sponsors of it and believe it is needed.

On page 2 of your statement you state, "There are various factors that contribute to the increasing national arson rates. Many of them stem from a lack of training and awareness which could be remedied through a concerted national effort. We need to develop and expand training programs in fire investigation and fire detection for fire personnel," and also to refine skills and increase awareness of prosecutors.

You have heard here this morning by the various federal agencies, and they all have testified that there is a cooperation between themselves and the local authorities, and there is expanded training.

Have you seen that cooperation, your men being on the front line, working with these agencies?

Mr. VIZZINI. I have seen it to a marked degree, there is no question about it. But I have also seen in New York City where the rivalry between the police and fire departments in their arson investigation has been a problem.

That was addressed by the city's Arson Task Force. I don't agree with their conclusions. I seem to feel that the fire marshals themselves are more qualified to do the investigative work and the interrogation. But that is a matter of difference of opinion.

I found that we have been very successful as far as the marshals are concerned. They have more zeal. They have a better under-

standing in my view of the ravages of fire, the problems that our own people as firefighters receive, injuries, the death of firefighters.

They see the destruction and the death of civilians in this city. In my view, they take a greater interest in their investigations than any other agency.

Mr. ADDABBO. Can a fire marshal bring about a prosecution, or would they have to turn all their findings over to the police enforcement for them to bring about a prosecution?

Mr. VIZZINI. Well, it is a coordinated effort. But my understanding of the law is that they have subpoena powers which the police don't have to bring witnesses in. They do coordinate with the police department. They can interrogate. They do operate, of course, to find the evidence at the scene of fires. Then it is turned over to the district attorneys for the prosecution.

Mr. ADDABBO. Has there been cooperation between your fire fighters, fire marshals, and the federal agencies, such as ATF, its task force, and the FBI in their investigations?

Mr. VIZZINI. I would have to say there has been complete cooperation, yes, sir.

Mr. ADDABBO. Have the firefighters been notified of the various federal agencies and facilities that are available in the fight against arson?

Mr. VIZZINI. I would assume that they have been, Mr. Chairman.

Mr. ADDABBO. Mr. Smith?

Mr. SMITH. No questions.

Mr. ADDABBO. Mr. Seelmeyer?

Mr. SEELMEYER. No questions.

Mr. ADDABBO. Thank you very much, Mr. Vizzini.

#### STATEMENT OF MR. ENGEL

Mr. ADDABBO. Our next witness appearing as a panel will be Mr. John Engel, from the Mayor's Arson Strike Force; Mr. Francis Cruthers, Chief of Department, New York City Fire Department; Mr. Francis M. Sullivan, Commanding Officer, Arson Explosion Squad, New York City Police Department.

Mr. Engel, as you represent the Mayor's office and Strike Force, you may divide the time among you.

Mr. ENGEL. Thank you, Mr. Chairman.

To my right is Chief Francis Cruthers, Chief of the New York City Fire Department, and to my left Inspector Francis Sullivan, Commanding Officer of the Police Department's Arson and Explosives Division.

I am the coordinator of the Strike Force, which is a unit of the Mayor's office established by local legislation in August of 1978.

We ask to make a joint presentation today for two reasons: First, we are working together to develop a more effective response to the city's arson problem. Our particular concerns, even when not identical, are always closely related.

The second reason for our wishing to appear together is symbolic. Arson is not a single agency problem and the Arson Strike Force, whose Board of Directors includes the police, fire, housing

preservation and development commissioners and human resources administrator, embodies this notion.

No single governmental unit acting alone can effect a lasting remedy for a menace which has grown over years from the interaction of many complex social and economic conditions.

The coordinated approach—whether it goes under the name of task force, strike force, interagency committee or any other—is all important at the local, state and federal level. The coordination pact recently signed by LEAA and the United States Fire Administration is particularly welcome in this respect.

We applaud the provisions of the proposed Arson Control Act of 1979 which, taken together, give arson recognition long overdue as a major crime of major proceedings. The bill acknowledges implicitly that the state of the art relating to almost every aspect of the arson problem is very primitive indeed.

With different jurisdictions defining arson in different ways, the data which does exist is often difficult to reconcile. Our speculations about the causes of arson are shaped to some extent by the people who get arrested for the crime, but even in the most 'successful' jurisdictions eight out of ten arsonists probably never get caught.

I believe that the city's arson investigators are probably the best in the country. Their expertise is regularly solicited from all over the United States.

I mean no disrespect towards them when I observe that what knowledge we do have of arsonists derives from a profile of the most inept of these criminals, those who are caught.

We know next to nothing about the ones who get away or the ones who are so skilled that their work is never even identified as arson in the first place. For law enforcement purposes, sophisticated training is needed for field investigators and prosecutors.

For purposes of arson prevention, much more must be learned about how to stem and to reverse the process of decay in urban areas, and dollars must be committed to achieve these results.

If the Federal Government does not take the lead in these areas, but rather leaves each city and each jurisdiction to 'reinvent the wheel' on its own, the result will be gross inefficiency and an intolerable loss of time.

You have asked for specific recommendations and I should not wish to close before responding to this request. With specific reference to H.R. 2265, I would like to make several comments.

The coordination between federal agencies addressing the arson problem and the availability of technical and financial assistance to localities is greatly needed.

A conspicuous omission among agencies listed in H.R. 2263, however, would appear to be the Department of Housing and Urban Development, which is, in many ways, best suited to addressing community stabilization issues which are so central to the arson problem.

The permanent designation of arson as a Part I crime in the uniform crime reports is enormously important for developing a comprehensive, accurate picture of the scope and character of arson in the United States. I welcome its inclusion in your bill.

The proposed amendments to the Urban Property Protection and Reinsurance Act of 1968 in H.R. 2265 should be more expansive. Specifically, corporate applicants for insurance should be required to disclose corporate officers and major shareholders.

All mortgages should also be listed and every policy renewal should be accompanied by updated accounting of such real parties in interest.

Finally, FAIR Plan 'insurability' standards should be tightened to be more in tune with local code enforcement. There is no sense in a system where property owners are able to purchase fire insurance on buildings with fire safety violations. FAIR Plans were not intended to insure all risks.

Thank you for giving me the opportunity to address the subcommittee. I would like now to yield the microphone to Chief Cruthers and Inspector Sullivan.

Mr. ADDABBO. Thank you.

#### STATEMENT OF MR. CRUTHERS

Mr. CRUTHERS. Good morning, Congressman.

