

**Center for Strategic and International Studies
1800 K Street N.W.
Suite 400
Washington, DC 20006
(202) 775-3270
For updates: CSIS.ORG "Military Balance"
To comment: Acordesman@aol.com**

The Uncertain Costs of Homeland Defense

The Cost and Justification of the FY2003 Budget Submission

**Anthony H. Cordesman
Arleigh Burke Chair in Strategy**

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Introduction

This analysis is designed to present the cost of the Bush Administration in presenting its FY2003 Homeland Defense Budget, and to provide a summary of the rationale behind the budget request, and not to act as a critique.

It draws almost exclusively on various documents provided by the Office of Homeland Security and the Department of Defense unless otherwise stated. The program justification text is excerpted from material provided by the Office of Homeland Security and does not reflect any original work by the author or endorsement of the views presented.

The graphics are all the original work of the author and involve some reorganization of the data in the Bush Administration's budget submission.

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LOOKING AT THE BUDGET ANALYSIS PROBLEM

- **41 Federal Departments and agencies rushing into new mission area since 9/11.**
- **Unknown state, local, private sector and NGO costs.**
- **No civil equivalent of Five Year Defense Program, mission budgeting, long range planning.**
 - **No real history for federal planners.**
 - **CBO and GAO must learn on the fly.**
- **No standard definition from agency to agency.**
 - **DoD has now decided to play.**
 - **Easy to recast existing programs and RDT&E efforts as homeland defense.**
 - **No meaningful linkage between counterterrorism and asymmetric warfare as yet.**
- **Easy to rush into granting budget authority, Very difficult to rush into effective outlays. Much harder to track actual expenditure.**
 - **Dealing with real crisis. Have to alter outlays on ongoing basis.**
- **Instant Congressional hobby shop. Patriotic pork.**
 - **Force Transformation Study of April 2001,**
 - **Quadrennial Defense Review in 2001 (revised after September 11, 2001), and**
 - **Nuclear Posture Review (Announced January 9, 2002)**
- **10-20 year evolving effort.**
- **Shaped by Ongoing conflicts.**
- **First real budget and program cannot be before FY2004. Cohesive program unlikely before FY2008.**

THE REAL WORLD PLANNING PROBLEM

- **No defined federal role,.**
- **Only real world option is threat reduction on actuarial level, but,**
 - **No real history to base probabilities on;**
 - **Open society with nearly infinite list of vulnerabilities.**
- **Recent NIE does not provide budgeting and programming priorities.**
- **Worst case threats do most damage but do they have the highest priority.**
- **Not only no real agency PPB process, no one clearly in charge of who should create a federal process.**
- **Long history of nearly 100% failure in cost analysis.**
- **No effectiveness criteria.**
- **No experience with supporting net and net technical analysis, cost to defeat analysis.**

HOMELAND SECURITY: FY2003 BUDGET JUSTIFICATION

The President's Budget for 2003 – the Federal government's first post-September 11 budget – reflects his absolute commitment to achieving a more secure homeland. The FY 2003 Budget directs \$37.7 billion to homeland security, up from \$19.5 billion in 2002. This massive infusion of Federal resources reflects the priority the President has attached to the homeland security agenda.

The homeland security portion of the President's 2003 Budget was developed through close cooperation among the Office of Homeland Security, the Office of Management and Budget, and the affected Federal agencies. The Administration intends to provide whatever resources are necessary to secure the homeland, but is committed to ensuring that the taxpayers' money is well spent. Therefore, this year's Budget does not attempt to address the totality of the homeland security agenda, a task that will be more fully developed with the publication of the National Strategy for Homeland Security and the Budget for 2004.

This year's Budget focuses on four specific policy initiatives that were deemed so important and so urgent that they required immediate attention. These initiatives are:

- Supporting First Responders
- Defending Against Bioterrorism
- Securing America's Borders
- Using 21st Century Technology to Secure the Homeland

THE CORE OF THE BUSH FY2003 PROGRAM

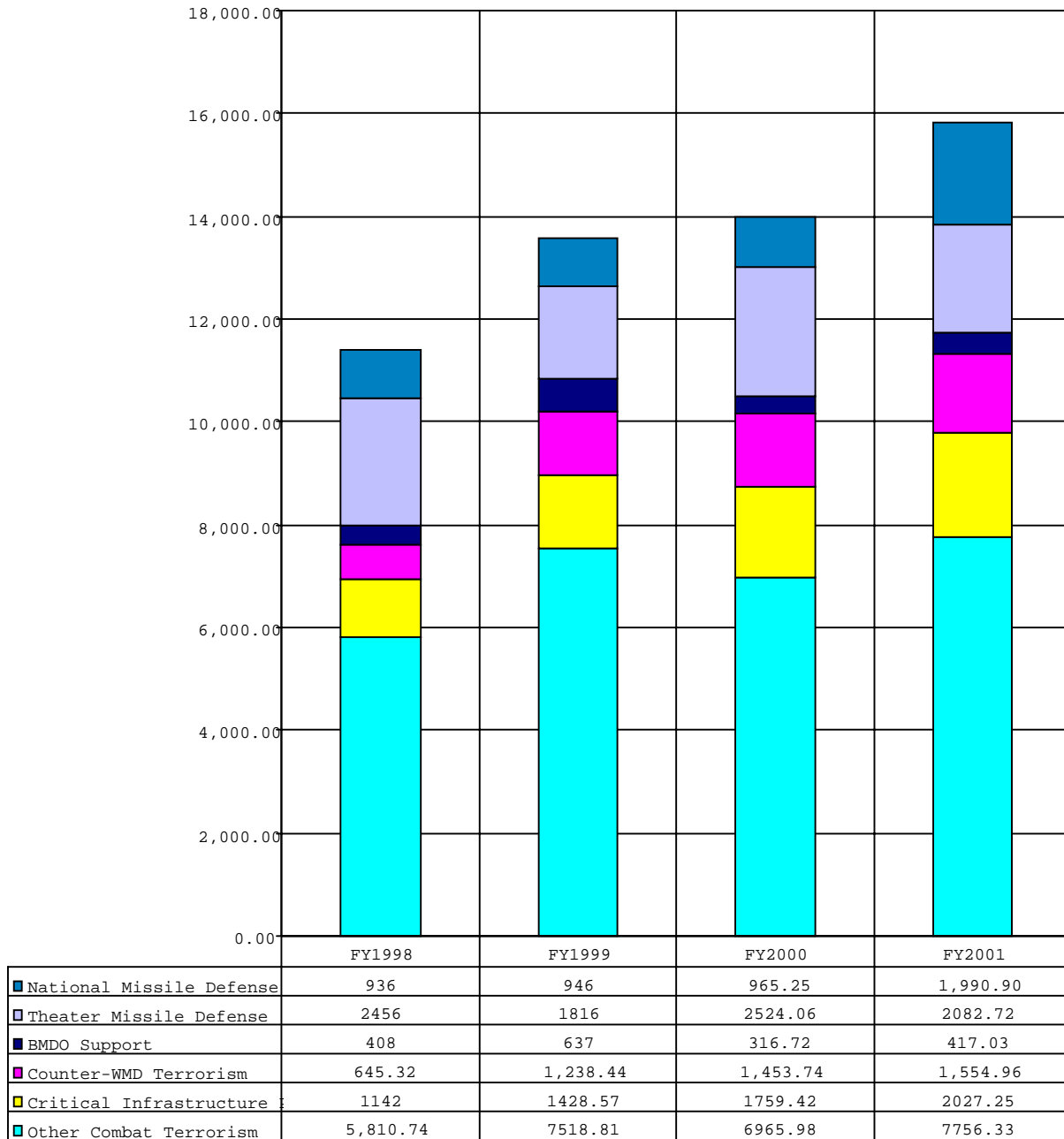
- **\$5.9 billion to fight bioterrorism, which the budget plan calls “a new American vulnerability laid bare” by the anthrax attacks. A big infusions of cash would pay for research and development, state and local health systems, federal stockpiles for treating victims, and improved communications.**
- **Almost \$1.7 billion would go to the National Institutes of Health for research on developing vaccines, tests, therapies and other work to fight anthrax and other biological agents. The Defense Department would get \$420 million to study bioterrorists and ways to fight biological weapons.**
- **Some \$851 million would be set aside to help the government respond to a bioattack, including stockpiling antibiotics to treat 20 million people, improving the nation’s supply of smallpox vaccine, and improving food safety.**
- **\$3.5 billion to help “first responders” such as firefighters, police and rescue squads. The money would go for personal protective equipment, emergency medical gear, and detection equipment for biological and chemical agents, communications and other items. It also could be used to conduct more frequent terrorism drills, improve emergency communication systems, and set up a new Homeland Security Corps.**
- **\$10.6 billion for protecting borders, “targeting illegal traffic while welcoming legitimate travelers.” The budget would more than double the number of Border Patrol agents and inspectors across the northern border, which “has become an attractive route for potential terrorists,” Bush’s budget proposal avers. The budget includes \$380 million to set up a reliable way to track the entry and exit of immigrants, especially those seen as security threats.**
- **\$722 million to improve communication among federal agencies and with states and other jurisdictions. To illustrate the need, the budget plan says Sheik Omar Abdel Rahman,**

involved in the 1993 World Trade Center bombing, entered the United States legally and was granted permanent resident alien status despite a terrorist past. “Improved information-sharing could make a repeat of such tragic mistakes unlikely.”

- **The budget also includes \$4.8 billion for aviation security through the new Transportation Security Agency and \$12.2 billion scattered elsewhere throughout the government.**

BEFORE 9/11: TOTAL FEDERAL SPENDING ON NMD, TERRORISM, WMD, AND CIP: FY1998-FY2001

(Current \$US Millions)

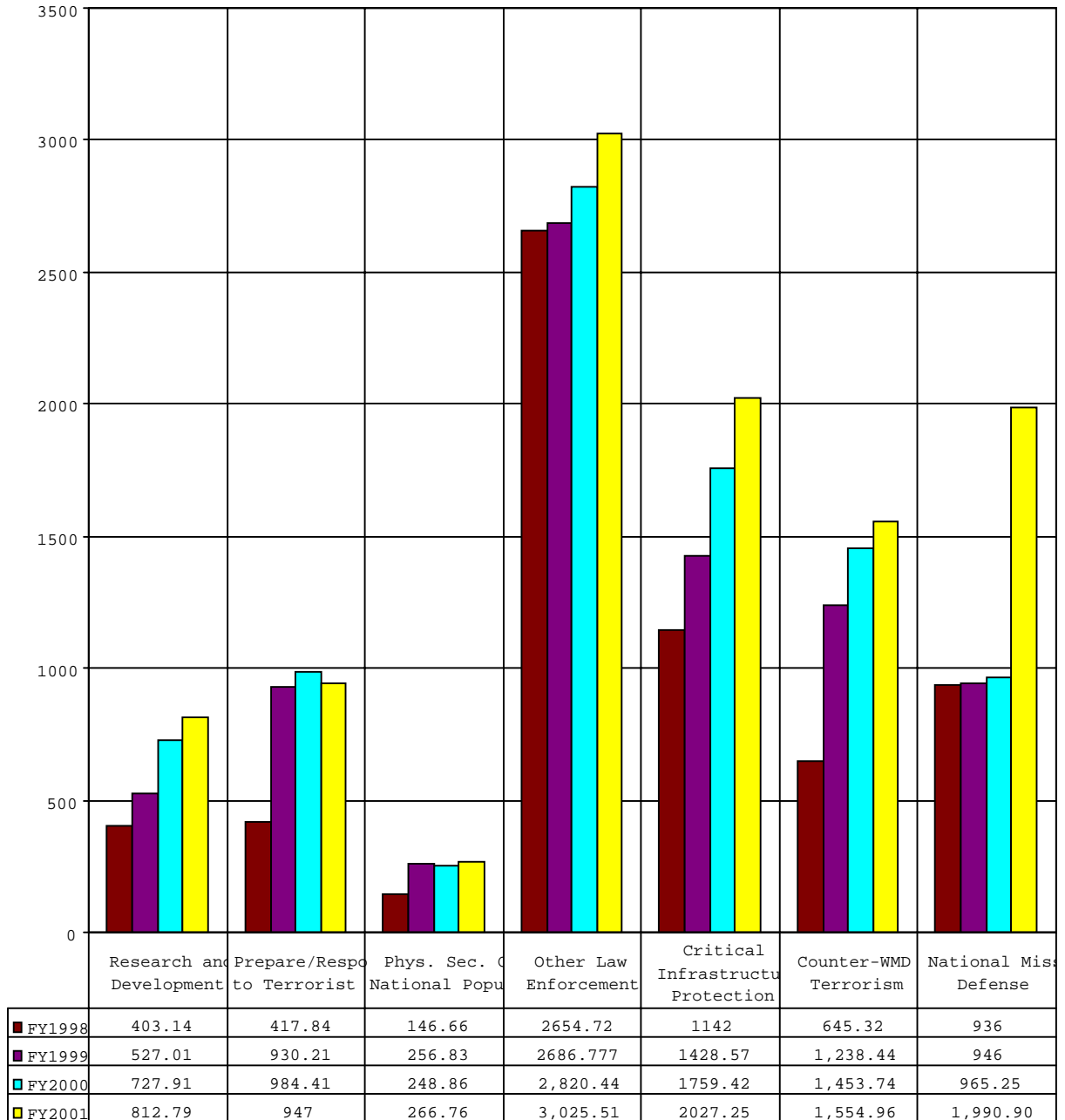


Source: Adapted by Anthony H. Cordesman

BEFORE 9/11: COMPARATIVE CORE FEDERAL SPENDING ON NMD, TERRORISM, WMD, AND CIP BY ACTIVITY:

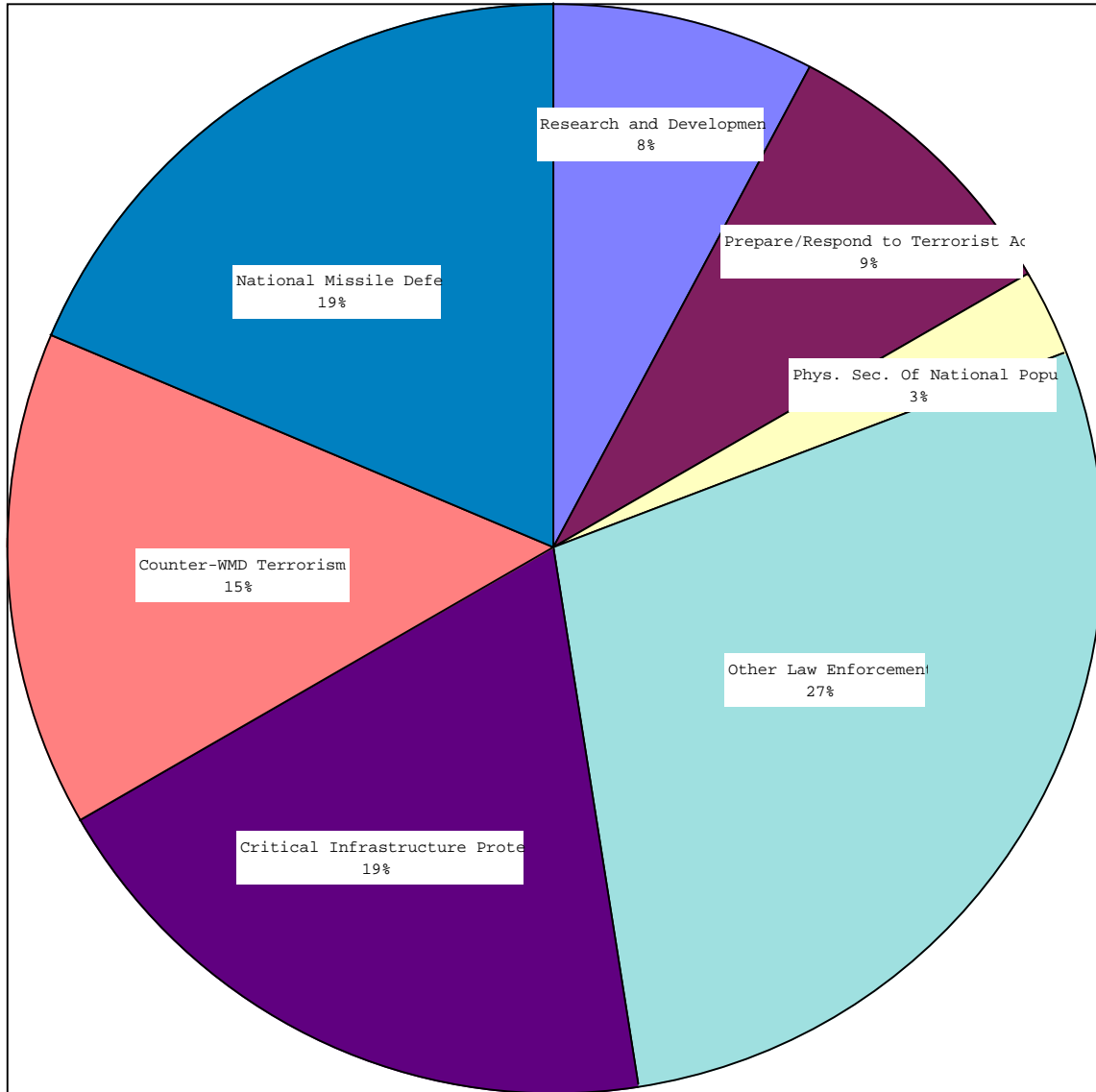
FY1998-FY2001

(Current \$US Millions)



Source: Adapted by Anthony H. Cordesman

DISTRIBUTION OF CORE FEDERAL SPENDING ON NMD, TERRORISM, WMD, AND CIP BY ACTIVITY: FY2001 (Current \$US Millions)



Source: Adapted by Anthony H. Cordesman

AFTER 9/11: THE IMMEDIATE RESPONSE TO THE CRISIS

AMERICA'S RESPONSE TO DATE

An unprecedented national response to the present terrorist threat began literally minutes after the first plane struck the World Trade Center. Virtually every American has been involved in one way or another. Some rushed into burning buildings, putting themselves in harm's way to save the lives of others. Others demonstrated their solidarity by wearing an American flag in their lapel. Some flew combat air patrols over our cities; some fought overseas. Others ministered to the sick and comforted the grieving.

