

MAKING APPROPRIATIONS FOR THE DEPARTMENT OF
HOMELAND SECURITY FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 2004, AND FOR OTHER PURPOSES

SEPTEMBER 23, 2003.—Ordered to be printed

Mr. ROGERS of Kentucky, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 2555]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2555) “making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2004, and for other purposes”, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Homeland Security for the fiscal year ending September 30, 2004, and for other purposes, namely:

**TITLE I—DEPARTMENTAL MANAGEMENT AND
OPERATIONS**

OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

For necessary expenses of the Office of the Secretary of Homeland Security, as authorized by section 102 of the Homeland Security Act of 2002 (6 U.S.C. 112), and executive management of the Department of Homeland Security, as authorized by law, \$80,794,000: Provided, That not to exceed \$40,000 shall be for allo-

cation within the Department for official reception and representation expenses as the Secretary may determine.

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

For necessary expenses of the Office of the Under Secretary for Management and Administration, as authorized by sections 701–705 of the Homeland Security Act of 2002 (6 U.S.C. 341–345), \$130,983,000: Provided, That of the total amount provided, \$20,000,000 shall remain available until expended solely for the alteration and improvement of facilities and for relocation costs necessary for the interim housing of the Department’s headquarters’ operations and organizations collocated therewith.

DEPARTMENT-WIDE TECHNOLOGY INVESTMENTS

For development and acquisition of information technology equipment, software, services, and related activities for the Department of Homeland Security, and for the costs of conversion to narrowband communications, including the cost for operation of the land mobile radio legacy systems, \$185,000,000, to remain available until expended: Provided, That none of the funds appropriated shall be used to support or supplement the appropriations provided for the United States Visitor and Immigrant Status Indicator Technology project or the Automated Commercial Environment.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), \$58,664,000, of which not to exceed \$100,000 may be used for certain confidential operational expenses, including the payment of informants, to be expended at the direction of the Inspector General.

TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS

OFFICE OF THE UNDER SECRETARY FOR BORDER AND TRANSPORTATION SECURITY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Under Secretary for Border and Transportation Security, as authorized by subtitle A, title IV, of the Homeland Security Act of 2002 (6 U.S.C. 201 et seq.), \$8,106,000.

UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR TECHNOLOGY

For necessary expenses for the development of the United States Visitor and Immigrant Status Indicator Technology project, as authorized by section 110 of the Illegal Immigration Reform and Immigration Responsibility Act of 1996 (8 U.S.C. 1221 note), \$330,000,000, to remain available until expended: Provided, That none of the funds appropriated under this heading may be obligated for the United States Visitor and Immigrant Status Indicator Technology project until the Committees on Appropriations of the Senate

and the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 3; (2) complies with the Department of Homeland Security enterprise information systems architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the Department of Homeland Security and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office.

CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

For necessary expenses for enforcement of laws relating to border security, immigration, customs, and agricultural inspections and regulatory activities related to plant and animal imports; acquisition, lease, maintenance and operation of aircraft; purchase and lease of up to 4,500 (3,935 for replacement only) police-type vehicles; and contracting with individuals for personal services abroad; \$4,396,350,000; of which \$3,000,000 shall be derived from the Harbor Maintenance Trust Fund for administrative expenses related to the collection of the Harbor Maintenance Fee pursuant to Public Law 103-182 and notwithstanding section 1511(e)(1) of Public Law 107-296; of which not to exceed \$40,000 shall be for official reception and representation expenses; of which not to exceed \$100,800,000 shall remain available until September 30, 2005, for inspection technology; of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)), shall be derived from that account; of which not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations; of which not to exceed \$1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Under Secretary for Border and Transportation Security; and of which not to exceed \$5,000,000 shall be available for payments or advances arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to immigration: Provided, That none of the funds appropriated shall be available to compensate any employee for overtime in an annual amount in excess of \$30,000, except that the Under Secretary for Border and Transportation Security may exceed that amount as necessary for national security purposes and in cases of immigration emergencies: Provided further, That of the total amount provided, \$12,725,000 shall be for activities to enforce laws against forced child labor in fiscal year 2004, of which not to exceed \$4,000,000 shall remain available until expended: Provided further, That no funds shall be available for the site acquisition, design, or construction of any Border Patrol checkpoint in the Tucson sector: Provided further, That the Border Patrol shall relocate its checkpoints in the Tucson sector at least once every 7 days in a manner designed to prevent persons subject to inspection from predicting the location of any such checkpoint.