While we have worked closely together—I think you will see from my statement we agree philosophically on the problems of arson, and on some of the solutions—we have not discussed our statements, but in listening to Mr. Engel I think mine may be redundant in many ways.

The New York City Fire Department has been in the forefront of identifying the arson problems in this city. Some 15 years ago in the Brownsville section of Brooklyn arson problems, in both occupied and vacant buildings, led to the first destruction of communities in this city and provided this department with its first taste of overt incendiarism. This was soon followed by similar experiences in the South Bronx, moving over the course of years to the Mid and East Bronx.

In each of these instances, a pattern was discernable if one looked deep enough. The abandonment of a block or blocks followed a course starting with a vacant apartment in one building. Sometimes this vacant apartment was caused by a fire, other times by a simple abandonment of the premises.

A second fire would soon leave two, three or four apartments vacant. Remaining tenants would fear for their lives and property and would flee the building, leaving a vacant building.

Fires in this vacant building, caused either for insurance profit or by sheer vandalism, spread to adjacent buildings and the cycle soon repeated itself. In these 15 years, arson spread from these two major areas to the Sunset Park portion of Brooklyn, Williamsburg area of Brooklyn, I better put in here Bushwick area of Brooklyn, the Lower East Side, to East Harlem, and then to Harlem, which had remained a very stable fully occupied community for many years.

Throughout these years, but in particular over the past six or seven years, the fire department has invested much time and effort to identify the cause of arson and the possible solutions. The arson problem, I believe, can be divided into two major areas: One, the crime side; two, the sociological and economic side.

Taking the crime side first, which is what almost everyone does, we have tried to identify the motives for arson. These range from the simplest, meaning the simplest of identification and apprehension of conviction, which would be crimes of passion or revenge down through, as Mr. Strothers said, a vast gamut of motives:

One, vandalism, with no real profit motive but as a means of expression or defying the establishment;

Two, actual arson for profit including owners trying to recoup the lost value of their buildings via insurance proceeds;

Three, welfare recipients looking for relocation to better quarters or replenishment of their household goods;

Four, political in-fighting where one group seeks rehabilitation and another complete razing and redevelopment of the area;

Five, scavengers looking to evacuate the building so that they can loot for salable materials from it.

Each of these motives requires a different approach if one is to be successful in deterrents and/or apprehension and prosecution.

In the deterrent area, we have found that overt surveillance patrol functions in heavy arson incidence areas has been very successful. As the fire patterns become less dense, this particular tactic is less successful.

With regard to owner-inspired arsons, the investigation, prosecution and conviction of the perpetrators is extremely difficult because of the almost complete circumstantial evidence that is available.

We have attempted, some four years ago, to identify owners of buildings who would be involved in the collection of multiple fire profits and would, therefore, require scrutiny, but this is a tedious and almost impossible task to do manually.

In corporate structures the entity can be developed to mask the true identities of the owners. A computer system, for insertion of the actual owners of buildings and data regarding arson on a citywide basis, is sorely needed.

In our own department we had, until 1977, only 62 fire marshals for the 168-hour per week that is necessary. This was probably the best arson force in the country, but as the number of incendiary fires rose to more than 13,000 in a year, it is obvious that this force was insufficient.

Increased training of our field forces and arson discovery and identification are necessary so that the incendiary fire, which is very often disguised as an accidental fire, will be recognized.

In the past few years there has been growing emphasis on this problem and training courses have been developed at local, state and federal level, but there is a great need for large increases in these educational endeavors.

One of the best opportunities for an effective arson identification and conviction program lies in the combination of expertise between local police and fire departments.

With the fire marshals—arson investigators assigned to the fire department—doing the forensic work and the police department continuing the investigation work, each of these under the direction of a knowledgeable arson specialist in the district attorney's office, the opportunities for successful prosecution are greatly increased.

This will have a twofold effect: One, to remove the arsonist from society, and secondly, to secure proper publicity and emphasize publicly that arson will not be tolerated and thereby deter its occurrence.

The second phase, sociological and economic, deals essentially with a theory that we think is almost an axiom, "The best weapon against the type of arson which destroys communities is a stable tenancy."

The means of maintaining a stable tenancy are multiple including better maintenance of buildings, including janitorial service, education of new members of urban populations, immediate rehabilitation of apartments damaged by fires so that they can be repopulated, and removal of the profit motive from landlords through insurance and tax legislation. Some of these have been accomplished in the past four years.

In the event the maintenance of tenancy in a particular building or buildings is impossible, a complete board-up of the buildings with a plan for rapid demolition is necessary to prevent spread to adjoining blocks of this arson blight.

Any federally funded program that assists in neighborhood preservation would be a major contributing factor to the reduction of this problem.

Mr. ADDABBO. Thank you very much, Mr. Cruthers.

Mr. Sullivan?

Mr. ENGEL. Mr. Chairman, I think Inspector Sullivan has a statement to make.

#### STATEMENT OF MR. SULLIVAN

Mr. SULLIVAN. Thank you, Mr. Chairman.

I would like to start out by saying that I agree completely with the statements of Mr. John Engel and Chief Cruthers.

The Police Department suggests four basic recommendations in the area of assistance from your committee, sir.

First, the Police Department suggests an electronic data bank and appropriate legislation nationwide which would cover the situation of a corporation applying for fire insurance.

What we are suggesting basically is that the applicant would be required to identify the personalities in the corporation, whether or not any of those members of that corporation had holdings in any other corporation throughout the country, and then the investigators of the Police Department and the Fire Department would then review available data to see if any of these people had been associated with any provisions that were in the area of suspicious fires, arson, that type of investigation. This would serve to give direction to the investigation of the investigators I just referred to.

Second, in the area of funding for the police laboratory. We recommend that if possible the facilities of the police laboratory be expanded basically in a two-fold area. First, in the area of chemists and technicians; and secondly, in the area of equipment to properly address the anticipated increase in the caseload of evidence that would be forthcoming in the investigation by the Police and Fire Departments.

Thirdly, we are also requesting there be provision made for proper equipment for the investigators. I am talking about basic field equipment. We are concerned with the on-the-scene quick response type of investigation, and the basic type equipment I am referring to would be heavy work boots, the portable floodlights, and so on.

Lastly, the Police Department suggests that as has already been indicated here this morning, any available training by the federal agencies be increased, to increase the number of investigators on all levels that would have access to this federal training of arson investigators.

Thank you.