Virtually every sector of American society exhibited courage and responsibility by addressing the security needs of the people. At the Federal level, Congress appropriated a \$40 billion Emergency Response Fund to wage war against Al Qaeda, aid the reconstruction efforts in New York and Virginia, compensate victims, and strengthen our defenses at home. A total of \$10.6 billion was dedicated to homeland security, which has allowed the Federal government to:

- increase the number of sky marshals on our airlines;
- acquire enough medicine to treat up to 10 million more people for anthrax or other bacterial infection;
- distribute \$1.1 billion to States to strengthen their capacity to respond to bioterrorism and other public health emergencies resulting from terrorism;
- deploy hundreds of Coast Guard cutters, aircraft, and small boats to patrol the approaches to our ports and protect them from internal or external threats;
- acquire equipment for certain major mail sorting facilities to find and destroy anthrax bacteria and other biological agents of terror; and
- station 8,000 National Guard at baggage screening checkpoints at 420 major airports.

Criminal Investigation

The Emergency Response Fund supported the largest criminal investigation in United States history. This investigation has been greatly assisted by another act of Congress – the passage of the “USA Patriot Act,” signed into law by the President on October 26, 2001. In essence, the legislation dealt with four broad areas:

- Federal criminal laws were updated to reflect the rapid and dramatic changes that have taken place in recent years in communications technology. For example, it improved law enforcement’s ability to obtain stored voice mail and records from communications and computer-service providers, and amended the pen register/trap and trace statute to apply to Internet communications.
- Important measures were adopted to combat money laundering. For instance, it required the Department of the Treasury to promulgate rules requiring financial institutions to verify the identities of persons opening accounts, granted immunity to financial institutions that voluntarily disclosed suspicious transactions, and increased the penalties for money-laundering. These authorities permitted the Federal government to investigate the sources of terrorist funding – and then freeze the financial assets of more than 150 individuals and organizations connected to international terrorism.
- The ability of the Immigration and Naturalization Service was enhanced to detain or remove suspected terrorists at the Nation’s borders. It broadened the terrorism-related definitions in the Immigration and Nationality Act; expanded the grounds of inadmissibility to include aliens who publicly endorse terrorist activity; required the Attorney General to detain aliens whom he certifies as threats to national security; gave the Secretary of State discretion to provide visa records to foreign governments for the purpose of combating international terrorism or crime; and required the Federal Bureau of Investigation to share criminal record information with the INS and the State Department for the purpose of adjudicating visa applications.
- The law authorized grants that will enhance State and local governments’ ability to respond to and prevent terrorism, and expanded information-sharing among law enforcement authorities at different levels of government.

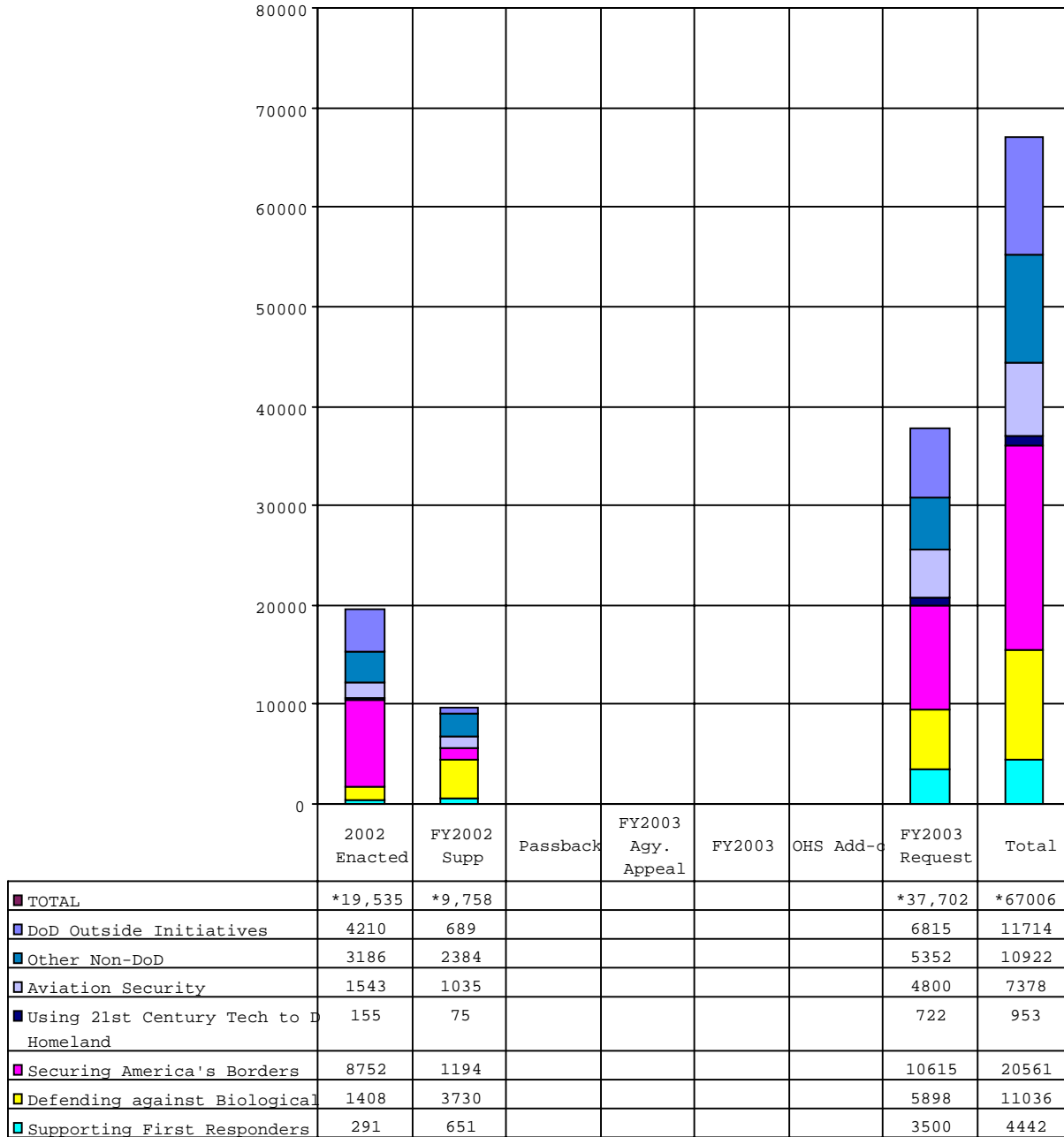
Additionally, since September 11, the Administration has gone to great lengths to identify the most vulnerable potential targets and critical infrastructure in America, and then to put in place appropriate additions safeguards and security procedures. These potential targets include airports, sea and water ports, nuclear facilities, dams, water and sewer plants, electric power plants, gas pipelines, dams and bridges and biological and chemical facilities. The Administration has also paid extra attention to high-profile events such as the Olympics and the Super Bowl, and has responded vigorously to intelligence reports of possible terrorist threats.

State and Local Response

- It has not been just the Federal government responding to the terrorist threat.
- Precise figures are not available, but the National Governors Association has estimated that States have spent at least \$650 million to help protect their citizens. These expenditures have gone to protect critical infrastructure facilities as described above.
- Additionally, the border States have shared with the Federal government the responsibility for bolstering America's land borders and increasing security at vulnerable points of entry.
- Local governments have played a critical role in securing their respective communities as well.
- Local police, fire, and emergency personnel have worked tirelessly since September 11 to ensure the safety and security of their citizens. They are carrying a burden unforeseen prior to the 2001 attacks on America. Local governments have recognized the importance of these men and women and remain committed to their most critical mission of public safety.
- According to the U.S. Conference of Mayors, initial estimates show that local communities have spent more than \$525 million for added security.
- Moreover, they anticipate that these cities will spend about \$2.1 billion in 2002 on heightened security.
- It is evident that new equipment purchases, overtime expenses, and responding to threats in America's urban, suburban and rural communities (both actual emergencies and hoaxes), have required significant – but much needed – new outlays by local governments.

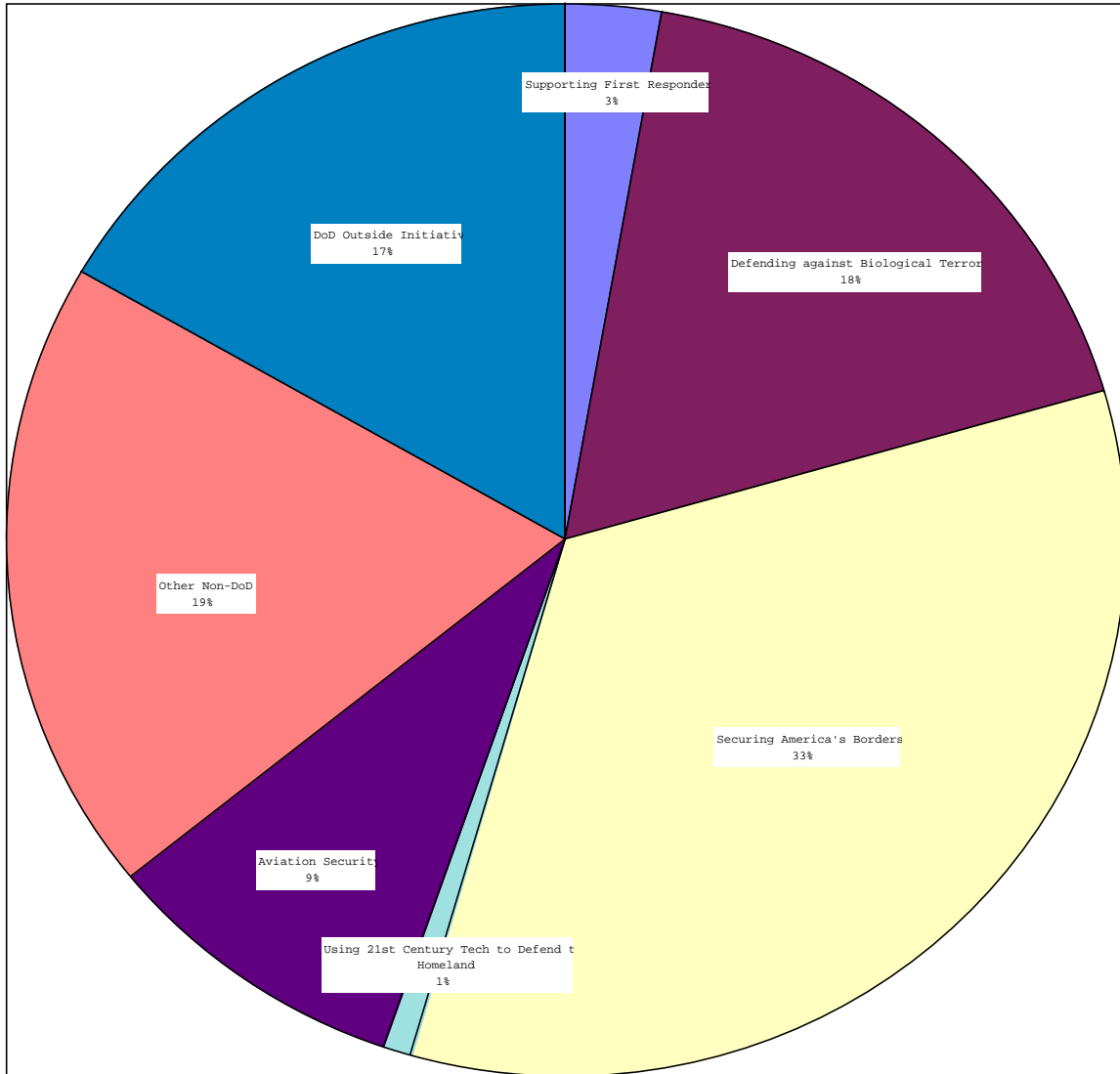
AFTER 9/11: COMPARATIVE HOMELAND DEFENSE: FY2002-FY2003 BUDGET ANALYSIS

(Current \$US Millions)



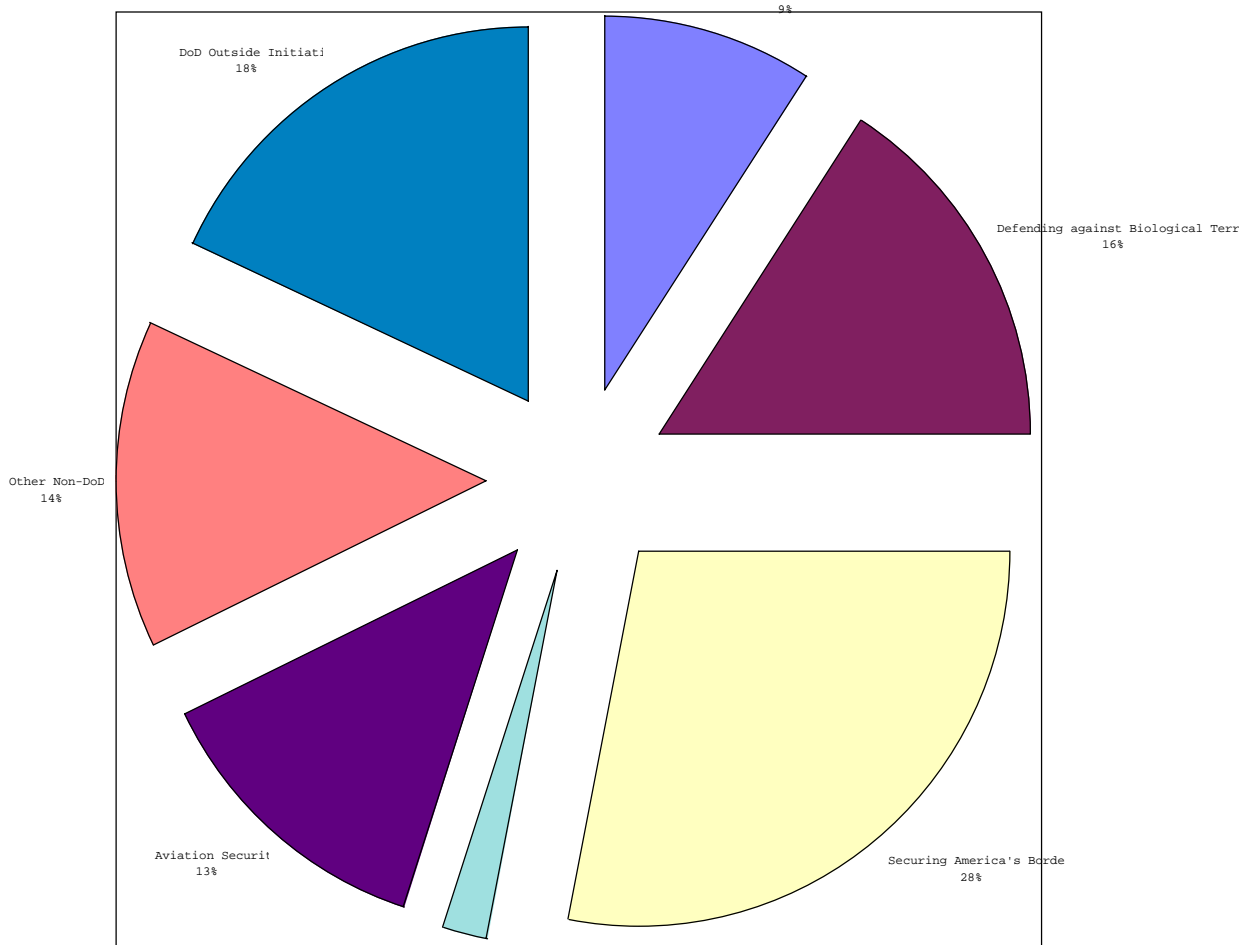
Source: Adapted from "Final R&S" of the Homeland Security office as presented at www.whitehouse.gov.

AFTER 9/11: COMPARATIVE HOMELAND DEFENSE: DISTRIBUTION OF FINAL SPENDING REQUEST FOR FY2002 (Current \$US Millions)



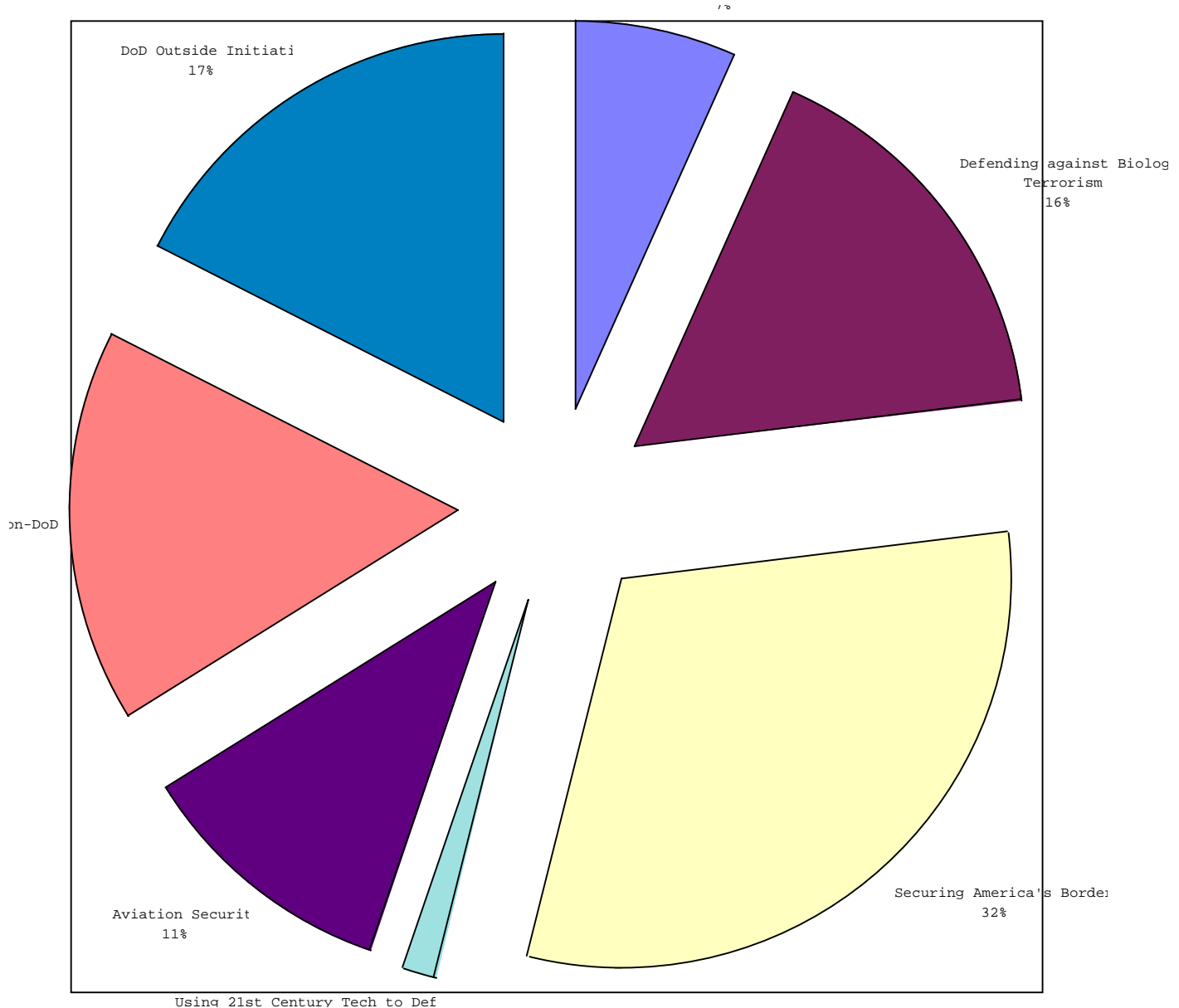
Source: Adapted from "Final R&S" of the Homeland Security office as presented at www.whitehouse.gov.