AUTOMATION MODERNIZATION

For expenses for customs and border protection automated systems, \$441,122,000, to remain available until expended, of which not less than \$318,690,000 shall be for the development of the Automated Commercial Environment: Provided, That none of the funds appropriated under this heading may be obligated for the Automated Commercial Environment until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Under Secretary for Border and Transportation Security that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 3; (2) complies with the Bureau of Customs and Border Protection's enterprise information systems architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the Bureau of Customs and Border Protection Investment Review Board, the Department of Homeland Security, and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office.

CONSTRUCTION

For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of laws relating to customs and immigration, \$90,363,000, to remain available until expended.

IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses for enforcement of immigration and customs laws, detention and removals, and investigations; and purchase and lease of up to 1,600 (1,450 for replacement only) police-type vehicles; \$2,151,050,000, of which not to exceed \$5,000,000 shall be available until expended for conducting special operations pursuant to section 3131 of the Customs Enforcement Act of 1986 (19 U.S.C. 2081); of which not to exceed \$15,000 shall be for official reception and representation expenses; of which not to exceed \$1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Under Secretary for Border and Transportation Security; of which not less than \$100,000 shall be for promotion of public awareness of the child pornography tipline; of which not less than \$200,000 shall be for Project Alert; and of which not to exceed \$5,000,000 shall be available to fund or reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens: Provided, That none of the funds appropriated shall be available to compensate any employee for overtime in an annual amount in excess of \$30,000, except that the Under Secretary for Border and Transportation Security may waive that amount as necessary for national security purposes and in cases of immigration emergencies: Provided further, That of the total amount provided, \$3,000,000 shall be for activities to enforce laws against forced child

labor in fiscal year 2004, of which not to exceed \$1,000,000 shall remain available until expended.

In addition, of the funds appropriated under this heading in chapter 6 of title I of Public Law 108-11 (117 Stat. 583), \$54,000,000 are rescinded.

FEDERAL AIR MARSHALS

For necessary expenses of the Federal air marshals, \$626,400,000, to remain available until expended.

FEDERAL PROTECTIVE SERVICE

(TRANSFER OF FUNDS)

For necessary expenses for the operations of the Federal Protective Service, \$424,211,000 shall be transferred from the revenues and collections in the General Services Administration, Federal Buildings Fund.

AUTOMATION MODERNIZATION

For expenses of immigration and customs enforcement automated systems, \$40,000,000, to remain available until expended: Provided, That none of the funds appropriated under this heading may be obligated for Atlas until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Under Secretary for Border and Transportation Security that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 3; (2) complies with the Bureau of Immigration and Customs enforcement enterprise information systems architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the Bureau of Immigration and Customs Enforcement Investment Review Board, the Department of Homeland Security, and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office.

AIR AND MARINE INTERDICTION, OPERATIONS,

MAINTENANCE, AND PROCUREMENT

For necessary expenses for the operations, maintenance, and procurement of marine vessels, aircraft, and other related equipment of the air and marine program, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Federal, State, and local agencies in the enforcement or administration of laws enforced by the Bureau of Immigration and Customs Enforcement; and at the discretion of the Under Secretary for Border and Transportation Security, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, \$210,200,000, to remain available until expended: Provided, That no aircraft or other related equipment, with the exception of aircraft that are one of a kind and have been identi-

fied as excess to Bureau of Immigration and Customs Enforcement requirements and aircraft that have been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of Homeland Security during fiscal year 2004 without the prior approval of the Committees on Appropriations of the Senate and the House of Representatives.

CONSTRUCTION

For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to customs and immigration, \$26,775,000, to remain available until expended.