Mr. ADDABBO. Thank you very much, gentlemen.

We have heard testimony on two things. First, that there has been some problem of cooperation between the local enforcement agencies, the fire marshals and the Police Department. Mr. Engel, is that problem being attended to on a local level?

Mr. ENGEL. Mr. Chairman, on March 28 Mayor Koch announced a set of guidelines to be implemented which clarified the jurisdictional responsibilities of the Police and Fire Departments with respect to the crime of arson. Prior to the announcement of those guidelines, there had been a history of confusion because both agencies have jurisdiction over this crime, and there had never been sufficient definition as to which agency would take responsibility for particular phases of the investigation.

Mr. ADDABBO. I don't want to get into a city fight. Mr. Cruthers and Mr. Sullivan, can you now live with those guidelines?

Mr. SULLIVAN. Yes, sir, absolutely.

Mr. CRUTHERS. Yes. We believe we have a good plan, that the expertise of the fire marshals should be developed to an even greater degree on the technical side. I am in charge of fire investigation in the Department, as well as extinguishment, and I feel we need a fire marshals upgrading to include accountancy and everything that would be necessary to go in and do all of the evidentiary work, all of the identification necessary to establish the fact that there has been a crime committed. Once that material is available, I believe it should be turned over to the Police Department and they should pursue the investigation of it to look for the perpetrator, and we should go on to the next case where our technical expertise would be the best weapon.

Mr. ENGEL. Mr. Chairman, if I might comment. The guidelines which were finally promulgated were not handed down from some remote administration. They were worked out in very close cooperation between the Police Department, the Mayor's Office and the Fire Department. I have worked closely with Chief Cruthers, with his deputies, with Commissioner McGuire and his deputies, especially Inspector Sullivan, in preparing this.

Mr. ADDABBO. You have heard the testimony by both the Alcohol, Tobacco and Firearms Division and also the FBI and the United States Fire Administration alluding to the full cooperation between themselves and the local authorities, making available to the local authorities their full facilities, their laboratory, and other facilities.

You gentlemen are working with a serious problem here in New York. Have you been fully informed of all the facilities that are available for your use?

Mr. CRUTHERS. We have had excellent cooperation with all of the federal and the state agencies. The one agency that we did have a problem with, and they had a problem with us, was the Police Department. I believe this has been worked out satisfactorily. But the other agencies, we work directly with them every day and the cooperation both ways I would say is tremendous.

Mr. ADDABBO. Mr. Sullivan.

Mr. SULLIVAN. Mr. Chairman, likewise the cooperation and coordination between the Police Department and all agencies that are present here this morning I would say is excellent. I have personally met with the supervisor of the FBI office in Manhattan, with the supervisor of the FBI offices in Queens, which covers investigations in Queens and Brooklyn, and the supervisors from New Rochelle, which covers the Bronx.

In the area of the RICO statute they talked about we are working with them.

Traditionally with the Fire Department I believe it has been and it must be and will be the closest coordination and cooperation.

Mr. ADDABBO. Have you made, either the Fire Department or Mr. Engel on behalf of the Mayor's Office, request of the Law Enforcement Assistance Administration for further aid as far as the investigative aids or the items that Inspector Sullivan has alluded to?

Mr. ENGEL. We have received one LEAA grant which will get us started on the computerization of information relating to arson, something which we have not had to date. We have series of proposals which Mr. Strother referred to before, which would specifically focus on arson-for-profit. The first grant we have received came from bloc funds. We are seeking a discretionary funding for a large-scale arson-for-profit program which will have this computerized component in it.

Mr. ADDABBO. Have you made a request for the possible funding of the special equipment that Inspector Sullivan has alluded to, the heavy boots and floodlights?

Mr. ENGEL. That is one of the components of the unit, the investigative unit for the arson-for-profit group, which will have an equipment request in that.

Mr. ADDABBO. Thank you. Mr. Smith.

Mr. SMITH. How much of the bloc grant did you devote to the arson problem?

Mr. ENGEL. The grant is a little over \$100,000, and then the city must put up so much matching funds for that.

Mr. SMITH. Thank you. That's all, Mr. Chairman.

Mr. ADDABBO. Mr. Seelmeyer.

Mr. SEELMEYER. Do I understand correctly under the new guidelines the fire marshals decide whether arson has been committed and then it is turned over to the Police Department? Is that generally right?

Mr. ENGEL. That is correct. The fire marshals will continue to perform the technical causation analysis on fires throughout the city.

Mr. SEELMEYER. Does the Fire Department have a laboratory that compares with that of the Police Department?

Mr. CRUTHERS. No. We do not have a facility. If the Police Department's laboratory can be developed with these funds to do all of the work, I see no necessity for a duplication. We are trying to avoid duplication of effort here. In the past we have used the facilities of the Alcohol, Tobacco and Firearms Unit. We have used various laboratories. Frankly some years ago there was a rivalry that spilled over into not using each other's facilities. This has been corrected, I hope, and we are staying right on top of it. There is no disagreement at the upper levels. I don't think there is disagreement at the lower levels. At some of the intermediate levels we will have to enforce our opinions.

Mr. SEELMEYER. But it is still basically the experience of the fire marshal who determines whether or not the residue ought to be checked.

Mr. CRUTHERS. Absolutely. He makes the determination first of all whether or not it is a simple incendiary fire and proceeds from there to determine what types of evidence should be taken, sent to the laboratory to be analyzed. Much of the material is his professional judgment and much of the testimony given on the nature of the fire is the expertise of the fire marshal.

Mr. SEELMEYER. In earlier testimony the fact was alluded to that the city encourages informers as best they can. Is that operation run by the Police Department or by the Fire Department or both?

Mr. CRUTHERS. We have two. One is an informers fund and one a reward fund, there are two different programs. We do use this. We have had a program. And it is on-going. I think it is a necessary part of the Fire Marshal's Office and of the police, too, to keep in contact with the community groups, the community boards, of which there are fifty-nine in the city, to make it known they are available for people who want to talk to them, either publicly or privately, and use the informers funds we have used wherever it is obvious that this would lead to a cost-effective arrest, I would say.

Mr. SEELMEYER. Is there coordination between your people and what you learn? In other words, if your people would learn about an arson ring, I assume you would contact the Fire Department and let them know.

Mr. SULLIVAN. Yes, sir. I would like to state first of all the tactic of using informants is a standard investigative technique in the Police Department and the Fire Department. Under the guidelines that Mr. Engel just cited, it is written into the guidelines that information that is developed through an investigation by the Police or the Fire Department, if it relates to something they should be aware of, it would be given immediately to the other agency.