AFTER 9/11: COMPARATIVE HOMELAND DEFENSE: DISTRIBUTION OF FEDERAL SPENDING IN FY2003 BUDGET REQUEST (Current \$US Millions)



Source: Adapted from "Final R&S" of the Homeland Security office as presented at www.whitehouse.gov.

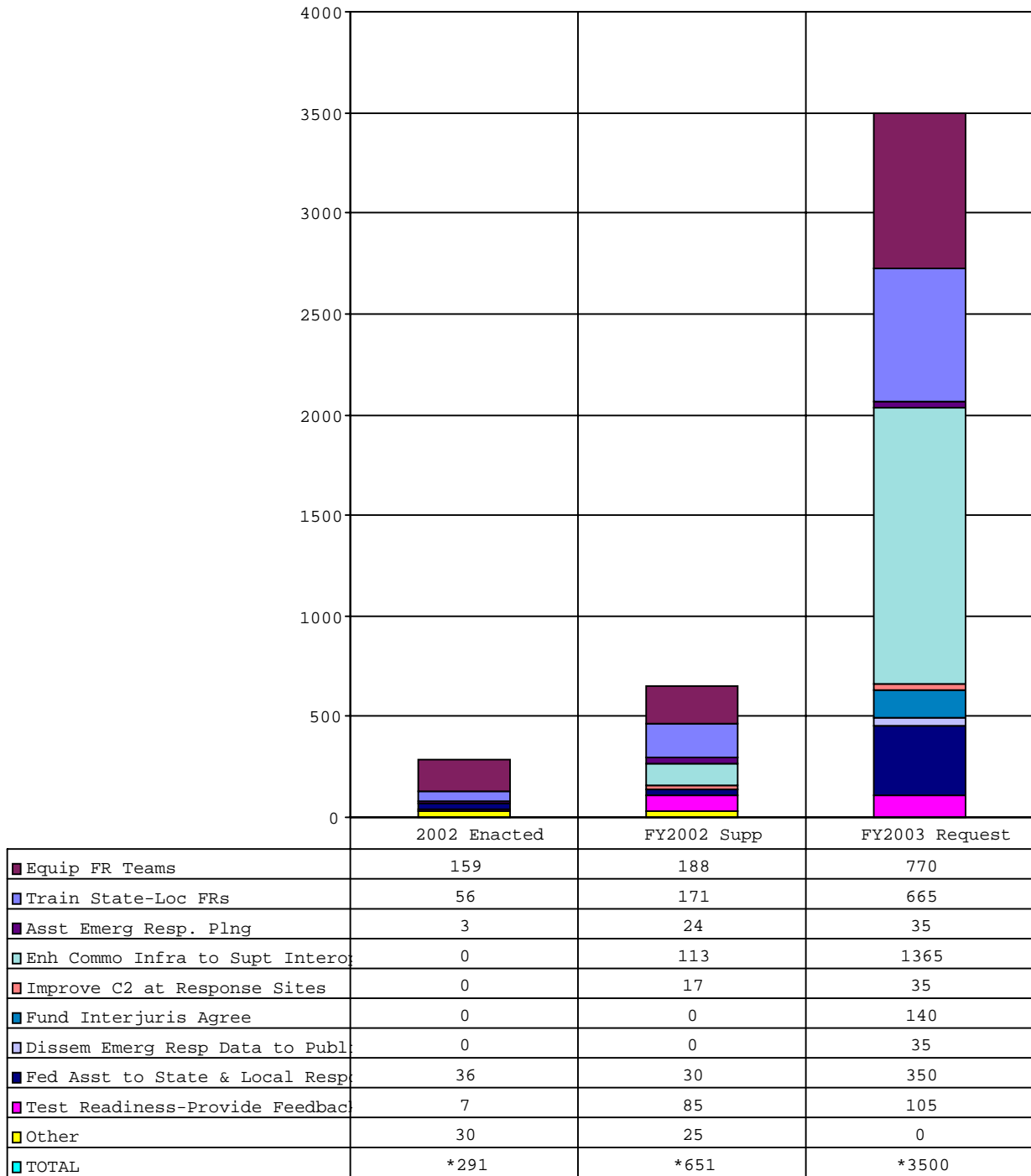
AFTER 9/11: COMPARATIVE HOMELAND DEFENSE: DISTRIBUTION OF TOTAL FEDERAL SPENDING REQUEST IN FY2002-2003 (Current \$US Millions)



Source: Adapted from "Final R&S" of the Homeland Security office as presented at www.whitehouse.gov.

AFTER 9/11: COMPARATIVE HOMELAND DEFENSE SPENDING: FEMA AND JUSTICE EFFORTS TO SUPPORT FEDERAL RESPONDERS

(Current \$US Millions)



Source: Adapted from "Final R&S" of the Homeland Security office as presented at www.whitehouse.gov.

Supporting First Responders

America's first line of defense in any terrorist attack is the "first responder" community – local police, firefighters, and emergency medical professionals. Properly trained and equipped first responders have the greatest potential to save lives and limit casualties after a terrorist attack. Currently, our capabilities for responding to a terrorist attack vary widely across the country. Many areas have little or no capability to respond to terrorist attack using weapons of mass destruction. Even the best prepared States and localities do not possess adequate resources to respond to the full range of terrorist threats we face.

The President's 2003 Budget proposes to spend \$3.5 billion on enhancing the homeland security response capabilities of America's first responders – a greater than 10-fold increase in Federal resources. This initiative will accomplish the following objectives:

- Provide the first responder community with much-needed funds to conduct important planning and exercises, purchase equipment, and train their personnel.
- Provide States and localities with the flexibility they require to ensure that the funds are used to address the needs of their local communities.
- Establish a consolidated, simple, and quick method for dispersing Federal assistance to States and localities.
- Encourage mutual aid across the Nation so that the entire local, State, Federal, and volunteer network can operate together effectively.
- Establish a process for evaluating the effort to build response capabilities, in order to validate that effort and direct future resources.
- Encourage citizens to participate actively in preparing their communities for the threat of terrorism and other disastrous events.

To achieve these objectives, the Federal Emergency Management Agency (FEMA) will implement a streamlined and simple procedure designed to speed the flow of resources to the States and localities. The funds may be used for the following types of first responder activities:

- **Planning.** The program will support State and local governments in developing comprehensive plans to prepare for and respond to a terrorist attack.
- **Equipment.** The program will allow State and local first responder agencies to purchase a wide range of equipment needed to respond effectively to a terrorist attack, including personal protective equipment, chemical and biological detection systems, and interoperable communications gear.
- **Training.** The First Responder Initiative will also provide resources to train firefighters, police officers, and emergency medical technicians to respond and operate in a chemical or biological environment.
- **Exercises.** The program will support a coordinated, regular exercise program to improve response capabilities, practice mutual aid, and assess operational improvements and deficiencies.

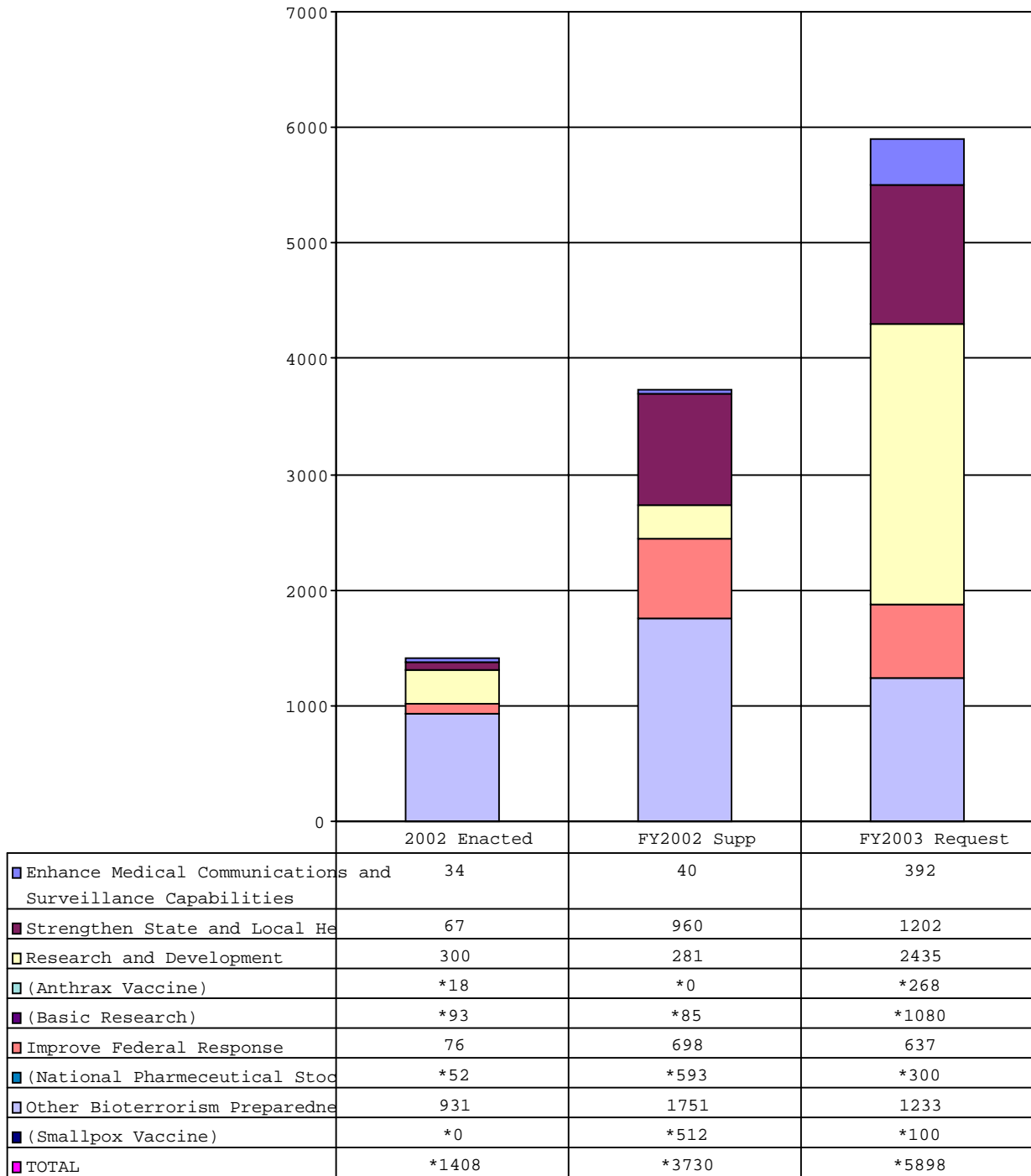
Facts about First Responders

- There are over 1 million firefighters in the United States, of which approximately 750,000 are volunteers.
- Local police departments have an estimated 556,000 full-time employees including about 436,000 sworn personnel.
- Sheriffs' offices reported about 291,000 full-time employees, including about 186,000 sworn personnel.
- There are over 155,000 nationally registered Emergency Medical Technicians (EMT).

Strengthening America's first responder community will make our homeland safer. Nearly two million first responders regularly put their lives at risk to save lives and make our country safer. Hundreds of firefighters, police officers and emergency medical workers gave their lives on September 11 as they worked to save others. The First Responder Initiative will help these brave Americans do their jobs better. Building on existing capabilities at the Federal, State, and local level, the First Responder Initiative provides an incentive to develop mutually supportive programs that maximize effective response capability. Through joint planning, clear communication, comprehensive coordination, mutual aid at all levels and increased information sharing, America's first responders can be trained and equipped to save lives in the event of a terrorist attack.

The benefits of building first responder capability are immediate and widespread – making the nation safer from terrorist attacks while also bolstering everyday response capabilities.

AFTER 9/11: COMPARATIVE HOMELAND DEFENSE SPENDING: DEFENDING AGAINST BIOLOGICAL TERRORISM – NIH, EPA, FDA, DOD, HHS, CDC (Current \$US Millions)



Source: Adapted from “Final R&S” of the Homeland Security office as presented at www.whitehouse.gov.

Bioterror Spending on Homeland Defense

Bioterrorism accounts for some of the largest increases the president is proposing. Nearly \$6 billion will be spent during the new budget year to prepare for bioterrorist attacks, “a new American vulnerability laid bare,” if Congress goes along with President Bush’s proposals.

The president has asked Congress for some \$300 million to help states create similar networks that could be key in the case of biological or chemical attacks.

Ridge noted that, when combined with money already approved for this year, bioterrorism preparation would see nearly \$10 billion over just two years, “which is absolutely unprecedented.” It’s needed, he said, to combat what the budget proposal called “a new American vulnerability laid bare.” Before Sept. 11, the government was spending less than \$1.5 billion each year.

Ridge added that much of the spending will improve the public health system generally.

The biggest slice of bioterrorism spending - more than \$1.7 billion - would pay for medical research. It constitutes nearly half of the massive increase slated for the National Institutes of Health.

The NIH plan includes expanding basic research on the physiology and genetics of potential bioterrorism agents and accelerating development of new vaccines, treatments and diagnostic tests. It would also help improve security at NIH labs.

Other bioterrorism proposals include:

- State and local preparation: \$940 million to improve local labs, training of doctors and other medical workers, and upgrade computer networks.
- Smallpox vaccine: \$100 million to buy an antidote used to treat people who have reactions to the smallpox vaccine.
- Defense Department: \$420 million to study bioterrorists and ways to fight biological weapons.
- Hospital preparation: \$518 million to help hospitals plan for a biological or chemical disaster.

Food supply: \$98 million to hire more food inspectors to double the number of inspections.

Biological Response: Enhancing Specialized Federal Capabilities

A major act of biological terrorism would almost certainly overwhelm existing State, local, and privately owned health care capabilities. For this reason, the Federal government maintains a number of specialized response capabilities for a bioterrorist attack. The President's Budget invests \$1.8 billion to ensure that these specialized Federal resources are adequate for the threat we face.

The President and the Congress have already taken steps to acquire a national supply of smallpox vaccine and ensure that by the end of fiscal year 2002, the National Pharmaceutical Stockpile will contain sufficient antibiotics to treat 20 million people against diseases such as anthrax, plague and tularemia. The President's Budget for 2003 provides \$650 million to carry the process of enhancing the National Pharmaceutical Stockpile even further through:

- The acquisition of the next-generation anthrax vaccine, and the maintenance of and improvements to the national supply of smallpox vaccine. The budget will also provide resources to acquire sufficient amounts of vaccinia immuno globulin (VIG) to treat those that might experience adverse reactions to inoculations.
- Continued maintenance of and improvements to the "push packs" that can be used in the case of both biological and conventional attacks. These pre-assembled packages contain life-saving antidotes, pharmaceuticals, and other medical supplies, and are deployed to the disaster site within 12 hours of a request. The first emergency use of the "push packs" came on September 11 in New York City. In fiscal year 2002, the national supply of these "push packs" was increased from 8 to 12.
- An enhanced vendor managed inventory program so that the Federal government can quickly obtain the additional antibiotics, antidotes, and medical equipment and supplies if an incident requires a larger or multi-phased response.
- Funding support for the States and localities to plan for the receipt and distribution of medicines from the National Pharmaceutical Stockpile.
- The streamlining and integration the Federal bioterrorism response efforts into a unified plan.

Recognizing the potentially global nature of bioterrorism, the Budget for 2003 devotes \$10 million to create a team of epidemiological scientists who are committed to working with their counterparts in foreign countries to provide information, research, awareness, and early warning of potential health threats from abroad. Finally, the President's Budget for 2003 provides \$20 million to strengthen the Epidemiological Intelligence Service (EIS) at the Centers for Disease Control in Atlanta. Established in 1951 following the start of the Korean War as an early-warning system against biological warfare, the EIS today has expanded into a surveillance and response unit for all types of epidemics.

Defending Against Biological Terrorism

Disease has long been the deadliest enemy of mankind. Infectious diseases make no distinctions among people and recognize no borders. We have fought the causes and consequences of disease throughout history and must continue to do so with every available means. All civilized nations reject as intolerable the use of disease and biological weapons as instruments of war and terror.