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

For necessary expenses of the Transportation Security Administration related to providing civil aviation security services pursuant to the Aviation and Transportation Security Act (Public Law 107-71; 115 Stat. 597), \$3,732,700,000, to remain available until expended, of which not to exceed \$3,000 shall be for official reception and representation expenses: Provided, That of the total amount provided under this heading, not to exceed \$1,805,700,000 shall be for passenger screening activities; not to exceed \$1,318,700,000 shall be for baggage screening activities; and not to exceed \$703,300,000 shall be for airport security direction and enforcement presence: Provided further, That security service fees authorized under section 44940 of title 49, United States Code, shall be credited to this appropriation as offsetting collections: Provided further, That none of the funds appropriated or otherwise made available by this or any other Act may be obligated or expended to carry out provisions of section 44923(h) of title 49 United States Code: Provided further, That the sum herein appropriated from the General Fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2004, so as to result in a final fiscal year appropriation from the General Fund estimated at not more than \$1,662,700,000: Provided further, That any security service fees collected pursuant to section 118 of Public Law 107-71 in excess of the amount appropriated under this heading shall be treated as offsetting collections in fiscal year 2005: Provided further, That none of the funds in this Act shall be used to recruit or hire personnel into the Transportation Security Administration which would cause the agency to exceed a staffing level of 45,000 full-time equivalent screeners: Provided further, That of the total amount provided under this heading, \$250,000,000 shall be available only for physical modification of commercial service airports for the purpose of installing checked baggage explosive detection systems and \$150,000,000 shall be available only for procurement of checked baggage explosive detection systems.

MARITIME AND LAND SECURITY

For necessary expenses of the Transportation Security Administration related to maritime and land transportation security grants and services pursuant to the Aviation and Transportation Security Act (49 U.S.C. 40101 note), \$263,000,000, to remain available until

September 30, 2005: Provided, That of the total amount provided under this heading, \$125,000,000 shall be available for port security grants, which shall be distributed under the same terms and conditions as provided for under Public Law 107–117; and \$17,000,000 shall be available to execute grants, contracts, and interagency agreements for the purpose of deploying Operation Safe Commerce.

INTELLIGENCE

For necessary expenses for intelligence activities pursuant to the Aviation and Transportation Security Act (115 Stat. 597), \$13,600,000.

RESEARCH AND DEVELOPMENT

For necessary expenses for research and development related to transportation security, \$155,200,000, to remain available until expended: Provided, That of the total amount provided under this heading, \$45,000,000 shall be available for the research and development of explosive detection devices.

ADMINISTRATION

For necessary administrative expenses of the Transportation Security Administration to carry out the Aviation and Transportation Security Act (115 Stat. 597), \$427,200,000, to remain available until September 30, 2005.

UNITED STATES COAST GUARD

OPERATING EXPENSES

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses for the operation and maintenance of the Coast Guard not otherwise provided for; purchase or lease of not to exceed twenty-five passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97–377 (42 U.S.C. 402 note); section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare; \$4,713,055,000, of which \$340,000,000 shall be for defense-related activities; of which \$25,000,000 shall be derived from the Oil Spill Liability Trust Fund; and of which not to exceed \$3,000 shall be for official reception and representation expenses: Provided, That none of the funds appropriated by this or any other Act shall be available for administrative expenses in connection with shipping commissioners in the United States: Provided further, That none of the funds provided by this Act shall be available for expenses incurred for yacht documentation under section 12109 of title 46, United States Code, except to the extent fees are collected from yacht owners and credited to this appropriation: Provided further, That notwithstanding section 1116(c) of title 10, United States Code, amounts made available under this heading may be used to make payments into the Department of Defense Medicare-Eligible Retiree Health Care Fund for fiscal year 2004 under section 1116(a) of such title.

In addition, of the funds appropriated under this heading in chapter 6 of title I of Public Law 108–11 (117 Stat. 583), \$71,000,000 are rescinded.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under chapter 19 of title 14, United States Code, \$17,000,000, to remain available until expended.

RESERVE TRAINING

For necessary expenses of the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services; \$95,000,000.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; and maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law; \$967,200,000, of which \$23,500,000 shall be derived from the Oil Spill Liability Trust Fund; of which \$66,500,000 shall be available until September 30, 2008, to acquire, repair, renovate, or improve vessels, small boats, and related equipment; of which \$162,500,000 shall be available until September 30, 2006, for other equipment, including \$3,500,000 for defense message system implementation and \$1,000,000 for oil spill prevention efforts under the Ports and Waterways Safety Systems program; of which \$70,000,000 shall be available for personnel compensation and benefits and related costs; of which \$668,200,000 shall be available until September 30, 2008, for the Integrated Deepwater Systems program: Provided, That the Commandant of the Coast Guard is authorized to dispose of surplus real property, by sale or lease, and the proceeds shall be credited to this appropriation as offsetting collections and shall be available until September 30, 2006, only for Rescue 21: Provided further, That upon initial submission to the Congress of the fiscal year 2005 President's budget, the Secretary of Homeland Security shall transmit to the Congress a comprehensive capital investment plan for the United States Coast Guard that includes funding for each budget line item for fiscal years 2005 through 2009, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget.

ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, \$19,250,000, to remain available until expended: Provided, That in fiscal year 2004 and thereafter, funds for bridge alteration projects conducted pursuant to the Act of June 21, 1940 (33 U.S.C. 511 et seq.) shall be available for such projects only to the extent that the steel, iron, and manufactured products used in such projects are produced in the United States, unless contrary to law or international agreement, or unless the Commandant of the Coast Guard determines such action to be inconsistent with the public interest or the cost unreasonable.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses for applied scientific research, development, test, and evaluation, and for maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law; \$15,000,000, to remain available until expended, of which \$3,500,000 shall be derived from the Oil Spill Liability Trust Fund: Provided, That there may be credited to and used for the purposes of this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

RETIRED PAY

For retired pay, including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose, payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payment for career status bonuses under the National Defense Authorization Act, and payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code, \$1,020,000,000.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 730 vehicles for police-type use, of which 610 shall be for replacement only, and hire of passenger motor vehicles; purchase of American-made sidecar compatible motorcycles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; payment of per diem or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; conduct of and participation in firearms matches; presentation of awards; travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations of the Senate and the House of Representatives; research and development; grants to conduct behavioral research in support of protective research and operations; and payment in advance for commercial accommodations as may be necessary to perform protective functions; \$1,137,280,000, of which not to exceed \$25,000 shall be for official reception and representation expenses; of which not to exceed \$100,000 shall be to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; of which \$2,100,000 shall be for forensic and related support of investigations of missing and exploited children; and of which \$5,000,000 shall be a grant for activities related to the investigations of exploited children and shall remain available until expended: Provided, That up to \$18,000,000 provided for protective

travel shall remain available until September 30, 2005: Provided further, That in fiscal year 2004 and thereafter, subject to the reimbursement of actual costs to this account, funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers, training Federal law enforcement officers, training State and local government law enforcement officers on a space-available basis, and training private sector security officials on a space-available basis: Provided further, That the United States Secret Service is authorized to obligate funds in anticipation of reimbursements from agencies and entities, as defined in section 105 of title 5, United States Code, receiving training sponsored by the James J. Rowley Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available under this heading at the end of the fiscal year: Provided further, That in fiscal year 2004 and thereafter, the James J. Rowley Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED
EXPENSES

For necessary expenses for acquisition, construction, repair, alteration, and improvement of facilities, \$3,579,000, to remain available until expended.

TITLE III—PREPAREDNESS AND RECOVERY

OFFICE FOR DOMESTIC PREPAREDNESS

STATE AND LOCAL PROGRAMS

For grants, contracts, cooperative agreements, and other activities, including grants to State and local governments for terrorism prevention activities, notwithstanding any other provision of law, \$3,287,000,000, which shall be allocated as follows:

(1) \$1,700,000,000 for formula-based grants and \$500,000,000 for law enforcement terrorism prevention grants pursuant to section 1014 of the USA PATRIOT Act of 2001 (42 U.S.C. 3714): Provided, That no funds shall be made available to any State prior to the submission of an updated State plan to the Office for Domestic Preparedness: Provided further, That the application for grants shall be made available to States within 30 days after enactment of this Act; that States shall submit applications within 30 days after the grant announcement; and that the Office for Domestic Preparedness shall act within 15 days after receipt of an application or receipt of an updated State plan, whichever is later: Provided further, That each State shall obligate not less than 80 percent of the total amount of the grant to local governments within 60 days after the grant award; and

(2) \$725,000,000 for discretionary grants for use in high-threat, high-density urban areas, as determined by the Secretary of Homeland Security: Provided, That no less than 80 percent of any grant to a State shall be made available by the State to local governments within 60 days after the receipt of

the funds: Provided further, That section 1014(c)(3) of the USA PATRIOT Act of 2001 (42 U.S.C. 3714(c)(3)) shall not apply to these grants:

Provided, That none of the funds appropriated under this heading shall be used for the construction or renovation of facilities: Provided further, That funds appropriated for law enforcement terrorism prevention grants under paragraph (1) and discretionary grants under paragraph (2) of this heading shall be available for operational costs, to include personnel overtime and overtime associated with Office for Domestic Preparedness certified training, as needed.