So this is built into the guidelines and is something that the police are totally in support of.

Mr. SEELMEYER. Do you generally find out beforehand that so-and-so is looking for someone to burn his building, or do you find out afterwards that so-and-so is going to pay off his mortgage with the money he is making off the fire? Or does it go both ways?

Mr. SULLIVAN. It goes both ways. Each case is separate and distinct. In those cases where information is available in advance,

of course the Police Department and the Fire Department would respond immediately to take proper safeguards for the lives and safety of the community.

Mr. SEELMEYER. Thank you.

Mr. ADDABBO. Thank you very much, gentlemen.

Our next witness is Mr. J. Robert Grimes, Assistant Administrator, Office of Criminal Justice Programs, Law Enforcement Assistance Administration.

We appreciate your appearance, Mr. Grimes. I understand you wish to summarize your statement. Your entire statement will be made part of the record.

[The statement follows:]

STATEMENT OF J. ROBERT GRIMES, ASSISTANT ADMINISTRATOR, OFFICE OF CRIMINAL JUSTICE PROGRAMS, LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

It is a pleasure, Mr. Chairman, to appear before this Subcommittee on behalf of the Law Enforcement Assistance Administration to discuss an important problem of national concern—The crime of arson.

The seriousness of arson has been well established. In terms of lives and dollars lost and rate of incidence, it has been labelled America's fastest growing crime. Recently designated a Part I offense on the Federal Bureau of Investigation's Crime Index, arson has also become the focus of numerous research and demonstration projects at the federal, state and local levels. In my statement today, I would like to highlight some of the anti-arson activities which have been supported by LEAA, as well as discuss the increased priority being given to this area under the direction of the Agency's new Administrator, Mr. Henry S. Dogin.

It is the mission of LEAA to provide leadership and financial and technical assistance to state and local governments in order to increase their efficiency and effectiveness in controlling crime and delinquency and improving the criminal justice system. LEAA is not an operational agency and does not itself enforce arson statutes. LEAA funds may, however, be used to support such operations when conducted by state and local agencies.

Acting on the basis that crime is essentially a local problem that must be dealt with by state and local governments if it is to be controlled effectively, the Congress has provided that the bulk of LEAA funds be distributed to the states in block grants on the basis of population. Funds are allocated to each state contingent upon approval by LEAA of an annual comprehensive state criminal justice plan. These funds are subsequently awarded for individual projects through state planning agencies which administer the program.

LEAA neither approves nor disapproves subgrant applications under the jurisdiction of the state planning agencies. Each state makes those decisions on the basis of its own evaluation of needs and priorities. Projects to combat arson are, of course, eligible for LEAA funding and states have used portions of their block grant funds for just that purpose.

LEAA is also authorized to award a relatively small portion of its appropriation in the form of direct grants and contracts to units of government, public agencies, and non-profit organizations. These discretionary grants support innovative and experimental programs of national scope. These funds have been used to support innovative police, courts and corrections improvement programs, as well as more specialized projects dealing with such subjects as juvenile justice, organized, narcotics control, and, of course, arson.

Several offices within LEAA presently fund or have an interest in arson-related projects. These offices include the Office of Criminal Justice Programs, the Office of Community Anti-Crime Programs, the Office of Juvenile Justice and Delinquency Prevention, the National Institute for Law Enforcement and Criminal Justice, and the National Criminal Justice Information and Statistics Service.

Among the notable detection and investigation activities supported have been the New York City Arson Task force, the New Jersey State Police Arson Unit, the Ohio Fire Marshal's Office, and the Lynn, Massachusetts, Arson Squad. An LEAA discretionary grant, awarded in 1976 to the Massachusetts Attorney General's Organized Crime Unit, helped make possible the breaking-up of one of the largest arson-for-profit schemes in the State, and perhaps the country. Over 30 arrests were made during the investigations for offenses including arson, murder, and fraud. The ring was reported to be responsible for over \$6 million in damage and insurance fraud.

Since 1973, the National District Attorneys' Association's Economic Crime Project has been a major element of LEAA's efforts to combat white collar and related crime. To date the project has received over \$4.8 million in support of increasing the detection, investigation, and prosecution of economic crime. The project is attempting to raise the awareness of the general public, as well as judges and lawyers, to the dangers of this type of crime, its costs to the public and private sector, and the various methods that are available for individuals, businesses and governmental agencies to reduce their vulnerability in this area.

Under its grants, the Economic Crime Project has established a network of almost 70 units in District Attorneys' Offices throughout the Nation, serving at least one-third of the population of the United States. These units prosecute essentially all of the significant crimes and schemes that constitute economic crime. The Project provides technical assistance and other forms of operational support to its member units in furtherance of these prosecutions. The Project also serves as a source of information for its member units and other law enforcement agencies across the country.

Two special task forces are being created under the current grant for the Economic Crime Project. One will deal with official corruption and procurement fraud, while the second will focus on insurance fraud, particularly arson. This latter task force will contact prosecutors who have actively dealt with arson. The most common problems faced will be outlined and solutions drafted and distributed to law enforcement agencies.

The task force will also prepare a manual containing an explanation of relevant legislation in various jurisdictions and will report on the adequacy of proposed arson statutes.

Community organizations in neighborhoods where arson is a serious problem represent a unique resource for prevention efforts. Because they represent various segments of the community and have access to each of these segments, community organizations can often cope with problems that traditional police and fire agencies cannot totally resolve.

Evidence from experience under LEAA's Community Anti-Crime Program suggests that neighborhood-based organizations can effectively mobilize their communities to prevent crime and sometimes even reduce certain crimes. Several community organizations have used LEAA funds to successfully launch anti-arson campaigns, including "HART" in New Haven, Connecticut, "TWO" in Chicago, Illinois.

Among the components of such projects are block watch programs, witness assistance efforts to people willing to testify in arson cases, educating tenants and neighborhoods about arson prevention techniques and the economics of arson crimes, and working to change practices that contribute to the abandonment of buildings which often leads to arson activity.

LEAA's research arm, the National Institute of Law Enforcement and Criminal Justice, has supported efforts on several fronts to help sort out the complexities of the arson problem and expand our knowledge for detecting and investigating incendiary fires. Much of the current LEAA activity stems from research dealing with the subject of arson.