One of the most important missions we have as a Nation is to be prepared for the threat of biological terrorism – the deliberate use of disease as a weapon. An effective biodefense will require a long-term strategy and significant new investment in the U.S. health care system. The President is taking steps now that will significantly improve the Nation's ability to protect its citizens against the threat of bioterrorism. The President's Budget for 2003 proposes \$5.9 billion to defending against biological terrorism, an increase of \$4.5 billion – or 319 percent – from the 2002 level. This new funding will focus on:

- **Infrastructure**. Strengthen the State and local health systems, including by enhancing medical communications and disease surveillance capabilities, to maximize their contribution to the overall biodefense of the Nation.
- **Response**. Improve specialized Federal capabilities to respond in coordination with State and local governments, and private capabilities in the event of a bioterrorist incident and build up the National Pharmaceutical Stockpile.
- **Science**. Meet the medical needs of our bioterrorism response plans by developing specific new vaccines, medicines, and diagnostic tests through an aggressive research and development program.

Responsibility for detecting and managing a bioterrorist attack needs to be shared among a wide range of Federal, State, local, and private entities. The resources made available in the President's Budget for 2003 will help the Nation develop an effective "early warning" system against a possible bioterrorist attack, and mount an effective operational response to manage its medical consequences. These enhanced capabilities, once in place, will also enhance the Nation's ability to respond to outbreaks of naturally occurring diseases.

Infrastructure: Strengthening America's Public Health System

The President is committed to improving the ability of State and local public health care systems to deal with bioterrorism. State and local public health personnel are a principal line of defense against bioterrorism, and will often be the first to recognize that we are under a biological attack. Ensuring that State and local health care providers have the appropriate tools and the training is critical as our health care community works to carry out this mission.

Many of our health care systems are not adequately prepared for a large-scale attack:

The health care system lacks the surge capabilities needed to handle quickly large numbers of victims and have insufficient isolation facilities for contagious patients.

The information system that knits together hospital emergency rooms and public health officials is antiquated and inadequate.

Little has been done to promote regional mutual aid compacts among health care institutions for bioterrorism attacks.

Training for health care providers in the handling of bioterrorism victims has been infrequent.

In his 2003 Budget, the President has proposed \$1.6 billion to assist State and local health care systems in improving their ability to manage both contagious and non-contagious biological attacks, to expand health care surge capabilities, to upgrade public health laboratory capabilities, and to provide training for medical personnel. The Budget also makes available funding to support the development of regional medical mutual aid compacts. In the event of an emergency, these compacts will enable State and local emergency managers to augment local medical care providers quickly and efficiently. Finally, the communications network that links the acute care providers of our communities with their public health counterparts will be modernized and improved so that vital information on the detection and treatment of disease can flow swiftly.

Science: A New Medical Toolkit for Fighting Bioterrorism

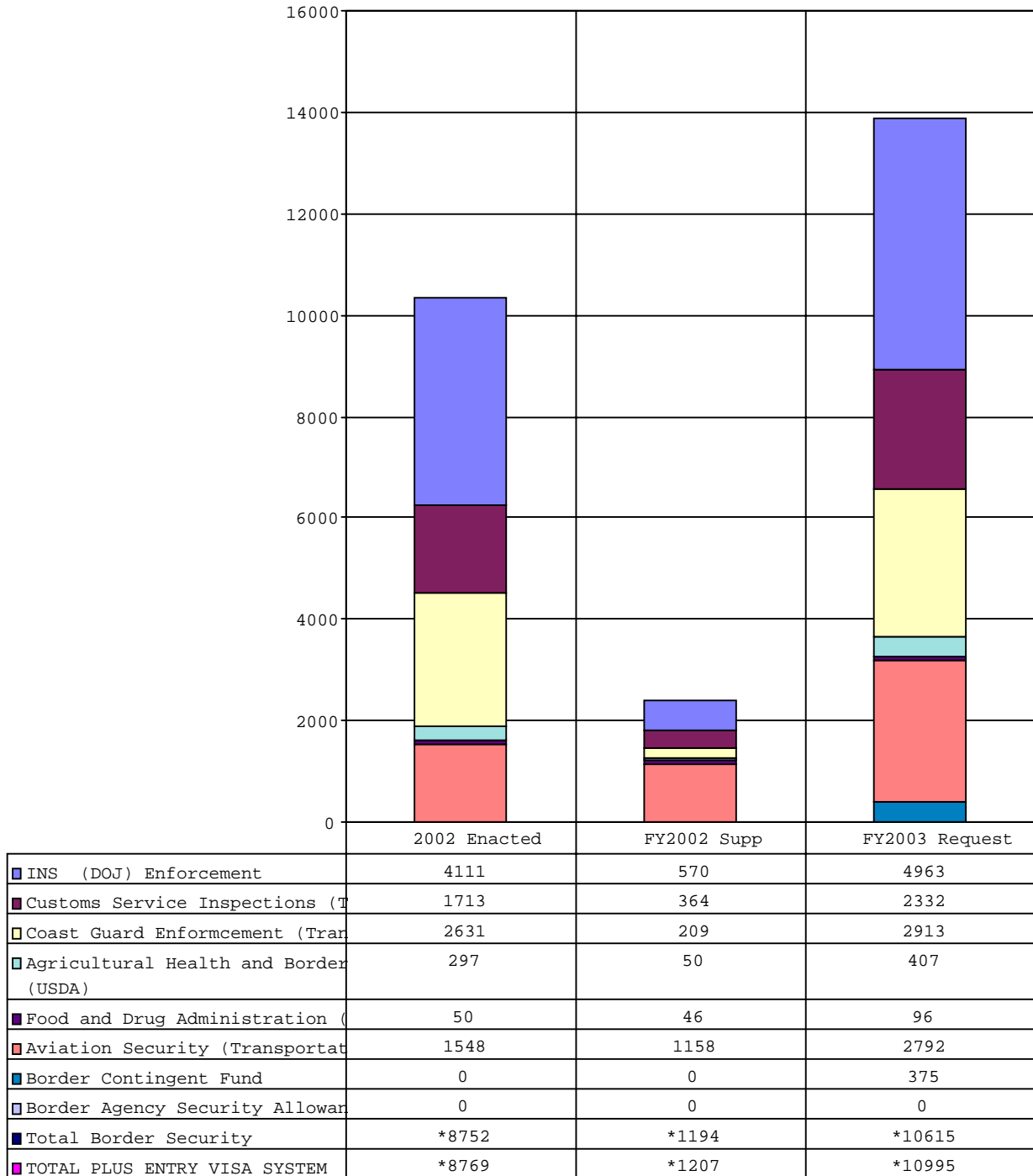
Whether we succeed or fail in our response to an act of bioterrorism depends in large measure on the quality and effectiveness of our diagnostic tests, vaccines, and therapeutic drugs. Our experience responding to the anthrax letter attacks of October 2001 has revealed major inadequacies in our existing medical “toolkit” for fighting bioterrorism. Some of the diagnostics, vaccines, and therapeutics available to us today were developed during the Cold War and hence do not harness the full power of modern biomedical science.

The President’s Budget for 2003 devotes \$2.4 billion to jump-starting the research and development process needed to provide America with the medical tools needed to support an effective response to bioterrorism. These resources will be focused in the following areas:

- \$1.75 billion will be provided to the National Institutes of Health to conduct basic and applied research needed to provide solutions to a range of specific operational problems in our bioterrorism response plans. To do this, NIH will lead a partnership with industry, academia, and government agencies dedicated to understanding the pathogenesis of potential bioterrorism agents and to translating this knowledge into required medical products.
- Over \$600 million will be allocated to the Department of Defense, of which \$420 million will be used to accelerate efforts to develop better detection, identification, collection, and monitoring technology. Additionally, the scientists working under Defense auspices will support the law enforcement, national security, and medical communities by improving our understanding of how potential bioterrorism pathogens may be weaponized, transported, and disseminated.
- \$75 million will go to the Environmental Protection Agency to develop better methods for decontaminating buildings where bioterrorism agents have been released.

AFTER 9/11: COMPARATIVE HOMELAND DEFENSE SPENDING: SECURING AMERICA'S BORDERS

(Current \$US Millions)



Source: Adapted from "Final R&S" of the Homeland Security office as presented at www.whitehouse.gov.

Securing America's Borders

America's borders – land, air or sea – are the boundaries between the United States and the rest of the world. The massive flow of people and goods across our borders helps drive our economy, but can also serve as a conduit for terrorists, weapons of mass destruction, illegal migrants, contraband, and other unlawful commodities. The new threats and opportunities of the 21st century demand a new approach to border management. President Bush envisions a border that is grounded on two key principles:

- First, America's air, land, and sea borders must provide a strong defense for the American people against all external threats, most importantly international terrorists but also drugs, foreign disease, and other dangerous items.
- Second, America's border must be highly efficient, posing little or no obstacle to legitimate trade and travel.

The President's 2003 Budget begins the process of achieving this vision of the border of the future.

Facts about America's Borders

- The United States has a 7500-mile land and air border shared with Canada and Mexico and an exclusive economic zone encompassing 3.4 million square miles.
- Each year, more than 500 million people are admitted into the United States, of which 330 million are non-citizens.
- On land, 11.2 million trucks and 2.2 million rail cars cross into the United States, while 7,500 foreign-flag ships make 51,000 calls in U.S. ports annually.

The Smart Border of the Future

America requires a border management system that keeps pace with expanding trade while protecting the United States and its territories from the threats of terrorist attack, illegal immigration, illegal drugs, and other contraband. The border of the future must integrate actions abroad to screen goods and people prior to their arrival in sovereign U.S. territory, and inspections at the border and measures within the United States to ensure compliance with entry and import permits. Federal border control agencies must have seamless information-sharing systems that allow for coordinated communication among themselves, and also the broader law enforcement and intelligence gathering communities. This integrated system would provide timely enforcement of laws and regulations. Agreements with our neighbors, major trading partners, and private industry will allow extensive pre-screening of low-risk traffic, thereby allowing limited assets to focus attention on high-risk traffic. The use of advanced technology to track the movement of cargo and the entry and exit of individuals is essential to the task of managing the movement of hundreds of millions of individuals, conveyances, and vehicles.

Some of this work has already begun with Canada, our largest trading partner. On December 12, 2001, Governor Tom Ridge, Director of the Office of Homeland Security, and John Manley, then Canada's Minister of Foreign Affairs, signed the "Smart Border Declaration" with a 30-point action plan that will help speed and secure the flow of people and goods between the United States and Canada. The Smart Border Declaration recognizes that "our current and future

prosperity and security depend on a border that operates efficiently and effectively under all circumstances.” A similar effort is currently underway with Mexico.

BORDER SECURITY INITIATIVES IN THE 2003 BUDGET

In the 2003 Budget, the President will propose approximately \$11 billion for border security, including \$380 million for the Immigration and Naturalization Service to construct a state of the art Entry-Exit visa system. In total, this will represent an increase of \$2.2 billion from the 2002 Budget for border security. This additional funding will allow our border agencies to begin implementing a seamless air, land, and sea border that protects the United States against foreign threats while moving legitimate goods and people into and out of the country. The new border initiatives will be managed by the agencies with primary responsibility for border control.

U.S. Customs Service—Inspections

The President's 2003 Budget increases the inspection budget of the Customs Services by \$619 million, for a total of \$2.3 billion. This additional funding increases the ability of the Customs Service to fulfill its critical border security role. Specifically, the additional resources in the 2003 Budget will allow the Customs Service to achieve the following key objectives:

Additional Personnel. The Customs Service will complete the hiring of approximately 800 new inspectors and agents to carry out additional security activities on our borders and at our seaports.

New Technology. The President's Budget provides resources to purchase technologically advanced equipment that will assist in inspecting shipments so that time-consuming and labor-intensive searches can be minimized.

Immigration and Naturalization Service (INS) – Enforcement

The President's 2003 Budget increases the INS budget for enforcement by \$1.2 billion, for a total of \$5.3 billion, including the resources necessary to implement the Entry-Exit visa system. These resources will enhance key INS missions related to homeland security, including border patrol, inspections, and the implementation of a technologically advanced system for monitoring the entry and exit of foreign visitors. Key goals include:

Additional Personnel. The INS will more than double the number of border patrol agents and inspectors on the northern border. INS will also install integrated information systems to ensure that timely, accurate and complete enforcement data is transmitted to INS agents and other border security agencies operating in the field.

Entry–Exit Tracking System. The INS will implement a new entry-exit system to track the arrival and departure of non-U.S. citizens. This new system will dramatically improve our ability to deny access to those individuals who should not enter the United States, while speeding the entry of routine, legitimate traffic.

United States Coast Guard

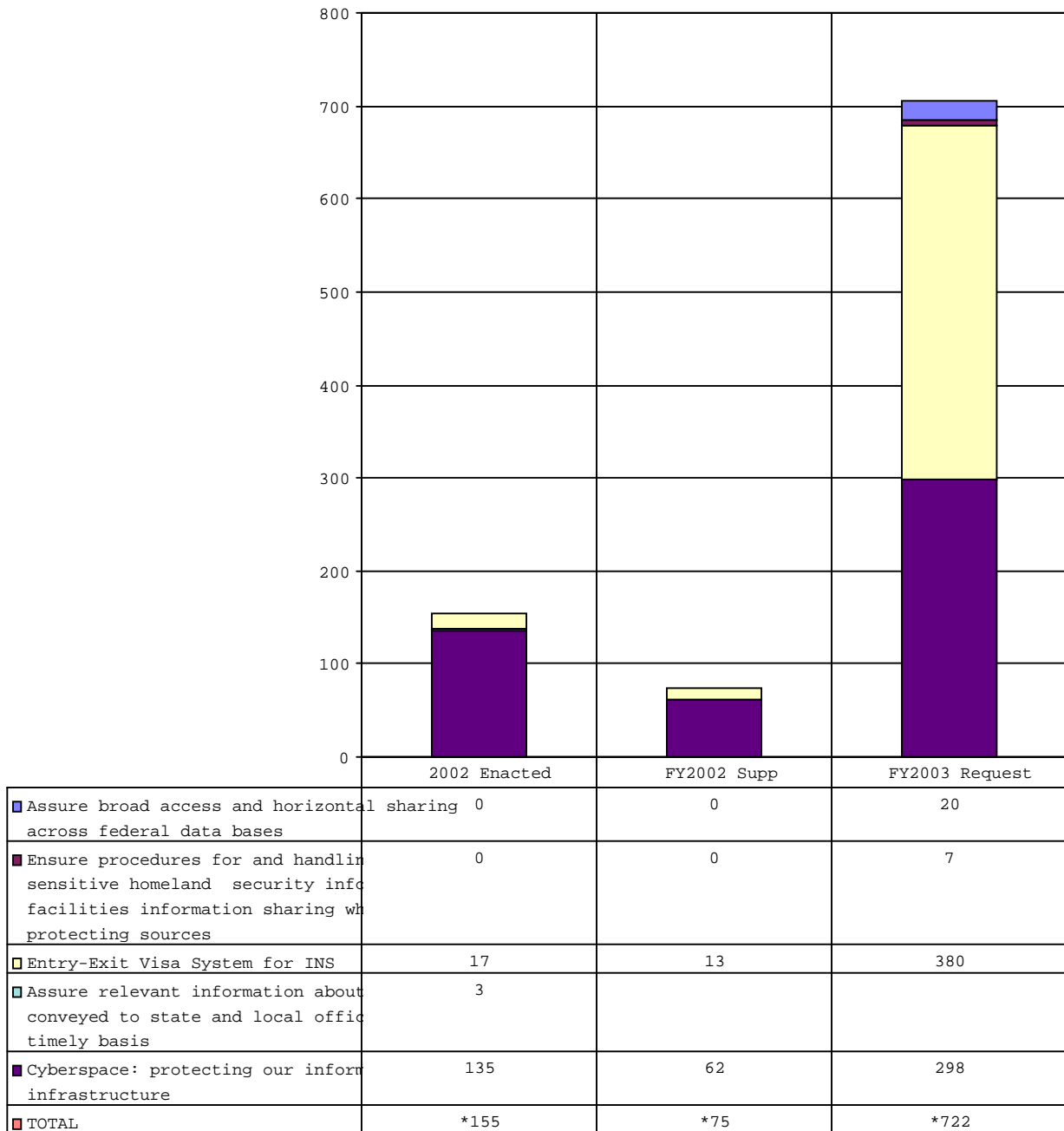
The President's 2003 Budget increases funding for the Coast Guard's homeland security-related missions (protecting ports and coastal areas, as well as interdiction activities) by \$282 million, to an overall level of \$2.9 billion. After September 11, the Coast Guard's port security mission grew from approximately 1-2 percent of daily operations to between 50-60 percent today. In addition, the Coast Guard has important national security missions such as illegal immigration and drug interdiction and port security.

Coordination. Working with other port entities, the Coast Guard is developing tracking mechanisms for all vessels operating in the maritime domain: within or transiting to U.S. ports and transiting our coastal waters. The heart of this maritime domain awareness program is accurate information, intelligence, surveillance, and reconnaissance of all vessels, cargo, and people extending well beyond our traditional maritime boundaries.

Coastal Asset and Infrastructure Protection. Coast Guard forces will provide enhanced defenses for critical high-risk vessels and coastal facilities, marine and otherwise (e.g. nuclear power plants, oil refineries). Close coordination through Harbor Safety Committees, which help bring together the many local, state, and Federal agencies that maintain and protect the harbor, will ensure a well-balanced protective envelope is sustained at different threat levels.

AFTER 9/11: COMPARATIVE HOMELAND DEFENSE SPENDING: USING 21ST CENTURY TECHNOLOGY – DOD, DOE, GSA, NIPC, FBI, NIST, COMMERCE, JUSTICE, NATIONAL ARCHIVES, FEMA

(Current \$US Millions)



Source: Adapted from “Final R&S” of the Homeland Security office as presented at www.whitehouse.gov.