FIREFIGHTER ASSISTANCE GRANTS

For necessary expenses for programs authorized by section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229), \$750,000,000, to remain available until September 30, 2005: Provided, That not to exceed 5 percent of this amount shall be available for program administration.

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Secretary of Homeland Security, to reimburse any Federal agency for the costs of providing support to counter, investigate, or prosecute unexpected threats or acts of terrorism, including payment of rewards in connection with these activities, \$10,000,000, to remain available until expended: Provided, That the Secretary shall notify the Committees on Appropriations of the Senate and the House of Representatives 15 days prior to the obligation of any amount of these funds in accordance with section 503 of this Act.

EMERGENCY PREPAREDNESS AND RESPONSE

OFFICE OF THE UNDER SECRETARY FOR EMERGENCY PREPAREDNESS AND RESPONSE

For necessary expenses for the Office of the Under Secretary for Emergency Preparedness and Response, as authorized by section 502 of the Homeland Security Act of 2002 (6 U.S.C. 312), \$3,450,000.

PREPAREDNESS, MITIGATION, RESPONSE, AND RECOVERY

For necessary expenses for preparedness, mitigation, response, and recovery activities of the Emergency Preparedness and Response Directorate, \$225,000,000, including activities authorized by the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404, 405), Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), and the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.): Provided, That of the total amount appropriated, \$60,000,000 shall be for Urban Search and Rescue

Teams, of which not to exceed 3 percent may be made available for administrative costs.

ADMINISTRATIVE AND REGIONAL OPERATIONS

For necessary expenses for administrative and regional operations of the Emergency Preparedness and Response Directorate, \$167,000,000, including activities authorized by the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404, 405), Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), and the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.): Provided, That not to exceed \$3,000 shall be for official reception and representation expenses.

OPERATING EXPENSES

(RESCISSION OF FUNDS)

Of the funds appropriated under this heading by chapter 6 of title I of Public Law 108-11 (117 Stat. 583), \$3,000,000 are rescinded.

PUBLIC HEALTH PROGRAMS

For necessary expenses for countering potential biological, disease, and chemical threats to civilian populations, \$484,000,000, including \$400,000,000, to remain available until expended, for the Strategic National Stockpile.

BIODEFENSE COUNTERMEASURES

For necessary expenses for securing medical countermeasures against biological terror attacks, \$5,593,000,000, to remain available until September 30, 2013: Provided, That not to exceed \$3,418,000,000 may be obligated during fiscal years 2004 through 2008, of which not to exceed \$890,000,000 may be obligated during fiscal year 2004.

RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

The aggregate charges assessed during fiscal year 2004, as authorized by the Energy and Water Development Appropriations Act, 2001 (Public Law 106-377; 114 Stat. 1441A-59 et seq.), shall not be less than 100 percent of the amounts anticipated by the Department of Homeland Security necessary for its radiological emergency preparedness program for the next fiscal year: Provided, That the methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees: Provided further, That fees received under this heading shall be deposited in this account as offsetting collections and will become available for authorized purposes on October 1, 2004, and remain available until expended.

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), \$1,800,000,000, to remain available until expended; of which not to exceed \$22,000,000 shall be transferred to and merged with the appropriation for "Office of Inspector General" for audits and investigations.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For administrative expenses to carry out the direct loan program, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162), \$560,000: Provided, That gross obligations for the principal amount of direct loans shall not exceed \$25,000,000: Provided further, That the cost of modifying such loans shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a).

NATIONAL PRE-DISASTER MITIGATION FUND

For a pre-disaster mitigation grant program pursuant to title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.), \$150,000,000, to remain available until expended: Provided, That grants made for pre-disaster mitigation shall be awarded on a competitive basis subject to the criteria in section 203(g) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133(g)): Provided further, That, notwithstanding section 203(f) of that Act (42 U.S.C. 5133(f)), grant awards shall be made without reference to State allocations, quotas, or other formula-based allocation of funds: Provided further, That total administrative costs shall not exceed 3 percent of the total appropriation.