In 1971, The Stanford Research Institute surveyed some 1,000 fire departments in an effort to learn more about violence problems affecting these organizations. The survey noted an ominous rise in incendiary fires and pointed out a number of obstacles to more effective arson control. Among the basic problems reported were the lack of a uniform definition of arson and the absence of reliable national statistics on the true dimensions of the problem.

A more in-depth analysis of arson and arson investigation was prepared for LEAA by the Aerospace Corporation in 1977. The study, which analysed statistics from more than 100 cities over a period of four years, documented an almost epidemic rise in arson. During the period 1965 to 1975, incendiary building fires increased 325 percent. The study estimated that arson, in addition to causing great property damage, claimed 1,000 lives, including those of 45 firefighters, and caused 10,000 injuries in 1975 alone.

Under a recent Institute grant, a survey was conducted by Abt Associates of fire departments in cities with populations of 50,000 or more. The purpose of the survey was to collect background data to aid in developing arson program models. A total of 77 cities, or 50 percent of those surveyed, indicated establishment of an arson task force. The great majority were initiated by city officials usually in response to either a rising arson incidence rate or a recognition of dollar loss. As a direct result of establishing the task forces, these locales reported increased identification of arson fires, increased arrests and convictions, decreased incidences of arson, and improved statistical reporting.

Other related activities presently underway or planned are development by Battelle Memorial Institute of a manual for law enforcement personnel to enhance their response to arson-for-profit schemes, a state-of-the-art assessment, and development of a program model for arson prevention and control.

While LEAA has funded these and other arson-related projects, the Agency has not taken an active coordination role, nor has there been a specific entity to perform such a role. In response to recognized needs, arson has become one of LEAA's priority initiatives. By the authority of the Attorney General, the Administrator of LEAA issued a directive calling for the development of a Department of Justice arson control assistance strategy. This entails the initiation of new programs and the modification of existing activities to reflect a greater commitment of resources and efforts to arson control.

The objective of the Department of Justice's arson control strategy is to integrate the investigative and prosecutorial expertise of federal criminal justice agencies with the financial and technical assistance capabilities of the Law Enforcement Assistance Administration.

A National Workshop on Arson was held at the Department of Justice on February 1 and 2, 1979, with participants from various sectors of the arson control field, including federal, state and local units of government, as well as national organizations, insurance companies, and private industry. Separate groups met to address prevention and investigation, enforcement and prosecution, and statistics and research. The participants formulated various recommendations for the development of a Departmental arson control assistance strategy.

A new, separate unit within LEAA—an arson desk—has now been created to coordinate and direct activities in arson training, management of enforcement and prosecution efforts, data, technology, prevention, and research. On April 16, 1979, LEAA announced in the Federal Register development of a discretionary grant program for arson control assistance and solicited recommendations regarding the structure of the program. It is anticipated that the majority of available funds will go towards augmenting state, regional or local arson task forces or units. Close coordination between police, fire, and prosecutorial agencies will be an important element of any project.

Workshop panelists generally agreed that training is desperately needed by personnel at all levels in the arson control field. They found an urgent need to make firefighters, police officers, prosecutors and judges more sensitive to the arson problem. The new arson desk will coordinate training and disseminate information for law enforcement and prosecutorial personnel.

LEAA will supplement existing training efforts by supporting training programs at the U.S. Fire Academy which will enable a greater number of law enforcement officers to benefit from the Academy's programs. We also hope to use the expertise of the Treasury Department's Alcohol, Tobacco, and Firearms Bureau and the Federal Bureau of Investigation to provide training in techniques used against arson crimes.

To address the lack of coordination among federal, state, and local efforts which Workshop panelists cited as a stumbling block to effective arson response and control, task forces will be established or augmented in various jurisdictions around the country. Close interaction between these task forces and local officials, the U.S. Attorneys' offices, and strike forces of the Justice Department's Organized Crime and Racketeering Section will be encouraged.

Problems inherent to the development of arson data have been well documented. These include jurisdictional variations in investigatory and reporting practices, an absence of interdepartmental coordination, differing definitions of arson, and difficulties associated with the identification of arson. While there are several on-going arson data collection efforts, each is aimed at only a segment of the problem.

Because there is no adequate overall data base, there are significant difficulties in problem identification and concentration of resources where they will be most effective. The Workshop participants cited the establishment of a comprehensive data base as a prime need of any overall effort.

LEAA is supporting development of an automated evidence retrieval system suitable for use in major prosecutions, including arson-for-profit investigations. The system, to be operated on a mini-computer, will be capable of collecting, storing, and analyzing large amounts of financial and public record documents useful in the investigation of arson cases. Collection and analysis of documents indicating ownership, revaluation of property due to rapid turnover, and histories of delinquent tax payment, investigators will be able to focus on areas where arson seems most likely. Under our Comprehensive Data Systems program, we will provide additional assist-

ance to state and local police force efforts to report arson data as a Part I crime to the F.B.I.

Another need that has been identified is for new and improved forensic laboratories and arson control equipment. If laboratories are frequently incapable or too busy to analyze arson evidence, or if long delays result in volatile evidence evaporating before it is analyzed, then arson investigators simply discontinue collecting the evidence. This, of course, diminishes the likelihood of successful prosecutions. Existing forensic laboratories and their equipment, with few exceptions, have been developed to conduct evidence testing for crimes other than arson. The LEAA arson desk will consider efforts to reduce factors which hamper active arson investigation by crime labs. In addition, information will be made available regarding technological advances in the field of arson detection and investigation.

In devising any strategy which builds on existing programs and attempts to utilize limited available resources to their best advantage, coordination and information exchange are vital to its success. Steps must be taken to keep the criminal justice community informed of new information and changes in the state of the art of arson investigation. Both the U.S. Fire Administration's Arson Resource Center and LEAA's National Criminal Justice Reference Service can play an important role in this area.

All of the possibilities I have mentioned, Mr. Chairman, are directed at improving and unifying multi-dimensional efforts to combat arson. An important development in implementation of an overall strategy occurred on March 23, 1979, when LEAA signed an Interagency Agreement with the U.S. Fire Administration to coordinate Federal assistance in fire investigation and training and to coordinate Federal assistance in criminal investigation and prosecution of arson cases. Under the agreement, LEAA will support, through the transfer of funds, the use of Fire Administration arson investigation training courses.