Using 21st Century Technology

America's information infrastructure is a source of both great strength and considerable vulnerability. The President recognizes that modern information technology is essential not only for making our Nation more prosperous but for making our homeland more secure. The President has launched a long-term program for using advanced information management technology to better protect the Nation. At the same time, the President's 2003 Budget requests significant funding for cyberspace security, an essential new mission for the 21st century given our growing dependence on critical information infrastructure, most importantly the Internet.

Information Technology and the Federal Government: Expanding E-Government

The Budget for 2003 requests a total of \$50 billion for information technology investment across the entire Federal government. This enormous Federal investment in technology represents an opportunity to improve the performance of billions of dollars of Federal spending by increasing the effectiveness and efficiency of government.

Led by the Office of Management and Budget, the Administration is deploying 21 high payoff e-government initiatives to maximize Federal government productivity gains from technology, eliminate redundant systems, and significantly improve government's quality of service for citizens, businesses, and other levels of government over the next 18 to 24 months.

Using Information to Secure the Homeland

The President believes that an effective use of intelligence and closer coordination across all levels of government will help stop future terrorist attacks. In the wake of September 11, for example, we discovered that information on the hijackers' activities was available through a variety of databases at the Federal, State, and local government levels as well as within the private sector. Looking forward, we must build a system that combines threat information and then transmits it as needed to all relevant law enforcement and public safety officials.

The President's budget calls for an increase of \$722 million and sets in motion a program to use information technology to more effectively share information and intelligence, both horizontally (among Federal agencies and Departments) and vertically (among the Federal, State and local governments). This ongoing homeland security initiative is a key component of the President's "Expanded Electronic Government" management initiative for the entire Federal government, which seeks to improve the way that agencies work together to serve citizens by maximizing the benefits of the Federal government's overall investment in information technology.

Homeland Security Information Initiative

The homeland security information initiative has two key objectives:

- Goal 1: Tear down unwarranted information “stovepipes” within the Federal government. The President’s Budget for 2003 proposes to establish an Information Integration Office within the Department of Commerce to implement a number of priority homeland security goals in the area of horizontal information sharing. The most important function of this office will be to design and help implement an interagency information architecture that will support United States efforts to find, track, and respond to terrorist threats within the United States and around the world, in a way that improves both the time of response and the quality of decisions. Controls will be developed to ensure that this initiative is carried out in a manner consistent with our broader values of civil liberties, economic prosperity, and privacy.

Information technology is also a key to keeping track of short-term foreign visitors. Currently, the country has no system in place for monitoring when a foreign visitor has overstayed his or her visa. To begin filling this gap, the President’s 2003 Budget provides \$380 million to the INS to implement a new entry-exit system to track the arrival and departure of non-U.S. citizens. This new information-based system will dramatically improve our ability to deny access to those individuals who should not enter the United States, while speeding the entry of routine, legitimate traffic.

- Goal 2: Share homeland security information with States, localities, and relevant private sector entities. The struggle against terrorism is a truly national struggle. Federal, State, and local government agencies, as well as the private sector, must work seamlessly together. Having the right system of communication – content, process, and infrastructure – is critical to bridging the existing gaps between the Federal, State, and local governments, as well as the private sector. These new systems will greatly assist our officials at all levels to protect and defend against future terrorist attacks, and to effectively manage incidents whenever they should occur.

To help meet these needs, the Administration will establish a uniform national threat advisory system to inform Federal agencies, State and local officials, as well as the private sector, of terrorist threats and appropriate protective actions. The Budget for 2003 supports this effort by funding the development and implementation of secure information systems to streamline the dissemination of critical homeland security information.

Cyberspace-Security: Protecting our Information Infrastructure

The information technology revolution has changed the way business is transacted, government operates and national defense is conducted. These three functions are now fueled by an interdependent network of critical information infrastructures of which the Internet is key. America must do more to strengthen security on the Internet to protect our critical infrastructure. This cannot be done through government regulation; it can only be accomplished through a voluntary public and private partnership, including corporate and non-governmental organizations.

The President recognized the importance of ensuring the continued operation of America's critical information services by creating a national board and designating a special advisor for cyberspace security. Since October 2001, the President's Critical Infrastructure Protection Board has organized national committees to streamline initiatives and address emergency planning. The board has initiated research into potential methods to isolate and protect critical government information that carries vital communications. It has fostered an unprecedented national government-industry partnership to provide alert and warning for cyberspace threats.

This comprehensive strategy to defend cyberspace will be the result of a true partnership among government and the owners and operatives of critical infrastructure – including our partnership with the information technology industry, telecommunications, electric power, and the financial services industries. Some of the components of this national strategy will include:

National Infrastructure Protection Center (NIPC). The President's Budget for 2003 requests \$125 million to fund the NIPC, the premier cyberspace-threat response center located within the FBI. This request represents an increase of more than \$50 million from the NIPC's base 2002 funding level.

Cyberspace Warning Intelligence Network. The Internet and our critical infrastructure are constantly under attack from viruses and other invasive programs. The President's Budget for 2003 requests \$30 million to create the Cyberspace Warning Intelligence Network (CWIN) that would link the major players in government and the private sector to manage future cyberspace crises.

Priority Wireless Access. On September 11, we learned first hand that in times of a major crisis, wireless communication jams due to congestion. First responders must be able to complete calls in a timely manner. The President's Budget for 2003 requests \$60 million to develop a wireless priority access program that will give authorized users priority on the cellular network. The program will ensure that first responders have priority for cellular phone coverage during emergencies.

National Infrastructure Simulation and Analysis Center. The President's Budget for 2003 requests \$20 million to fund the National Infrastructure Simulation and Analysis Center at the Department of Energy. This Center will promote collaboration between Federal research efforts and the private sector to better understand the dependencies between the Internet, our critical infrastructure, and our economy.

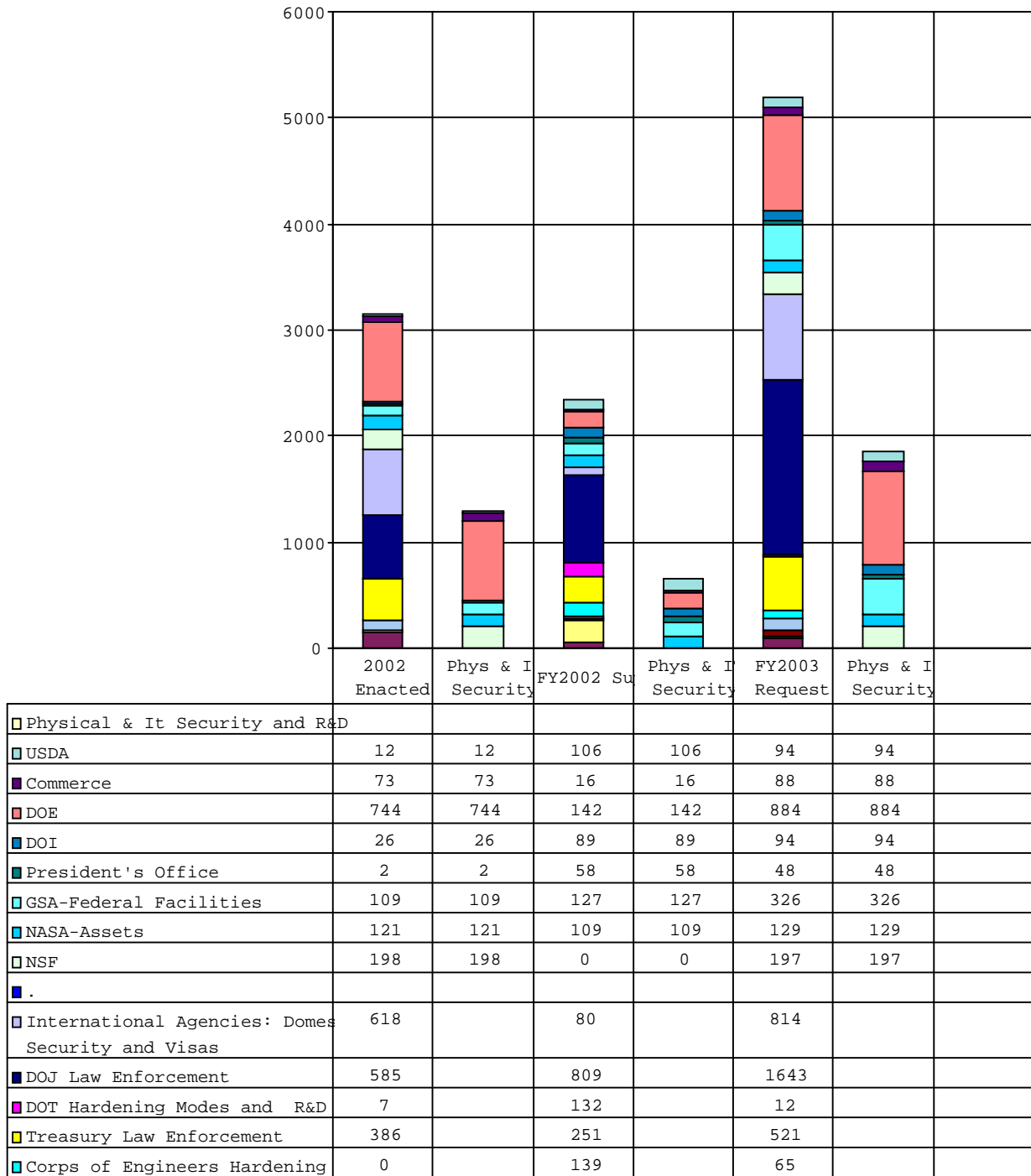
Secure "GovNet" Feasibility Study. The President's Budget for 2003 requests \$5 million for a feasibility study of a proposal to develop a government network that will secure critical functions performed by government at a higher level of security against external attack.

Advanced Encryption Standard. The President helped foster better computer security at Federal agencies. A new Federal standard announced on December 4, 2001, is designed to protect sensitive, unclassified information well into the 21st century. In limited circumstances, it will also be available for classified national security information. The new standard, called the Advanced Encryption Standard, also is expected to be used widely in the private sector, benefiting millions of consumers and businesses.

Cybercorps Scholarships for Service. The President's Budget for 2003 requests \$11 million for the "Cybercorps." By injecting scholarship funding into universities across America, the Cybercorps Scholarship for Service program encourages college students to become high tech computer security professionals within government. Managed by the National Science Foundation and the Office of Personnel Management, this program also helps to build academic programs at universities in the area of computer security.

AFTER 9/11: COMPARATIVE HOMELAND DEFENSE SPENDING: OTHER ACTIVITY – LARGELY PHYSICAL AND CIP SECURITY OF FEDERAL AGENCIES

(Current \$US Millions)



Source: Adapted from "Final R&S" of the Homeland Security office as presented at www.whitehouse.gov.

Homeland Security: Additional Budget Priorities

The four initiatives in the President's Budget for 2003 are not the totality of the homeland security agenda. Over the course of 2002, the Administration will develop a comprehensive Federal budget plan for securing the homeland, which will systematically address the entire agenda. Yet even before the completion of this plan, virtually every Federal agency has some activity defined as homeland security. Several key activities not mentioned elsewhere include:

Transportation Security

On November 19, 2001, the President signed into law the Aviation and Transportation Security Act, which among other things established a new Transportation Security Administration (TSA) within the Department of Transportation. This Act established a series of challenging but critically important milestones toward achieving a secure air travel system. The President's Budget for 2003 requests \$4.8 billion to fulfill the mandates established by the Act.

More broadly however, the Aviation and Transportation Security Act fundamentally changed the way transportation security will be performed and managed in the United States. The continued growth of commercial transportation, tourism and the world economy depends upon effective transportation security measures being efficiently applied. However, the threat to transportation is not restricted solely to those motivated by political or social concerns. In addition to terrorism, TSA will also work to prevent other criminal acts, regardless of motivation.

The Aviation and Transportation Security Act recognized the importance of security for all forms of transportation and related infrastructure elements. This cannot be accomplished by the TSA in isolation and requires strengthened partnerships among Federal, State and local government officials, and the private sector to reduce vulnerabilities and adopt the best practices in use today.

Infrastructure protection of critical assets such as pipelines and more than 10,000 FAA facilities is another key mission of the TSA. Along with rail and highway bridges, many other national assets are critical to our economic and national security and vital for the free and seamless movement of passengers and goods throughout the country.

Federal Law Enforcement

The President's Budget for 2003 will allow the FBI to add more than 300 special agents and other investigative staff to conduct surveillance of terrorists and collect intelligence information about terrorist activities. It will add more than 130 Federal Bureau of Investigation special agents and other investigative staff specifically to combat cyber-crime and protect our banking, finance, energy, transportation, and other critical systems from disruption by terrorists. It will also provide Drug Enforcement Agency with more than 25 financial crime investigators to help identify and shut down the sources of money that support the terrorist cells.

Department of Defense and Intelligence Community

The President's Budget for 2003 requests \$7.8 billion for homeland security-related activities of the Department of Defense and Intelligence Community. The largest portion of the total request (\$4.6 billion) is dedicated to the physical security of Department of Defense facilities and personnel inside the United States, while the second largest is for maintaining combat air patrols within U.S. airspace (\$1.3 billion). The Budget for 2003 also requests significant funding for research and development related to combating terrorism, as well as for several specialized response teams such as the National Guard's Weapons of Mass Destruction Civil Support Teams.

Citizen Corps

The Citizen Corps will enable Americans to volunteer to participate directly in homeland security efforts in their own communities. Citizen Corps will be coordinated by the Federal Emergency Management Agency (FEMA).

The President's Budget for fiscal year 2003 requests \$144 million in matching funds to support the formation and training of local Citizen Corps Councils. These community-based Citizen Corps Councils will help drive local involvement in Citizen Corps, developing community action plans, assessing possible threats, identifying local resources and coordinating other Citizen Corps programs. These Councils will be broad-based – including leaders from law enforcement, fire and emergency medical services, businesses, community-based institutions, schools, places of worship, health care facilities, public works and other key community sectors.

Citizen Corps volunteers will be able to participate in a variety of programs that match their skills and abilities. The President's fiscal year 2003 Budget provides more than \$230 million for these efforts, including:

Volunteers in Police Service (VIPS) Program: Builds on successful local programs in which civilian volunteers help local police departments to perform non-sworn functions, freeing up police officers to perform vital front-line duties in times of emergency.

Medical Reserve Corps: Enables retired healthcare professionals to effectively augment local health officials' capacity to respond to an emergency.

Operation TIPS (Terrorist Information and Prevention System): Operation TIPS will enable millions of America transportation workers, postal workers, and public utility employees to identify and report suspicious activities linked to terrorism and crime.

Community Emergency Response Teams (CERT): The President has proposed tripling over the next two years the number of Americans enrolled in CERT – a training program that enables individual Americans to participate in emergency management planning in their communities and prepare to respond to disasters and other emergencies.

Neighborhood Watch Programs: The President's plan will double the number of Neighborhood Watch Programs in the next two years, and enhance the program by incorporating terrorism prevention into its mission.

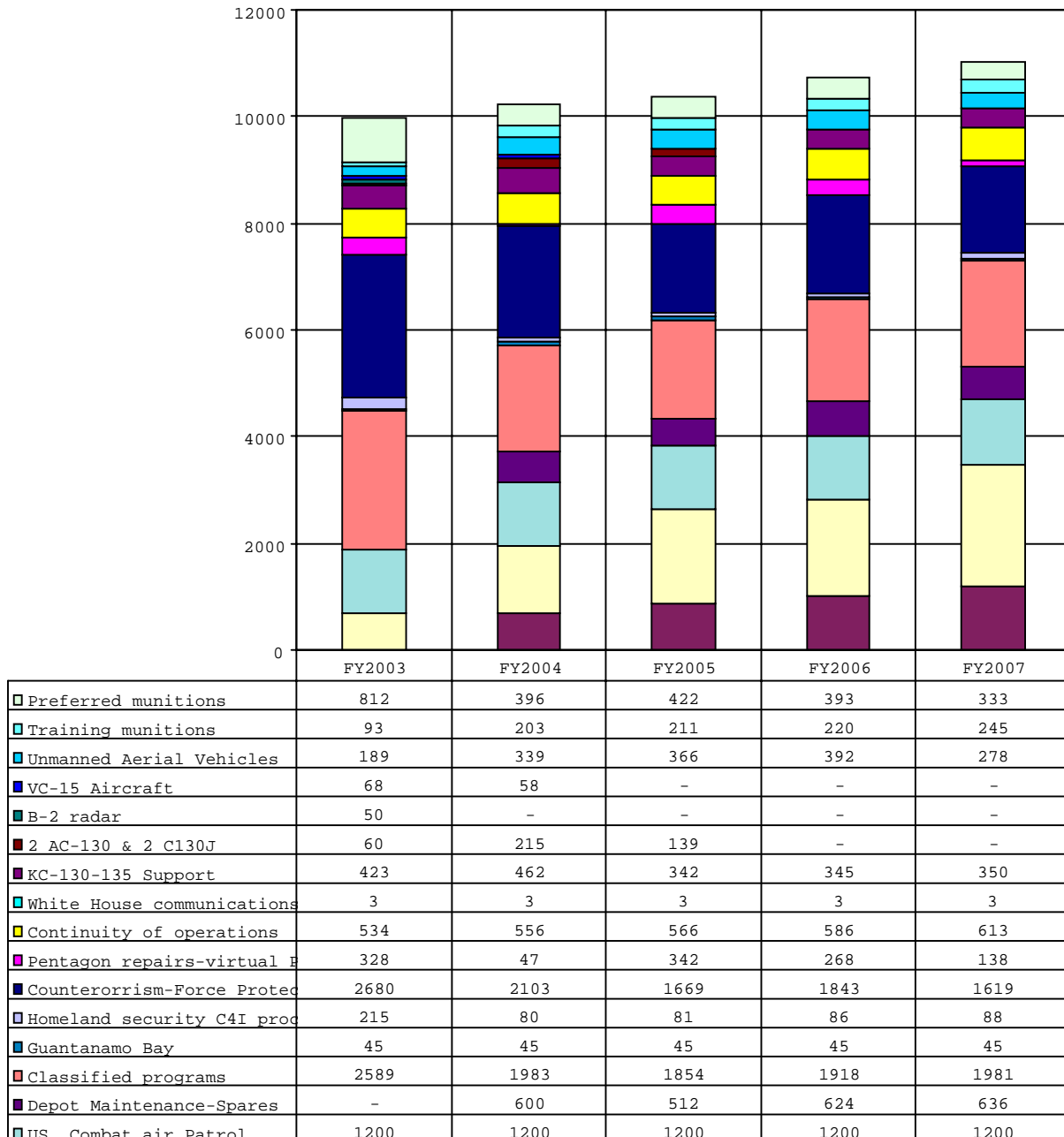
Citizens' Preparedness Guidebook: The Citizens' Preparedness Guidebook provides current crime and disaster preparedness techniques as well as the latest information on terrorism, to give Americans guidance on how to prepare in their homes, neighborhoods, workplaces and public spaces.