As you know, Mr. Chairman, the current authorization for the LEAA program extends through Fiscal Year 1979. Last July, the President submitted to Congress the proposed "Justice System Improvement Act" which would reauthorize and restructure the program. Federal assistance for state and local criminal justice programs would continue. The legislation is now being considered by the Judiciary Committees of the Senate and House of Representatives. This legislation would not, however, impair our ability to support programs to combat arson.

The Law Enforcement Assistance Administration remains committed to action which will impact positively on the crime of arson. I appreciate the attention which this Subcommittee is focusing on the problem, and look forward to working with you in the future.

I would now be pleased to respond to any questions which the Subcommittee may have.

#### STATEMENT OF MR. GRIMES

Mr. GRIMES. Thank you, Mr. Chairman. I have with me Mrs. Judy O'Connor, Director of our Arson Desk in my office.

It is certainly a pleasure to appear before this subcommittee on behalf of the Law Enforcement Assistance Administration to discuss the importance of this national concern, the crime of arson.

The seriousness of arson has been well established.

In my statement today I would like to highlight some of the anti-arson activities which have been supported by LEAA, as well as to discuss the increased priority being given to this area under the direction of the Agency's new Administrator, Mr. Henry S. Dogin.

It is the mission of LEAA to provide leadership and financial and technical assistance to state and local governments in order to increase their efficiency and effectiveness in controlling crime and delinquency and improving the criminal justice system.

LEAA is not an operational agency and does not itself enforce arson statutes. LEAA funds may, however, be used to support such operations when conducted by state and local agencies.

Most of our funds are allocated in the form of bloc grants. As such we do not have direct control or approve actual projects

funded by the states that receive the bloc funds. However, they do submit to us a comprehensive plan which in general we approve in major program areas. Many states have now included in their comprehensive plan as a major priority the crime of arson.

In addition, several offices within LEAA presently fund or have an interest in arson related projects including my own office, the Office of Criminal Justice Programs, the Office of Community Anti-Crime Programs, the Office of Juvenile Justice and Delinquency Prevention, the National Institute of Law Enforcement and Criminal Justice, and the National Criminal Justice Information and Statistics Service.

Among the notable detection and investigation activities supported is the New York City Arson Task Force.

We have found that community organizations in neighborhoods where arson is a serious problem represent a unique resource for prevention efforts, because they represent various segments of the community and have access to each of these segments. Community organizations can often cope with this problem that traditional police and fire agencies cannot totally resolve.

Evidence from experience under LEAA's Community Anti-Crime Program suggests that neighborhood based organizations can effectively mobilize their communities to prevent crime and sometimes even reduce certain crimes. We have seen evidence of that in New York City.

LEAA's research arm, the National Institute of Law Enforcement and Criminal Justice, has supported efforts on several fronts to help sort out the complexities of the arson problem and expand our knowledge for detecting and investigating incendiary fires. Much of the current LEAA activity stems from research dealing with the subject of arson.

While LEAA has funded these and other arson-related projects, the Agency has not taken an active coordination role nor has there been a specific entity to perform such a role. In response to recognized needs, arson has become one of LEAA's priority initiatives.

In January of this year, by the authority of the Attorney General, the Administrator of LEAA issued a directive calling for the development of a Department of Justice Arson Control Assistance Strategy. This entails the initiation of new programs and modifications of existing activities to reflect a greater commitment of resources and efforts to arson control.

The objective of the Department of Justice's arson control strategy is to integrate the investigative and prosecutorial expertise of federal criminal justice agencies with the financial and technical assistance capabilities of the Law Enforcement Assistance Administration.

A National Workshop on Arson was held at the Department of Justice on February 1 and 2, 1979, with participants from various sectors of the arson control field, including federal, state and local units of government, as well as national organizations, insurance companies and private industry. Separate groups met to address prevention and investigation, enforcement and prosecution, and statistics and research. The participants formulated various recommendations for the development of a Departmental arson control assistance strategy.

A new, separate unit within LEAA, an arson desk, has now been created to coordinate and direct activities in arson training, management of enforcement and prosecution efforts, data, technology, prevention, and research.

On April 16, 1979, LEAA announced in the Federal Register development of a discretionary grant program for arson control assistance and solicited recommendations regarding the structure of the program. It is anticipated that the majority of available funds will go toward augmenting state, regional or local arson task forces or units. Close coordination between police, fire and prosecutorial agencies will be an important element of any project.

Workshop panelists generally agreed that training is desperately needed by personnel at all levels in the arson control field.

LEAA will supplement existing training efforts by supporting training programs at the U.S. Fire Academy which will enable a greater number of law enforcement officers to benefit from the Academy's programs. We also hope to use the expertise of the Treasury Department's Alcohol, Tobacco and Firearms Division and the Federal Bureau of Investigation to provide training in techniques used against arson crimes.

To address the lack of coordination among federal, state and local efforts which Workshop panelists cited as a stumbling block to effective arson response and control, task forces will be established or augmented in various jurisdictions around the country. Close interaction between these task forces and local officials, the U.S. Attorneys' Offices, strike forces of the Justice Department's Organized Crime and Racketeering Section, and the Arson Task Forces of the Bureau of Alcohol, Tobacco and Firearms, will be encouraged.

Problems inherent to the development of arson data have been well documented. These include jurisdictional variations in investigatory and reporting practices, an absence of interdepartmental coordination, differing definitions of arson, and difficulties associated with the identification of arson. While there are several ongoing arson data collection efforts, each is aimed at only a segment of the problem.

The Workshop participants cited the establishment of a comprehensive data base as a prime need of any overall effort.

Consequently, LEAA is supporting development of an automated evidence retrieval system suitable for use in major prosecutions, including arson-for-profit investigations.

Under our Comprehensive Data Systems program, we will provide additional assistance to state and local police force efforts to report arson data as a Part I crime to the FBI.

Another need that has been identified is for new and improved forensic laboratories and arson control equipment.

The LEAA arson desk will consider efforts to reduce factors which hamper active arson investigation by crime labs. In addition, information will be made available regarding technological advances in the field of arson detection and investigation.

In devising any strategy which builds on existing programs and attempts to utilize limited available resources to their best advantage, coordination and information exchange are vital to its success. Steps must be taken to keep the criminal justice community

informed of new information and changes in the state of the art of arson investigation. Both the U.S. Fire Administration's Arson Resource Center and LEAA's National Criminal Justice Reference Service can play an important role in this area.

All of the possibilities I have mentioned, Mr. Chairman, are directed at improving and unifying multi-dimensional efforts to combat arson.

An important development in implementation of an overall strategy occurred on March 23, 1979 when LEAA signed an Interagency Agreement with the U.S. Fire Administration to coordinate Federal assistance in fire investigation and training and to coordinate Federal assistance in criminal investigation and prosecution of arson cases.

Under the agreement, LEAA will support, through the transfer of funds, the use of Fire Administration arson investigation training courses. As you know, Mr. Chairman, the current authorization for the LEAA program extends through fiscal year 1979. Last July the President submitted to Congress the proposed Justice System Improvement Act which would reauthorize and restructure the program. Federal assistance for state and local criminal justice programs would continue. The legislation is now being considered by the Judiciary Committees of the Senate and the House of Representatives. This legislation would not, however, impair our ability to support programs to combat arson.

The Law Enforcement Assistance Administration remains committed to action which will impact positively on the crime of arson. While we are committed this year with funds we are reprogramming, Congress is considering our appropriation budget for 1980, and as of now the Senate has recommended about a \$100 million reduction of what the Administration has requested. While this has not been resolved, it will certainly impact on the amount of resources we can devote to the crime of arson in 1980 and beyond.

Mr. Chairman, I appreciate the attention which this subcommittee is focusing on this problem and look forward to working with you in the future.

I will be pleased to answer any questions you may have at this time.

Mr. ADDABBO. Thank you very much, Mr. Grimes.

I know the problems being faced in the Congress by the LEAA. Perhaps in past actions there may have been some questionable use of Law Enforcement Assistance funds, not by your direction, but by the misdirection of local authorities. But I believe the funds requested for your organization are badly needed, especially in this most important battle against the spreading cancer of arson.

In your testimony you discuss the two types of grants that are available, bloc and discretionary. And reports have to be filed with you. Do you have any figures that you can supply to the committee today or for the record on how much is spent on arson or arson-related programs or problems?

Mr. GRIMES. Yes, sir, we do. Approximately \$1.8 billion has been allocated for the Part C bloc portion of the program from 1975 through 1978 of this amount, the states have awarded approximately \$6.5 million for arson-related projects.

Under our Part C Discretionary Program, since 1975 we have been allocated approximately \$.3 billion of which \$1.8 million has been awarded for arson-related projects.

Mr. ADDABBO. Could you supply for the record, if you do not have it today, of those funds what dollar figure has been allocated to the City of New York.

Mr. GRIMES. Yes, we can supply that for the record.

[The information follows:]



UNITED STATES DEPARTMENT OF JUSTICE  
LAW ENFORCEMENT ASSISTANCE ADMINISTRATION  
WASHINGTON, D. C. 20531

• May 2, 1979

The Honorable Joseph P. Addabbo  
House of Representatives  
Washington, D.C. 20515

Dear Congressman Addabbo:

This is in response to your inquiry at the arson hearing which you chaired on April 28, 1979, regarding the amount of Law Enforcement Assistance Administration block grant funds awarded for arson related projects in New York.

Since 1975, approximately \$2.8 million in LEAA block grant funds have been awarded within New York City for arson related projects. In that same period, approximately \$4.2 million in LEAA block grant funds have been awarded for the entire State of New York for arson related projects.

We appreciate the attention which your Subcommittee is focusing on the crime of arson, and look forward to working with you in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen T. Boyle".

Stephen T. Boyle  
Director  
Office of Congressional Liaison

Mr. ADDABBO. In your statement you note the lack of coordination among the federal state and local efforts in this very serious problem. We have heard testimony from most everyone here this morning that there has been very close cooperation. We realize that that cooperation has increased a hundred-fold in the last several months. Much of it has been due to working with LEAA and the use of LEAA funds in this battle.

How will your office provide greater coordination in this effort?

Mr. GRIMES. That is one of the more exciting aspects about this entire program.

In all my experience with LEAA and other federal programs, I think I have witnessed a greater spirit of cooperation than with any program I have seen. Mr. Strother testified to that fact.

In addition to that, Mr. Dickerson and I are working very closely in establishing an agreement and a transfer of funds to assist in training local law enforcement officers. The FBI is now very actively engaged in conversations with us regarding support of its training efforts at the Quantico Training Academy.

So the major federal agencies that either have enforcement, funding, or oversight responsibilities are working much more closely.

We will be meeting with HUD and HEW.

Most of the coordination, of course, will be activated through the responsibilities given to the United States Fire Administration as a national coordinator.

But the main thing I wish to stress is that we will provide cooperation and coordination. And I really believe that the sincere attitude of the people involved, has indicated they are joining in this spirit also.

Mr. ADDABBO. The only real enforcement power you have is in the dollar allocation.

Mr. GRIMES. If you wish to call that enforcement power.

Mr. ADDABBO. That is what we talk about in appropriations.

Mr. GRIMES. They call it the golden rule: he who has the gold rules. Yes, we have considerable authority over how the funds are expended. And certainly audit and monitoring responsibilities after they are awarded.

Mr. ADDABBO. You are sure if a plan or request is submitted that it is to be expended for the arson problem, it will be used for that purpose.

Mr. GRIMES. If you mean every one that is submitted will be funded—

Mr. ADDABBO. Not every one submitted. But if it is submitted and if it is submitted for that purpose, it will be used for that.

Mr. GRIMES. It had better be, that is correct. If we fund a particular project and it is approved as outlined in its application, that is the way the money will be expended.

Mr. ADDABBO. Thank you. Mr. Smith.

Mr. SMITH. No questions.

Mr. ADDABBO. Mr. Seelmeyer.

Mr. SEELMEYER. Where are you putting most of your arson-related money now, what part of the country?

Mr. GRIMES. New York City receives the largest amount of any city in the country.

Mr. SEELMEYER. Where would be the next most severe area?

Mr. GRIMES. Detroit, Chicago.

Mr. SEELMEYER. Aging cities generally?

Mr. GRIMES. Yes, sir.

Mr. SEELMEYER. More in the northeast than other parts of the country?

Mr. GRIMES. Yes. Although the request for funds far, far exceeds any amount of money we will ever have available for this. We are allocating approximately four million dollars in 1979 for the problem. But that is not enough.

Mr. SEELMEYER. Everybody who testified this morning wants your computer system. Do you have any idea of how soon that could be operational and working?

Ms. O'CONNOR. I believe by December. It will be available from LEAA's National Criminal Justice Information and Statistics Service. This will be an information system model available for evidence retrieval.