CONGRESSIONAL WILD CARDS: HOUSE SUPPLEMENTAL AS OF MAY 6, 2002

- The \$29.798 billion fiscal 2002 emergency supplemental scheduled to be marked up by the House Appropriations Committee had the follow features.
- **Defense**
 - \$17.54 billion, or \$1.77 billion more than requested by the Bush administration, including:
 - \$790 million for Operation Enduring Freedom force mobilization.
 - \$621 million for training, spare parts, and equipment maintenance.
 - \$100 million for accelerated destruction of vulnerable U.S. chemical weapons stockpiles.
 - \$93 million to replace three destroyed helicopters.
- **Homeland Security**
 - \$5.8 billion, or \$522 million above the administration's request, including:
 - \$4 billion for the Transportation Security Administration, \$400 million below the administration's request for installing explosive detection systems in airport baggage-screening facilities; modifying baggage-screening facilities; and paying for stronger cockpit doors.
 - \$210 million for the U.S. Coast Guard, \$33 million above the administration's request.
 - \$194 million for homeland security activities under the Department of Justice, \$143 million more than the administration's request for FBI terrorist investigation, digital document storage, and the Immigration and Naturalization Service.
 - \$63 million for the law enforcement agencies at the Department of Treasury, funding not included in the administration's request.
- **New York**
 - Nearly \$5.5 billion for assistance to New York, the same as the president's request. Included would be:
 - \$750 million for restoration of damaged infrastructure and assistance to damaged properties and businesses.
 - \$1.8 billion to replace or rebuild mass transit damaged in the Sept. 11 attacks.
 - \$167 million to rebuild roads.
 - \$2.75 billion in disaster relief through the Federal Emergency Management Agency.
- \$1.35 billion for foreign assistance, \$225 million more than the administration request, including:
 - \$200 million for fighting AIDS, tuberculosis and malaria, funding not included in the administration request.
 - \$190 million for international disaster assistance, \$105 million more than the administration's request for Afghanistan resettlement and reconstruction, aid to Pakistan and refugee assistance.
 - \$201 million for embassy construction and renovations in Kabul, Afghanistan, and Dushanbe, Tajikistan, the same as the president's request.
 - \$52.6 million for public diplomacy initiatives, \$27 million above the administration's request for international exchanges, broadcasting and other "public diplomacy" programs, including Radio Free Afghanistan.
- Adapted from work By Mary Dalrymple, CQ Staff Writer, May 6, 2002

HOMELAND DEFENSE?: FY2003 DOD EMERGENCY RESERVE FUND (DERF) FOR WAR ON TERROR (LESS \$10 BILLION CONTINGENCY RESERVE FUND)

(Current \$US Millions)



Source: Adapted from Defense News, February 25, 2002, p. 4..

HOMELAND DEFENSE? DOD MISSILE DEFENSE PROGRAM

(Current \$US Millions)



Source: Dov Zakheim, DoD FY2003 Budget Briefing slides, February 2002.

HOW THE FY2002-FY2003 HOMELAND SECURITY BUDGET WAS CALCULATED

Homeland Security encompasses those activities that are focused on combating terrorism and occur within the United States and its territories. Such activities include efforts to detect, deter, protect against and, if needed, respond to terrorist attacks.

As a starting point, funding estimates for these activities are based on data that has been reported since 1998 in the Office of Management and Budget's *Annual Report to Congress on Combating Terrorism*, and include combating terrorism and weapons of mass destruction (WMD), critical infrastructure protection (CIP), and continuity of operations (COOP).

Since homeland security focuses on activities within the United States, estimates do not include costs associated with fighting terrorism overseas; those costs are captured within the war on terrorism abroad category. In addition, homeland security estimates include all funding associated with border security (i.e., Immigration and Naturalization Service's enforcement and detention activities, the Customs Service enforcement activities, the Coast Guard's enforcement activities, the Agricultural Quarantine Inspection Program, and the Department of State's visa program) and aviation security.

The Office of Management and Budget's Combating Terrorism report defines combating terrorism and WMD preparedness, CIP, and COOP. Combating terrorism includes both antiterrorism, defensive measures used to combat terrorism, and counterterrorism, offensive measures used to combat terrorism, and includes the following five categories of activities:

- law enforcement and investigative activities;
- preparing for and responding to terrorist acts;
- physical security of government facilities and employees;
- physical protection of national populace and national
- infrastructure; and,
- research and development.

CIP is defined as efforts associated with enhancing the physical and cybersecurity of public and private sector infrastructures, especially cyber systems that are so vital to the Nation that their incapacitation or destruction would have a debilitating impact on national security, national economic security, and/or national public health and safety.

COOP refers to the capability of Federal agencies to perform essential functions during any emergency or situation that may disrupt normal operations.

ANNEX ONE GOVERNMENT SPENDING FOR COMBATING TERRORISM, WMD AND CRITICAL INFRASTRUCTURE PROTECTION BEFORE 9/11

(Current \$US Millions)

**Note WMD is a subset of the combating terrorism budget totals.

	<u>FY1998</u>	<u>FY1999</u>	<u>FY2000</u>	<u>FY2001</u>
FEDERAL GOVERNMENT	7,658.08	10,185.82	10,179.14	11,338.54
<i>Combat Terrorism</i>	6,516.08	8,757.25	8,419.72	9,311.29
Law Enforcement and Investigative Activities	2,654.72	2,686.77	2,820.04	3,025.51
Physical Security of Government Facilities and Employees	2,893.72	4,356.44	3,637.49	4,259.24
Physical Security of National Populace	146.66	256.83	249.86	266.76
Preparing for and Responding to Terrorist Acts	417.84	930.21	984.41	947.00
Research and Development	403.14	527.01	727.91	812.79
<i>WMD Preparedness</i>	645.32	1,238.44	1,453.74	1,554.96
Law Enforcement and Investigative Activities	71.82	102.30	93.77	142.53
Physical Security of Government	175.09	199.35	200.58	185.41
Physical Security of National Populace	3.39	3.83	3.61	3.62
Preparing for and Responding to WMD Terrorism	155.26	564.20	618.74	633.48
Research and Development	239.75	368.76	537.04	589.92
<i>Critical Infrastructure Protection</i>	1,142.00	1,428.57	1,759.42	2,027.25
Federal Infrastructure Protection	1,038.79	1,278.91	1,584.26	1,699.03
Education and Training	37.54	48.50	79.45	105.00
Intrusion Monitoring and Response	127.63	186.27	213.37	249.27
Legislative Initiatives and Legal Issues	0.12	0.20	0.20	0.23
Multiple Program Areas	242.45	282.72	397.21	369.05
Reconstitution	26.19	30.18	16.29	5.64
System Protection	533.32	631.13	710.23	740.69
Threat/Vulnerability/Risk Assessments	71.56	99.92	167.51	229.15
CIP Assistance/Outreach to Private Sector	103.21	149.66	175.16	328.22
Education and Training	1.14	1.60	1.60	2.50
Intrusion Monitoring and Response	3.75	5.20	4.70	6.62
Legislative Initiatives and Legal Issues	1.58	2.60	2.60	3.60
Multiple Program Areas	37.99	70.78	61.14	133.92
Public Awareness/Outreach	0.00	0.00	2.30	3.10
Reconstitution	0.00	0.00	0.00	2.13
System Protection	37.31	43.15	57.05	72.14
Threat/Vulnerability/Risk Assessments	21.44	26.33	45.78	104.14
Department of Agriculture	10.90	12.92	14.84	59.17
<i>Combat Terrorism</i>	10.20	11.70	12.33	41.28
Physical Security of Government Facilities and Employees	5.00	5.00	5.00	1.48
Preparing for and Responding to Terrorist Acts	0.00	0.00	0.63	10.60
Research and Development	5.20	6.70	6.70	29.20
WMD Preparedness	5.20	6.70	7.33	39.80
Preparing for and Responding to WMD Terrorism	0.00	0.00	0.63	10.60
Federal Planning and Exercises	0.00	0.00	0.00	0.26
Other Planning and Assistance to State/Local	0.00	0.00	0.00	4.48
Public Health Infrastructure/Surveillance	0.00	0.00	0.63	5.87
RESEARCH AND DEVELOPMENT	5.20	6.70	6.70	29.20
Basic Research, incl. Gene Sequencing	0.00	0.00	0.00	10.00
Other	5.20	6.70	6.70	19.20
<i>Critical Infrastructure Protection</i>	0.70	1.22	2.51	17.89

Federal Infrastructure Protection	0.00	0.22	1.11	16.89
Intrusion Monitoring and Response	0.00	0.22	1.11	6.44
System Protection	0.00	0.00	0.00	9.00
Threat/Vulnerability/Risk Assessments	0.00	0.00	0.00	1.46
CIP Assistance/Outreach to Private Sector	0.70	1.00	1.40	1.00
Threat/Vulnerability/Risk Assessments	0.70	1.00	1.40	1.00
*OMB Highlighted Programs WMD/CIP				
Research and Development	-	-	-	10.00
Laboratory Infrastructure Improvements	-	-	-	19.00
National Animal Health Emergency Program	-	-	-	5.90
DEPARTMENT OF COMMERCE	38.89	53.66	40.15	125.70
<i>Combat Terrorism</i>	29.54	31.85	22.40	33.60
Law Enforcement and Investigative Activities	5.80	3.90	3.90	15.10
Physical Security of Government Facilities and Employees	11.64	17.45	8.00	8.00
Research and Development	12.10	10.50	10.50	10.50
<i>WMD Preparedness</i>	11.90	9.00	9.00	20.20
Law Enforcement and Investigative Activities	1.90	0.00	0.00	11.20
Research and Development	10.00	9.00	9.00	9.00
Basic Research, incl. Gene Sequencing	10.00	9.00	9.00	9.00
<i>Critical Infrastructure Protection</i>	9.35	21.81	17.75	92.10
Federal Infrastructure Protection	2.00	10.84	6.75	15.58
Multiple Program Areas	0.00	3.00	1.50	3.00
System Protection	2.00	7.84	5.25	6.33
Threat/Vulnerability/Risk Assessments	0.00	0.00	0.00	6.25
CIP Assistance/Outreach to Private Sector	7.35	10.97	11.00	76.52
Education and Training	0.00	0.00	0.00	0.50
Intrusion Monitoring and Response	0.50	0.62	0.65	0.62
Multiple Program Areas	0.00	3.00	1.50	56.50
Public Awareness/Outreach	0.00	0.00	0.00	0.50
System Protection	6.85	7.35	7.85	9.85
Threat/Vulnerability/Risk Assessments	0.00	0.00	1.00	8.55
*OMB Highlighted Programs				
WMD Programs				
Bureau of Export Administration	-	-	-	11.20
CIP Programs				
Lead Agency for Information and Communications Sector	-	-	-	3.50
Critical Infrastructure Assurance Office	-	-	-	6.00
Institute for Information Infrastructure Protection	-	-	-	50.00
Expert Review Team	-	-	-	5.00
CIP Research and Development	-	-	-	13.30
Department of Education	3.59	4.45	5.23	2.51
<i>Critical Infrastructure Protection</i>	3.59	4.45	5.23	2.51
Federal Infrastructure Protection	3.58	4.44	5.22	2.50
Education and Training	0.01	0.07	0.03	0.03
Intrusion Monitoring and Response	1.46	2.06	2.44	2.25
Reconstitution	0.39	0.51	0.52	0.00
System Protection	1.39	1.64	2.06	0.10
Threat/Vulnerability/Risk Assessments	0.33	0.16	0.17	0.13
CIP Assistance/Outreach to Private Sector	0.01	0.01	0.01	0.01
Multiple Program Areas	0.01	0.01	0.01	0.01
Department of Energy	500.48	614.65	669.59	708.83
<i>Combat Terrorism</i>	498.98	611.05	647.61	663.53

Law Enforcement and Investigative	0.94	0.94	0.94	0.94
Physical Security of Government Facilities and Employees	389.00	449.85	468.22	471.05
Preparing for and Responding to Terrorist Acts	84.38	84.80	94.35	97.74
Research and Development	24.66	75.46	84.10	93.80
WMD Preparedness	275.78	350.75	366.31	364.23
Physical Security of Government	186.50	192.25	189.62	174.45
Preparing for and Responding to WMD Terrorism	84.38	84.80	94.35	97.74
Equipment for First Responders	2.10	1.40	8.00	9.55
Federal Planning/Exercises	2.58	3.05	3.05	3.40
First Responder Training and Exercises	0.20	0.20	3.85	4.08
Other	0.50	1.16	1.45	1.45
Special Response Units	79.00	79.00	78.00	79.31
Research and Development	22.90	73.70	82.34	92.04
Basic Research, incl. Gene Sequencing	3.00	4.80	11.00	14.00
Detection/Diagnostics	14.50	16.50	21.00	22.50
Modeling, Simulation, Systems Analyses	3.60	2.00	6.74	6.74
Other	0.00	47.60	40.40	45.60
Personal/Environment Decontamination	1.80	2.80	3.20	3.20
Critical Infrastructure Protection	1.50	3.60	21.98	45.30
Federal Infrastructure Protection	0.00	1.80	17.56	32.30
Education and Training	0.00	1.00	1.00	3.50
Intrusion Monitoring and Response	0.00	0.80	7.34	9.30
Multiple Program Areas	0.00	0.00	1.00	2.00
System Protection	0.00	0.00	6.18	15.50
Threat/Vulnerability/Risk Assessments	0.00	0.00	2.04	2.00
CIP Assistance/Outreach to Private Sector	1.50	1.80	4.42	13.00
Intrusion Monitoring and Response	0.00	0.10	0.16	0.60
Legislative Initiatives and Legal Issues	0.00	0.00	0.00	0.60
Multiple Program Areas	1.50	1.50	0.80	1.50
Public Awareness/Outreach	0.00	0.00	2.00	0.20
Reconstitution	0.00	0.00	0.00	2.00
System Protection	0.00	0.00	0.00	1.70
Threat/Vulnerability/Risk Assessments	0.00	0.20	1.46	6.40
*OMB Highlighted Programs				
WMD Programs				
Nuclear Emergency Search Team	-	-	-	44.00
Technology Development and Applications	-	-	-	25.00
Radiological Assistance Program	-	-	-	4.00
Research and Development	-	-	-	92.00
Nuclear Safeguards, Security and Emergency Operations	-	-	25.00	N/A
CIP Programs				
Critical Infrastructure Protection Program	-	-	-	13.00
Cyber Security Program	-	-	-	30.00
ENVIRONMENTAL PROTECTION AGENCY	2.12	2.24	2.08	5.50
Combat Terrorism	2.00	2.00	2.00	3.20
Preparing for and Responding to Terrorist Acts	2.00	2.00	2.00	3.20
WMD Preparedness	2.00	2.00	2.00	3.20
Preparing for and Responding to WMD Terrorism	2.00	2.00	2.00	3.20
Special Response Units	2.00	2.00	2.00	3.20
Critical Infrastructure Protection	0.12	0.24	0.08	2.30
Federal Infrastructure Protection	0.11	0.23	0.00	0.00
Threat/Vulnerability/Risk Assessment	0.11	0.23	0.00	0.00
*OMB Highlighted Programs				
WMD Programs				

WMD Coordinator, Equipment and Training	-	-	-	3.20
CIP Programs				
Critical Infrastructure Protection of the Water Sector	-	-	-	2.30
FEDERAL EMERGENCY MANAGEMENT AGENCY	5.92	17.61	31.57	35.99
<i>Combat Terrorism</i>	5.92	17.61	30.77	34.52
Physical Security of Government Facilities and Employees	1.46	1.96	2.13	2.13
Preparing for and Responding to Terrorist Acts	4.45	15.64	28.64	32.39
<i>WMD Preparedness</i>	5.92	17.61	30.77	34.52
Physical Security of Government	1.46	1.96	2.13	2.13
Preparing for and Responding to WMD Terrorism	4.45	15.64	28.64	32.39
Federal Planning/Exercises	0.92	3.02	4.50	4.95
First Responder Training and Exercises	2.76	8.31	14.56	13.96
Other	0.00	0.00	0.08	0.08
Other Planning and Assistance to State/Locals	0.76	4.31	9.50	9.50
Special Response Units	0.00	0.00	0.00	3.90
<i>Critical Infrastructure Protection</i>	0.00	0.00	0.80	1.47
Federal Infrastructure Protection	0.00	0.00	0.00	1.17
Threat/Vulnerability/Risk Assessments	0.00	0.00	0.00	1.17
CIP Assistance/Outreach to Private Sector	0.00	0.00	0.80	0.30
Multiple Program Areas	0.00	0.00	0.80	0.15
Public Awareness/Outreach	0.00	0.00	0.00	0.15
*OMB Highlighted Programs				
WMD Programs				
Assistance to State and Local Authorities	-	-	-	24.00
Urban Search and Rescue Teams	-	-	-	4.00
GENERAL SERVICES ADMINISTRATION	89.60	136.50	92.80	132.36
<i>Combat Terrorism</i>	89.60	133.50	92.80	116.96
Law Enforcement and Investigative Activities	13.90	15.30	15.10	15.39
Physical Security of Government Facilities and Employees	72.90	115.30	74.90	99.41
Preparing for and Responding to Terrorist Acts	2.80	2.90	2.80	2.16
<i>Critical Infrastructure Protection</i>	0.00	3.00	0.00	15.40
Federal Infrastructure Protection	0.00	2.00	0.00	15.40
Intrusion Monitoring and Response	0.00	2.00	0.00	15.40
CIP Assistance/Outreach to Private Sector	0.00	1.00	0.00	0.00
Multiple Program Areas	0.00	1.00	0.00	0.00
*OMB Highlighted Programs				
CIP Programs				
Federal Computer Incident Response Capability	-	-	-	5.40
Federal Intrusion Detection Network	-	-	-	10.00
DEPARTMENT OF HEALTH AND HUMAN SERVICES	37.75	187.51	299.67	292.97
<i>Combat Terrorism</i>	15.90	173.12	277.56	265.37
Preparing for and Responding to Terrorist Acts	0.00	138.25	165.60	173.63
Research and Development	15.90	34.87	111.96	91.74
<i>WMD Preparedness</i>	15.90	173.12	277.56	265.37
Preparing for and Responding to WMD Terrorism	0.00	138.25	165.60	173.63
Medical Responder Training Exercises	0.00	3.00	1.00	2.00
Other	0.00	2.00	3.10	10.60
Other Planning and Assistance to State/Locals	0.00	16.25	16.50	17.43
Public Health Infrastructure/Surveillance	0.00	62.00	88.00	85.50
Special Response Units	0.00	4.00	5.00	6.10

Stockpile of Vaccines and Therapeutics	0.00	51.00	52.00	52.00
Research and Developments	15.90	34.87	111.96	91.74
Basic Research, incl. Gene Sequencing	13.00	17.23	21.76	21.76
Detection/Diagnostics	0.00	5.68	5.68	8.28
Other	0.00	1.85	31.72	0.00
Personal/Collective Protection	0.00	0.00	0.00	1.20
Therapeutics/Treatments	0.00	3.98	4.35	4.35
Vaccines	2.90	6.13	48.45	56.15
<i>Critical Infrastructure Protection</i>	21.85	14.39	22.11	27.60
Federal Infrastructure Protection	21.85	14.39	22.11	25.60
Multiple Program Areas	18.40	8.17	8.70	9.70
System Protection	2.45	5.02	12.21	14.70
Threat/Vulnerability/Risk Assessments	1.00	1.20	1.20	1.20
CIP Assistance/Outreach to Private Sector	0.00	0.00	0.00	2.00
Multiple Program Areas	0.00	0.00	0.00	2.00
*OMB Highlighted Programs				
WMD Programs				
Strengthening the Public Health Surveillance System for WMD	-	-	-	87.00
National Pharmaceutical Stockpile Program	-	-	-	52.00
Metropolitan Medical Response Systems and WMD Preparedness	-	-	-	30.00
Research and Development	-	-	-	92.00
HOLOCAUST MEMORIAL MUSEUM	0.00	2.00	0.00	0.00
<i>Combat Terrorism</i>	0.00	2.00	0.00	0.00
Physical Security of Government Facilities and Employees	0.00	2.00	0.00	0.00
DEPARTMENT OF THE INTERIOR	12.21	15.61	12.31	11.49
<i>Combat Terrorism</i>	10.92	14.01	9.66	9.66
Law Enforcement and Investigative Activities	0.17	0.20	0.22	0.22
Physical Security of Government Facilities and Employees	10.71	13.77	9.40	9.40
Preparing for and Responding to Terrorist Acts	0.05	0.05	0.05	0.05
WMD Preparedness	0.22	0.25	0.27	0.27
Law Enforcement and Investigative Activities	0.17	0.20	0.22	0.22
Preparing for and Responding to WMD Terrorism	0.05	0.05	0.05	0.05
Other	0.05	0.05	0.05	0.05
Critical Infrastructure Protection	1.29	1.60	2.65	1.83
Federal Infrastructure Protection	0.64	0.80	1.33	0.91
Threat/Vulnerability/Risk Assessments	0.64	0.80	1.33	0.91
CIP Assistance/Outreach to Private Sector	0.64	0.80	1.33	0.91
JUDICIARY	7.00	8.00	10.60	11.20
<i>Combat Terrorism</i>	7.00	8.00	10.60	11.20
Physical Security of Government Facilities and Employees	7.00	8.00	10.60	11.20
DEPARTMENT OF JUSTICE	672.70	848.08	826.04	994.76
<i>Combat Terrorism</i>	647.09	793.99	782.02	949.25
Law Enforcement and Investigative Activities	346.90	328.91	346.24	409.53
Physical Security of Government Facilities and Employees	84.29	105.08	117.12	171.22
Physical Security of National Populace	29.00	41.76	31.67	30.79
Preparing for and Responding to Terrorist Acts	159.90	301.37	250.12	307.26
Research and Development	27.00	16.87	36.88	30.45

<i>WMD Preparedness</i>	100.80	201.22	217.18	254.66
Law Enforcement and Investigative Activities	43.00	39.74	39.74	43.24
Physical Security of National Populace	1.00	1.44	1.22	1.23
Preparing for and Responding to WMD Terrorism	41.80	147.35	143.54	189.25
Equipment for First Responders	12.00	95.00	85.00	88.00
First Responder Training and Exercises	10.00	26.47	38.45	73.45
Other	1.80	2.00	2.20	2.80
Other Planning and Assistance to State/Locals	18.00	23.88	17.89	25.00
Research and Development	15.00	12.69	32.69	20.94
Detection/Diagnostics	3.00	2.69	2.69	3.94
Personal/Collective Protection	12.00	10.00	30.00	17.00
<i>Critical Infrastructure Protection</i>	25.61	54.09	44.02	45.51
Federal Infrastructure Protection	0.84	1.73	1.43	1.50
Legislative Initiatives and Legal Issues	0.12	0.20	0.20	0.23
Multiple Program Areas	0.72	1.54	1.24	1.27
CIP Assistance/Outreach to Private Sector	24.77	52.36	42.59	44.01
Legislative Initiatives and Legal Issues	1.58	2.60	2.60	3.07
Multiple Program Areas	23.19	49.76	39.98	40.94
*OMB Highlighted Programs				
WMD Programs				
Equipment Grants for First Responders	-	-	-	78.00
Domestic Preparedness Training	-	-	-	31.00
Hazardous Devices School	-	-	-	4.60
Center for Domestic Preparedness at Fort McClellan	-	-	-	15.00
Technology and Standards Development	-	-	-	17.00
CIP Programs				
National Infrastructure Protection Center	-	-	-	20.00
Computer Intrusion Squads	-	-	-	22.00
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION	41.00	43.00	66.00	61.00
<i>Critical Infrastructure Protection</i>	41.00	43.00	66.00	61.00
Federal Infrastructure Protection	41.00	43.00	66.00	61.00
Education and Training	1.00	1.00	2.00	2.00
Intrusion Monitoring and Response	16.00	17.00	25.00	24.00
Multiple Program Areas	5.00	5.00	5.00	5.00
System Protection	18.00	19.00	32.00	28.00
Threat/Vulnerability/Risk Assessment	1.00	1.00	2.00	2.00
NATIONAL SCIENCE FOUNDATION	19.15	21.42	26.65	43.85
<i>Critical Infrastructure Protection</i>	19.15	21.42	26.65	43.85
Federal Infrastructure Protection	0.57	0.60	0.63	10.87
Education and Training	0.00	0.00	0.00	10.20
System Protection	0.57	0.60	0.63	0.67
CIP Assistance/Outreach to Private Sector	18.58	20.82	26.02	32.98
Intrusion Monitoring and Response	0.00	0.51	0.53	0.54
Multiple Program Areas	0.00	0.00	-	4.00
System Protection	17.21	18.34	23.11	25.81
Threat/Vulnerability/Risk Assessments	1.37	1.97	2.38	2.63
*OMB Highlighted Programs				
CIP Programs				
Research and Development	-	-	-	32.10
Scholarships for Service	-	-	-	11.20
NATIONAL SECURITY	5,470.68	5,867.73	6,520.11	6,582.97
<i>Combat Terrorism</i>	4,496.12	4,682.51	5,117.17	5,124.06

Law Enforcement and Investigative Activities	2,042.33	2,067.79	2,213.24	2,213.52
Physical Security of Government Facilities and Employees	2,075.47	2,036.47	2,122.75	2,173.85
Physical Security of National Populace	0.15	0.04	0.15	0.15
Preparing for and Responding to Terrorist Acts	104.20	256.18	358.58	233.84
Research and Development	270.98	322.03	422.45	502.71
WMD Preparedness	180.56	408.15	475.82	467.21
Law Enforcement and Investigative Activities	7.10	20.96	20.41	19.47
Preparing for and Responding to WMD Terrorism	2.71	156.39	161.50	100.74
First Responder Training and Exercises	0.05	49.90	32.10	10.20
Other Planning and Assistance to State/Locals	0.00	15.60	8.50	10.30
Special Response Units	2.66	90.89	120.90	80.24
Research and Development	170.75	230.80	293.90	347.00
Basic Research, incl. Gene Sequencing	44.50	0.00	6.25	37.50
Detection/Diagnostics	0.25	34.10	48.45	62.30
Modeling, Simulation, Systems Analyses	0.00	8.60	10.00	10.00
Other	126.00	140.00	161.50	141.00
Personal/Collective Protection	0.00	0.00	0.00	10.00
Personal/Environmental Decontamination	0.00	6.50	17.10	21.00
Therapeutics/Treatments	0.00	12.00	16.50	22.20
Vaccines	0.00	29.60	34.10	43.00
Critical Infrastructure Protection	974.56	1,185.22	1,402.94	1,458.91
Federal Infrastructure Protection	956.27	1,160.80	1,379.56	1,420.05
Education and Training	36.53	46.42	73.61	81.46
Intrusion Monitoring and Response	108.66	158.70	172.79	187.18
Multiple Program Areas	218.33	265.01	379.77	348.08
Reconstitution	25.50	29.17	15.40	5.19
System Protection	503.58	584.28	630.23	638.12
Threat/Vulnerability/Risk Assessment	63.67	77.22	107.75	160.01
CIP Assistance/Outreach to Private Sector	18.29	24.42	23.38	38.86
Intrusion Monitoring and Response	0.00	0.80	0.24	0.24
Multiple Program Areas	13.29	15.52	18.04	18.82
System Protection	5.00	7.15	5.10	4.80
Threat/Vulnerability/Risk Assessment	0.00	0.95	0.00	15.00
*OMB Highlighted Programs				
WMD Programs				
Terrorism Consequence Management Response Units	-	-	-	80.00
Coordination of Civil Support	-	-	-	5.00
Research and Development	-	-	-	340.00
Airlift for Counterterrorism Response	-	-	73.00	N/A
CIP Programs				
Research and Development	-	-	-	460.00
Global Grid	-	-	-	27.00
Public Key Infrastructure	-	-	-	177.00
Computer Network Defense	-	-	-	14.00
Operation and Maintenance	-	-	-	N/A
NUCLEAR REGULATORY COMMISSION	3.48	3.41	3.21	3.49
Combat Terrorism	3.48	3.21	3.21	3.24
Law Enforcement and Investigative Activities	0.65	0.40	0.40	0.40
Physical Security of Government Facilities and Employees	0.42	0.40	0.40	0.40
Physical Security of National Populace	2.39	2.39	2.39	2.39
Preparing for and Responding to Terrorist Acts	0.02	0.02	0.02	0.05
WMD Preparedness	3.04	2.79	2.79	2.79
Law Enforcement and Investigative Activities	0.65	0.40	0.40	0.40
Physical Security of National Populace	2.39	2.39	2.39	2.39
Critical Infrastructure Protection	0.00	0.20	0.00	0.25

Federal Infrastructure Protection	0.00	0.20	0.00	0.25
Reconstitution	0.00	0.20	0.00	0.00
Threat/Vulnerability/Risk Assessment	0.00	0.00	0.00	0.25
OFFICE OF PERSONNEL MANAGEMENT	0.00	0.00	2.00	7.00
<i>Critical Infrastructure Program</i>	0.00	0.00	2.00	7.00
Federal Infrastructure Program	0.00	0.00	2.00	7.00
Education and Training	0.00	0.00	2.00	7.00
*OMB Highlighted Programs				
CIP Programs				
Federal Cyber Services Training and Education Initiative	-	-	1.00	7.00
SMITHSONIAN	0.00	0.00	0.00	0.05
<i>Combat Terrorism</i>	0.00	0.00	0.00	0.05
Physical Security of Government Facilities and Employees	0.00	0.00	0.00	0.05
DEPARTMENT OF STATE	186.00	1,579.00	791.00	1,312.00
<i>Combat Terrorism</i>	186.00	1,579.00	791.00	1,312.00
Law Enforcement and Investigative Activities	27.00	53.00	46.00	80.00
Physical Security of Government Facilities and Employees	151.00	1512.00	727.00	1224.00
Preparing for and Responding to Terrorist Acts	6.00	6.00	6.00	6.00
Research and Development	2.00	8.00	2.00	2.00
<i>WMD Preparedness</i>	23.00	46.00	37.00	72.00
Law Enforcement and Investigative Activities	19.00	41.00	33.00	68.00
Preparing for and Responding to WMD Terrorism	4.00	4.00	4.00	4.00
Special Response Units	4.00	4.00	4.00	4.00
Research and Development	0.00	1.00	0.00	0.00
Other	0.00	1.00	0.00	0.00
*OMB Highlighted Programs				
WMD Programs				
Embassy Security	-	-	-	1200.00
Anti-Terrorism Assistance Program	-	-	-	64.00
Terrorism Interdiction Program	-	-	-	4.00
DEPARTMENT OF TRANSPORTATION	189.63	295.66	327.89	397.49
<i>Combat Terrorism</i>	169.30	270.78	277.21	298.15
Law Enforcement and Investigative Activities	3.90	4.21	4.48	4.68
Physical Security of Government Facilities and Employees	17.86	18.16	19.54	20.94
Physical Security of National Populace	99.78	193.58	199.08	216.50
Preparing for and Responding to Terrorist Acts	3.16	3.04	3.52	6.03
Research and Development	44.60	51.79	50.60	49.65
<i>WMD Preparedness</i>	0.00	0.00	0.45	2.50
Preparing for and Responding to WMD Terrorism	0.00	0.00	0.00	2.50
Equipment for First Responders	0.00	0.00	0.00	2.50
Research and Development	0.00	0.00	0.45	0.00
Detection/Diagnostics	0.00	0.00	0.45	0.00
<i>Critical Infrastructure Protection</i>	20.33	24.88	50.68	99.34
Federal Infrastructure Protection	0.94	1.42	1.49	2.32
Reconstitution	0.30	0.30	0.37	0.45
System Protection	0.64	1.12	1.12	1.12
Threat/Vulnerability/Risk Assessments	0.00	0.00	0.00	0.75
CIP Assistance/Outreach to Private Sector	19.39	23.46	49.19	97.03
Intrusion Monitoring and Response	0.00	0.00	0.00	1.50

Multiple Program Areas	0.00	0.00	0.00	4.00
Public Awareness/Outreach	0.00	0.00	0.10	2.05
Reconstitution	0.00	0.00	0.00	0.13
System Protection	7.47	8.95	19.76	28.90
Threat/Vulnerability/Risk Assessments	11.92	14.51	29.33	60.45
<i>*OMB Highlighted Programs WMD/CIP</i>				
National Airspace System Modernization	-	-	-	49.90
Aviation Security	-	-	-	312.00
Protection of Critical Coast Guard Systems	-	-	-	3.30
Transportation Infrastructure Assurance Research and Development	-	-	-	3.40
Information Sharing and Threat Dissemination	-	-	-	1.00
Global Positioning System Protection	-	-	-	0.15
DEPARTMENT OF TREASURY	364.27	416.90	424.21	527.24
<i>Combat Terrorism</i>	341.36	368.01	348.00	440.21
Law Enforcement and Investigative Activities	213.13	212.13	189.53	285.73
Physical Security of Government Facilities and Employees	64.30	67.51	68.46	63.46
Physical Security of National Populace	15.34	19.06	16.58	16.58
Preparing for and Responding to Terrorist Acts	47.89	68.52	70.70	71.70
Research and Development	0.70	0.79	2.73	2.74
<i>WMD Preparedness</i>	18.01	19.46	25.87	25.87
Physical Security of Government Facilities and Employees	5.14	5.14	8.84	8.84
Preparing for and Responding to WMD Terrorism	12.88	14.32	17.03	17.03
Equipment for First Responders	0.99	2.02	2.23	2.23
Other	0.35	0.73	0.20	0.20
Special Response Units	11.53	11.57	14.60	14.60
<i>Critical Infrastructure Protection</i>	22.91	48.89	76.21	87.03
Federal Infrastructure Protection	10.94	35.86	61.27	67.73
Intrusion Monitoring and Response	1.50	5.50	4.70	4.70
System Protection	4.64	11.06	4.47	10.93
Threat/Vulnerability/Risk Assessments	4.80	19.30	52.10	52.10
CIP Assistance/Outreach to Private Sector	11.96	13.03	14.96	19.30
Education and Training	1.14	1.60	1.60	2.00
Intrusion Monitoring and Response	3.25	3.17	3.12	3.12
Multiple Program Areas	0.00	0.00	0.00	4.00
Public Awareness/Outreach	0.00	0.00	0.20	0.20
System Protection	0.78	1.36	1.24	1.08
Threat/Vulnerability/Risk Assessments	6.80	6.90	8.80	8.90
<i>*OMB Highlighted Programs</i>				
<i>WMD Programs</i>				
Air Security Protective Operations	-	-	-	16.00
<i>CIP Programs</i>				
Research and Development	-	-	-	4.00
Public Key Infrastructure	-	-	-	7.00
US AID	5.68	54.89	5.83	5.01
Combat Terrorism	5.68	54.89	5.83	5.01
Physical Security of Government Facilities and Employees	2.68	3.49	3.98	2.66
Preparing for and Responding to Terrorist Acts	3.00	51.40	1.40	2.35
<i>WMD Preparedness</i>	3.00	1.40	1.40	2.35
Preparing for and Responding to WMD Terrorism	3.00	1.40	1.40	2.35
First Responder Training and Exercises	0.30	1.40	1.40	2.35
Other	2.70	0.00	0.00	0.00

DEPARTMENT OF VETERANS AFFAIRS	0.01	0.04	17.33	17.39
<i>Combat Terrorism</i>	0.01	0.04	0.00	0.00
Preparing for and Responding to Terrorist Acts	0.01	0.00	0.00	0.00
<i>Critical Infrastructure Protection</i>	0.00	0.00	17.33	17.39
Federal Infrastructure Protection	0.00	0.00	17.33	17.39
Education and Training	0.00	0.00	0.82	0.81
System Protection	0.00	0.00	15.60	15.65
Threats/Vulnerability/Risk Assessments	0.00	0.00	0.91	0.93
*OMB Highlighted Programs				
WMD Programs				
Stockpiling Pharmaceuticals	-	-	-	N/A
Training Medical Personnel	-	-	-	N/A

Source: Adapted by Steve Chu and Preston Golson from Executive Office of the President, Office Management and Budget, "Annual Report to Congress on Combating Terrorism," May 2000

*denotes programs highlighted in OMB report. Figures part of 2001 budget

ANNEX TWO: DEPARTMENTAL BREAKDOWN OF THE PRESIDENT'S FY2003 REQUEST

Department of Agriculture

Spending: \$74.4 billion

Percentage change from 2002: -2.8 percent

Highlights:

Spending on food stamps to rise 6.2 percent, to \$24.1 billion, because of the poor economy. Nearly 300,000 people, about 1.5 percent of the total projected enrollment in 2003, would lose benefits because of new eligibility restrictions. Other proposed rule changes would add 536,000 immigrants and other people to the rolls by 2006.