Mr. GRIMES. The encouraging thing about the computer business is that the expense has been reduced drastically. It costs hundreds of thousands of dollars to establish data systems. Now we can do it for \$25,000 to \$30,000.

Mr. SEELMEYER. Everyone will be able to hook in and retrieve and submit material, I would imagine.

Mr. GRIMES. Yes, sir, within a given jurisdiction.

Mr. SEELMEYER. That will make a big difference.

Mr. GRIMES. I hope so.

Mr. ADDABBO. Thank you very much, Mr. Grimes. Thank you for your appearance and testimony.

Our next witness is Mr. Anthony C. Brankman on behalf of the Division of Fire Prevention and Control, Department of State, State of New York.

#### STATEMENT OF MR. BRANKMAN

Mr. BRANKMAN. Mr. Chairman, my name is Anthony Brankman. I am an attorney with the New York State Department of State.

The Secretary of State, Basil Patterson, cannot be here to testify today, due to another commitment. He asked me to extend his regrets to the subcommittee and to say a few words about Governor Carey's plans for a \$2.2 million state program to combat arson which will be directed and coordinated by the Department of State's new Office of Fire Prevention and Control.

In New York State in 1977 alone arson resulted in estimated direct property losses of \$175 million and indirect costs of \$1.2 billion in lost business, lost jobs and property taxes.

Arson-related deaths in the State are estimated at 200 per year.

About one-quarter of non-residential building fires are of incendiary or suspicious nature.

The dramatic rise in the crime of arson in New York State has resulted in human tragedy and staggering financial losses.

Arson fires are eroding our social fabric. They are destroying our cities and they are in fact creating havoc among our citizenry.

The crime of arson is of the hardest to prove. Convictions are hard to secure. Sophisticated detection and investigation are necessary. The public must be made aware of the extent and the effects of arson. Training programs for police, prosecutors and fire service personnel are essential.

Our arson bill is designed to address these programs.

The legislation proposed by Governor Carey is based on his Arson Task Force's recommendations which resulted from the Governors Conference on Arson for Profit held last spring in Saratoga Springs. At that conference, the participants who represented the Fire Service, the law enforcement community, county prosecutors, and the insurance industry, met in intense daily sessions to discuss subjects such as the responsibility for the detection and investigation of arson, the need for training, public awareness and education, the data systems needed to define the scope of and investigate arson, as well as needed revisions in the laws of New York State.

Following the conference, the Governor's Arson Task Force issued a report which listed a number of findings related to the arson problem. Recommendations were then made to the Governor on how best to establish an effective statewide arson program.

In our view, the coordination of local government, state government and private efforts represented by this conference is essential to any program which hopes to address such a serious problem.

The arson conference led to the development of a legislative proposal which has recently been introduced in the New York State legislature.

Governor Carey announced the program on April 1, saying this program would provide the foundation for a concerted effort to reduce the terrible toll of life and property caused by arson.

We believe the legislation represents an optimum approach, that is to encourage and supplement local efforts.

The legislation would establish an Office of Fire Prevention in the Department of State. This office would assume the functions of the existing division which trains fire fighters for fire departments throughout the state and coordinates the state's fire mobilization plan.

The new office would in addition develop and coordinate a statewide arson control and prevention program.

The bill would enable a program which may include arson investigators, arson evidence analysis, operation of a state fire reporting system, training programs, the operation of the State Academy of Fire Science, public education, management advice, technical and legal assistance to fire departments and fire companies, and fire safety inspections of state and state regulated facilities.

Importantly, the legislation creates an Arson Advisory Board to be appointed by the Governor which will advise the Secretary of State and the State Fire Administrator on arson problems.

It would also allocate more than \$200,000 to assist localities to develop comprehensive arson control programs that integrate the efforts of fire, police and other law enforcement agents.

These plans would be evaluated by the Office of Fire Prevention and Control for use in developing a statewide program to encourage and supplement local programs.

We are very pleased to have an opportunity to comment briefly on what we view as the federal role in arson prevention and arson control.

We believe that the federal role here should be analogous to the role proposed for the State in Governor Carey's legislation; that is, one of improving local efforts and assisting local governments with the local crime problem. In this way the federal assistance can strengthen the existing capabilities of the states and their local governments to deal with the crime of arson.

We are very pleased to learn of Henry Dogin's decision to make combatting arson a priority of the Law Enforcement Assistance Administration, and to step up LEAA's efforts to give state and local law enforcement and fire officials the wherewithall to make inroads against the crime of arson.

We believe this new commitment will be especially helpful in training prosecutors and law enforcement officers in the unique problems they must face in dealing with arson.

Special arson detection equipment is also needed.

But we would also welcome increased funds for innovative projects, such as the Bronx Citizens Street Watch and Hot Line Project, the evaluation of different investigation techniques, analysis of alternatives for organizing arson control programs, and studies of the cost effectiveness of existing arson enforcement programs.

There is also a need to coordinate the efforts of the various federal agencies dealing with arson in order to focus and target the federal assistance programs.

While there are a number of mechanisms available to do this, such as interagency advisory councils and task forces, we do not recommend any one particular method as being better than any other as long as the assistance is coordinated and directed properly.

Arson is a grievous criminal and social problem. We welcome the interest of your subcommittee and wish you success in your efforts to determine what best can be done to combat it.

On behalf of the Secretary of State I thank you for the opportunity to explain Governor Carey's proposed program to combat arson.

Mr. ADDABBO. Thank you very much. We appreciate your appearance and the efforts of the Governor which we are fully familiar with and applaud.

You spoke of the coordination, the need for coordination and cooperation. We have received quite a bit of testimony today that there has been better cooperation in the last several months. Have you witnessed that increase in better cooperation between the federal, state and local law enforcement and detection agencies?

Mr. BRANKMAN. Sir, right now we are in the process of developing our state program. Governor Carey's legislation is not law. If it is enacted, it won't take effect until September 1. We expect during the next few months to be contacting the various federal agencies. I hope that we will be able to benefit from that coordination of effort.

Mr. ADDABBO. Thank you very much. Mr. Smith.

Mr. SMITH. No questions, Mr. Chairman.

Mr. ADDABBO. Mr. Seelmeyer.

Mr. SEELMEYER. No questions, Mr. Chairman.

Mr. ADDABBO. Thank you very much for your appearance.

There being no further witnesses, the subcommittee stands in recess until next Tuesday, in Washington, D.C.

[Whereupon at 11:30 a.m., the subcommittee was adjourned.]