\$146 million in new initiatives for combating agricultural diseases, improving food safety.

Budget earmarks \$4.2 billion in 2002 and \$7.3 billion in 2003 for expanding farm programs under legislation now pending in Congress.

The drop in projected spending for the department is due to an estimate that crop subsidies will fall nearly 40 percent next year, or \$5 billion. That would happen only if subsidy rates are cut to the minimum levels allowed by law, something that's politically unlikely.

The department expects enrollment in the food stamp program to jump from 17.3 million last year to 19.8 million this year and 20.6 million in 2003 because of the slowed economy.

The budget includes a 50 percent boost in spending, or an additional \$48 million, to better identify and respond to outbreaks of diseases such as foot-and-mouth. A program that subsidizes the building of dams and other flood prevention projects would be eliminated, saving \$111 million. The federal crop insurance program would be cut by 4 percent to \$2.9 billion, mostly by reducing subsidies to companies that sell and service the coverage.

"This budget builds on our efforts to protect agriculture and the food supply from intentional and unintentional risks," said Agriculture Secretary Ann Veneman.

Department of Transportation

Spending: \$58.8 billion

Percentage change from 2002: -3.2 percent

Highlights:

\$4.3 billion in outlays for the new Transportation Security Administration.

\$229 million to help reduce the incidents of airplanes, vehicles or individuals entering runways by mistake, a top priority of the National Transportation Safety Board.

Eliminates federally guaranteed loans to U.S. shipbuilding companies.

Following Sept. 11, Congress created a new Transportation Security Administration to take over aviation security from the airlines. The budget includes \$4.3 billion for the TSA, with \$2.2 billion to come from fees paid by the airlines and their passengers. Undersecretary John Magaw said the figures are preliminary and are expected to increase.

The Coast Guard's budget would rise from \$5.4 billion to \$6.9 billion, including \$406 million to improve port security. The shipping industry would pay a new fee to help cover the security costs.

The Federal Highway Administration's budget would drop from \$29.2 billion to \$28.7 billion. But states awarding highway contracts would have almost \$9 billion less to spend because gasoline tax revenues have dropped and the administration is unwilling to make up the difference. The money is spent over several years because road construction takes that long to complete.

The cut in highway funds actually is \$600 million less than originally expected because the administration miscounted some money.

Department of Health and Human Services

Spending: \$488.8 billion

Percentage change from 2002: +6.4 percent

Highlights:

\$27.2 billion for the National Institutes for Health, double what it was five years ago. Nearly half the increase is dedicated to bioterrorism-related research.

\$190 billion over 10 years to add a prescription drug benefit and make other changes to Medicare.

Spending cuts to programs including drug prevention and subsidized heating bills.

The president again is asking for \$190 billion to add drug benefits to Medicare, less than what many experts say is needed. The administration also wants to let states offer prescription drug packages for senior citizens through Medicaid. And it proposes more money to keep private health maintenance organizations, which typically offer drug benefits, from dropping out of Medicare.

On medical research, Bush asks Congress to complete an effort begun under President Clinton to double the budget for the National Institutes of Health over five years.

The budget would give states the option to let welfare families keep up to \$100 a month in child support payments. Those payments now go to offset the cost of welfare checks. Families that have never been on welfare would pay \$25 annually if they use the government system to collect child support.

Heating and cooling assistance for poor people would be cut by \$300 million; the Centers for Disease Control and Prevention would lose \$57 million for its program to fight chronic diseases, and \$28 million for its worker safety promotion effort.

Bush repeated several requests from last year, including \$100 million for a "compassion capital fund" that would help small groups prepare to handle government grants. He's again asking Congress for tax breaks to promote charitable giving. Notably absent from his proposal - opening new government programs to religious groups, which ran into deep opposition in Congress.

The budget's biggest increase is for bioterrorism prevention, \$1.2 billion.

"Preventing a bioterrorist attack is of paramount importance to the security of our country," HHS Secretary Tommy Thompson said.

Department of State

Spending: \$22.9 billion

Percentage change from 2002: -6.4 percent

Highlights:

\$3.5 billion in economic and security assistance, equipment and training for states on the front line of the war on terrorism.

\$52 million to establish a Center for Anti-Terrorism and Security Training (CAST).

Once it is fully operational, the Center for Anti-Terrorism and Security would train 7,500 American and coalition partner law enforcement personnel annually in advanced anti-terrorism and security measures.

The proposal also calls for substantial increases in assistance for Jordan, including \$198 million in foreign military financing - an increase of \$123 million from 2002 - and \$250 million in economic support funds, an increase of \$100 million over 2002.

Department of Energy

Spending: \$19.8 billion

Percentage change from 2002: +3.6 percent

Highlights:

\$1.1 billion for nuclear nonproliferation, 10 percent more than this year, most of it to help Russia and former Soviet states safeguard nuclear materials.

Revamp the nuclear cleanup program at federal weapons sites, creating an \$800 million special fund to accelerate cleanup at top priority sites. Overall cleanup spending stays flat at \$6.7 billion, meaning some sites would get less money.

\$50 million for stepped up research into hydrogen fuel cell development for the new "Freedom Car" program, a government partnership with the automobile industry.

Assumes \$1.2 billion in revenue for the right to explore for oil in the Arctic National Wildlife Refuge in Alaska, although Congress has not approved such exploration.

The proposed budget reflects a sharp turnaround on nuclear weapons safeguards since Sept. 11. Last year, the administration sought to slash the Russia program spending by \$100 million, asking for only \$774 million. Congress initially approved \$800 million, but added \$226 million after Sept. 11.

Prospects for the Arctic refuge revenue are unclear. Some Senate Democrats have vowed to block legislation that would open the refuge to development.

Department of Education

Spending: \$53.8 billion

Percentage change from 2002: +13.1 percent

Highlights:

\$1 billion for the Reading First Program, an increase of 11 percent.

Freezes spending on after-school, safety, drug-prevention and teacher quality grants.

Reduces spending for tutoring preschoolers and literacy and job training for their parents. Also reduces funding for school construction and repair on federal land.

President Bush wants to increase spending on the Reading First Program, which has a goal of having all students read by the end of third grade. Test scores show that more than half of public school students can't read proficiently.

Bush also asked for increased spending on programs for disabled youngsters and poor students, but would freeze spending on after-school, safety, drug-prevention and teacher quality grants to states.

Bush wants to slash funding 20 percent for the Even Start program, which offers tutoring to preschoolers and literacy and job training for their parents.

He wants to increase spending 5.3 percent for the Pell Grant program, which gives up to \$4,000 each year to low-income college students. He would pay for the increase by reducing funding for thousands of small, local education programs.

Bush asked for more money for historically black and Hispanic colleges but not for programs designed to help poor, first-generation students prepare for and attend college.

Department of Justice

Spending: \$29.4 billion

Percentage change from 2002: +27.4 percent

Highlights:

\$1.9 billion in new spending authority for anti-terrorism measures, including a new immigration system to track foreign visitors and better aircraft with new surveillance features. Most of that money would go to FBI and Immigration and Naturalization Service.

\$155 million for the FBI and INS to share intelligence information about foreign visitors.

\$186 million for the FBI to improve its computers and radios, which the White House calls "seriously deficient."

After Sept. 11, the White House assigned the Justice Department to disrupt and dismantle terrorist networks and prevent future attacks. The immigration service's own budget would increase 11 percent to \$6 billion, including \$3.9 billion to enforce immigration laws.

The Bush administration is reducing federal aid to state and local police, such as grants to help hire more police officers in cities and towns, because it said there was no evidence the money was helping to reduce the nation's crime rates.

Department of Housing and Urban Development

Spending: \$34.6 billion

Percentage change from 2002: +11.8 percent

Highlights:

\$204 million for 34,000 new vouchers to bridge the gap between what low-income families can afford to pay and the market rent on private-sector apartments. HUD wants to allow the vouchers, now used by nearly 2 million household, to go toward down payments and mortgages as well as rent.

\$1.7 billion in tax credits over five years, for up to 50 percent of developers' costs of building homes or renovating old ones designated for purchase by low-income homebuyers.

The administration aims to increase home ownership by quadrupling funding for down payments for low-income first-time home buyers and tripling money for helping religious organizations and "sweat equity" nonprofits, such as Habitat for Humanity, that promote home ownership.

HUD also backed down from its move last year to increase the premiums it charges for mortgage insurance on Federal Housing Administration loans for apartment buildings. The hike was bitterly opposed by congressional Democrats, developers and housing groups, who said it would reduce the supply of affordable housing, and the budget scales the premiums back to near their original level.

HUD would reduce the \$3.5 billion federal fund for repair and maintenance of public housing developments by \$100 million, but would allow local housing authorities to borrow money from private lenders to fix up dilapidated properties.

Department of Labor

Spending: \$56.6 billion

Percentage change from 2002: -3.5 percent

Highlights:

\$6.5 billion for job training programs, a \$545 million reduction that includes elimination of eight programs. The cuts are part of a government-wide overhaul of duplicative job training programs.

Proposes major overhaul of unemployment insurance benefits, including a 25 percent cut in payroll taxes that employers pay.

The nation's unemployment rate hit a six-year high in December, yet President Bush wants to cut 20 of the government's 48 job training programs that are housed under 10 agencies. The Labor Department, which administers 17 programs, would get cut to nine.

Targets for elimination include the migrant and seasonal farm worker program, which helps low-income workers find jobs outside agriculture; a grants program funded by visa fees from high-tech workers; and a grants program aimed at finding jobs for youth offenders.

The administration wants to cut businesses payroll taxes that help pay for workers' unemployment benefits, arguing it would spur economic expansion. The plan would force states to pay more of the cost of such benefits. The payroll tax would be cut 25 percent in 2003, with gradual reductions over the next four years. The tax would be cut to 0.2 percent of the first \$7,000 in wages. Employers now pay 0.8 percent.

Department of Veterans Affairs

Spending: \$56.5 billion

Percentage change from 2002: +9.8 percent.

Highlights:

\$25.5 billion for medical programs, a \$2.7 billion increase; and \$31.5 billion for veterans' benefits programs, a \$3.4 billion increase.

The spending increase on benefits is aimed at speeding up the claims process. Before recent reforms, VA processed about 40,000 claims a month. Today, it is processing more than 62,000 monthly. The budget would allow the hiring of an additional 125 employees for the benefits programs, for a total of 13,139.

The medical programs' budget includes \$409 million, up \$38 million, to support medical and prosthetics research, and \$2.9 billion, up \$366 million, for drug benefits.

Among new initiatives are \$892 million to fund federal civilian retiree benefits; \$179 million for a new competitive grant program to expand or improve employment and training programs for veterans; and a \$1,500 tax deduction for medical expenses for higher-income veterans with no service-related disabilities.

Department of Treasury

Spending: \$398.2 billion

Percentage change from 2002: +4.1 percent

Highlights:

Most of the \$398.2 billion in total Treasury outlays - \$353.1 billion - goes to interest payments on the national debt.

\$10.3 billion for Internal Revenue Service operations, an increase of 3.6 percent from 2002. Included is \$418 million for continued work on a long-term plan to replace the agencies' antiquated computers. Another \$102 million is requested to improve customer service and compliance with tax laws mainly by hiring more workers.

The plan also seeks to boost electronic filing of tax returns by beginning work on a free Internet filing option for simple returns and by giving e-filers an extra 10 days beginning in 2003 to meet the filing deadline.

The Treasury budget also provides \$52 million for the Financial Crimes Enforcement Network, up 10.6 percent. The network tries to cut terrorists off from their money, combat money laundering and uncover other financial crimes.

Department of Interior

Spending: \$10.8 billion

Percentage change from 2002: +5.2 percent

Highlights:

Eliminates a National Park Service maintenance backlog by 2006.

Proceeds with oil exploration in Alaska's Arctic National Wildlife Reserve.

After being battered by environmentalists for the past year, President Bush is seeking a 39 percent increase in a conservation grant program designed to give states an incentive to conserve endangered species and wildlife habitat. He proposes to continue whittling away a backlog of maintenance projects at national parks, hoping to have the needed work completed by 2006. At the same time, the administration is continuing its efforts to open the Arctic National Wildlife Refuge in Alaska for oil exploration, issuing more leases for drilling on the outer continental shelf, and considering more oil and gas development in the National Petroleum Reserve in Alaska. Reform of an Indian trust fund, mismanaged since 1887, would get an additional \$83.6 million, an increase of 36 percent. Bush also is requesting \$164 million to help rebuild badly dilapidated Indian schools, and is seeking to privatize some of the low-performing schools.

Department of Commerce

Spending: \$5.7 billion

Percentage change from 2002: +3.2 percent

Highlights:

43 percent increase for Census Bureau.

Reduces overall spending by the National Oceanic and Atmospheric Administration, but increases spending on several weather-related programs.

Reduces spending for the National Telecommunications and Information Administration, which works to provide consumers with more choices and better telecommunications products at lower prices.

Reduces spending by the National Institute of Standards and Technology, which provides technology, measurements and standards for automated teller machines, semiconductors, mammograms and other products.

Bush is proposing \$177 million for the first of two new buildings for the Census Bureau in Suitland, Md. The administration says the agency's facilities are among the worst in government and have deteriorated so much that renovations aren't cost-effective.

Bush wants to reduce the number of projects earmarked by Congress through the National Oceanic and Atmospheric Administration. He contends such projects divert money that could be better spent. NOAA has 74 such projects this year, costing over \$160 million. While cutting money that went to many of the earmarked projects, the budget increases funding for projects that improve severe storm forecasts and other climate research.

Department of Defense

Spending: \$361 billion

Percentage change from 2002: +9.2 percent

Highlights:

Increases the Pentagon's spending authority by \$48 billion, or 14 percent, the biggest boost for the military in two decades. Bush wants to add more each succeeding year, reaching \$451 billion in spending authority in 2007. Of the \$379 billion in spending authority for 2003, only about \$361 billion is expected to be paid out next year.

\$27 billion earmarked for combating terrorism next year, including \$10 billion that is considered a war reserve.

Spending by each of the service branches would rise under the proposed budget, with the Army up 10 percent to \$91 billion; the Navy, including the Marine Corps, up 9.5 percent to \$108 billion; and the Air Force up nearly 13 percent to \$107 billion.

Missile defense would get \$7.8 billion, the same as this year.

Bush also wants \$1 billion more for remote-controlled aircraft such as the Predator surveillance plane that was used extensively in Afghanistan.

The new budget pumps money into purchasing a new generation of stealthy fighter jets and more precision munitions. It accelerates development of pilotless planes, converts four nuclear submarines to vessels that can fire cruise missiles and insert Special Forces into battle, and invests in new combat communications systems.

“We need to defend freedom with the best equipment possible,” Bush told a military audience at Eglin Air Force Base in Florida on Monday. “We need to be agile, we need to be quick to move... We need to recruit the best.”

Environmental Protection Agency

Spending: \$8.1 billion

Percentage change from 2002: +3.5 percent

Highlights:

\$21 million for a new public-private partnership to restore polluted streams and rivers in 20 watersheds. The program looks beyond specific points of pollution, such as industrial and sewage treatment plants, to clean up entire watersheds by focusing on runoff tainted with fertilizers or toxic chemicals.

\$200 million to reclaim abandoned industrial sites known as “brownfields” - more than double the \$98 million Congress appropriated this year.

\$124 million for homeland security, including \$20 million to address threats to drinking water supplies and \$75 million to research ways to clean up buildings contaminated with biological agents.

\$1.3 million for Superfund cleanup, about the same as this year.

Half of EPA’s proposed budget - \$3.5 billion - would fund grants to states and Indian tribes. The money is for enforcing environmental laws and rules and for projects, such as monitoring and purifying water, training people to properly apply pesticides and operating programs for cleaning air.

The administration is requesting \$482 million for enforcement efforts, up slightly from last year’s \$471 million.

Last year, Congress shot down the administration’s request of \$25 million to increase state enforcement efforts. This year’s request includes \$15 million for the program, aimed at shifting some EPA policing work to states.

“We are not transferring or removing anybody from our Office of Enforcement. Obviously after the Sept. 11 there was a strain on our enforcement because 40 percent of our criminal investigators were (temporarily) assigned,” EPA Administrator Christine Whitman said. “We have not backed off our enforcement efforts at all.”