FLOOD MAP MODERNIZATION FUND

For necessary expenses pursuant to section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), \$200,000,000, and such additional sums as may be provided by State and local governments or other political subdivisions for cost-shared mapping activities under section 1360(f)(2) of such Act, to remain available until expended: Provided, That total administrative costs shall not exceed 3 percent of the total appropriation.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.) and the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), not to exceed \$32,663,000 for salaries and expenses associated with flood mitigation and flood insurance operations; and not to exceed \$77,809,000 for flood hazard mitigation, to remain available until September 30, 2005, including up to \$20,000,000 for expenses under section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c), which amount shall be available for transfer to the National Flood Mitigation Fund until

September 30, 2005, and which amount shall be derived from offsetting collections assessed and collected pursuant to section 1307 of that Act (42 U.S.C. 4014), and shall be retained and used for necessary expenses under this heading: Provided, That in fiscal year 2004, no funds in excess of: (1) \$55,000,000 for operating expenses; (2) \$565,897,000 for agents' commissions and taxes; and (3) \$40,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund.

NATIONAL FLOOD MITIGATION FUND

(INCLUDING TRANSFER OF FUNDS)

Notwithstanding subparagraphs (B) and (C) of subsection (b)(3), and subsection (f) of section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c), \$20,000,000, to remain available until September 30, 2005, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which \$20,000,000 shall be derived from the National Flood Insurance Fund.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

For necessary expenses for emergency management performance grants, as authorized by the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), and Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), \$180,000,000: Provided, That total administrative costs shall not exceed 3 percent of the total appropriation.

EMERGENCY FOOD AND SHELTER

To carry out an emergency food and shelter program pursuant to title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.), \$153,000,000, to remain available until expended: Provided, That total administrative costs shall not exceed 3.5 percent of the total appropriation.

CERRO GRANDE FIRE CLAIMS

For payment of claims under the Cerro Grande Fire Assistance Act (Public Law 106-246; 114 Stat. 583), \$38,062,000, to remain available until expended: Provided, That not to exceed 5 percent may be made available for administrative costs.

TITLE IV—RESEARCH AND DEVELOPMENT, TRAINING, ASSESSMENTS, AND SERVICES

CITIZENSHIP AND IMMIGRATION SERVICES

For necessary expenses for citizenship and immigration services, including international services, \$236,126,000, of which not to exceed \$5,000 shall be for official reception and representation expenses.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, including materials and support costs of Federal law enforcement basic training; purchase of not to exceed 117 vehicles for police-type use and hire of passenger motor vehicles; expenses for student athletic and related activities; the conduct of and participation in firearms matches and presentation of awards; public awareness and enhancement of community support of law enforcement training; room and board for student interns; a flat monthly reimbursement to employees authorized to use personal cell phones for official duties; and services as authorized by section 3109 of title 5, United States Code; \$155,423,000, of which up to \$36,174,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2005; and of which not to exceed \$12,000 shall be for official reception and representation expenses: Provided, That in fiscal year 2004 and thereafter, the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes: Provided further, That in fiscal year 2004 and thereafter, the Center is authorized to accept detailees from other Federal agencies, on a non-reimbursable basis, to staff the accreditation function: Provided further, That in fiscal year 2004 and thereafter, students attending training at any Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: Provided further, That in fiscal year 2004 and thereafter, funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken under section 801 of the Antiterrorism and Effective Death Penalty Act of 1996 (28 U.S.C. 509 note); training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and travel expenses of non-Federal personnel to attend course development meetings and training sponsored by the Center: Provided further, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: Provided further, That in fiscal year 2004 and thereafter, the Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For acquisition of necessary additional real property and facilities, construction, and ongoing maintenance, facility improvements, and related expenses of the Federal Law Enforcement Training Center, \$37,357,000, to remain available until expended: Provided, That

the Center is authorized to accept reimbursement to this appropriation from government agencies requesting the construction of special use facilities.

INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION

MANAGEMENT AND ADMINISTRATION

For salaries and expenses of the immediate Office of the Under Secretary for Information Analysis and Infrastructure Protection and for management and administration of programs and activities, as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), \$125,000,000.

ASSESSMENTS AND EVALUATIONS

For expenses for information analysis and infrastructure protection as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), \$714,300,000, to remain available until September 30, 2005.

SCIENCE AND TECHNOLOGY

MANAGEMENT AND ADMINISTRATION

For salaries and expenses of the immediate Office of the Under Secretary for Science and Technology and for management and administration of programs and activities, as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.), \$44,168,000.

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

For expenses of science and technology research, including advanced research projects; development; test and evaluation; acquisition; and operations, as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.), \$874,000,000, to remain available until expended.

TITLE V—GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. Subject to the requirements of section 503 of this Act, the unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this Act: Provided, That balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 503. (a) None of the funds provided by this Act, provided by previous appropriation Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2004, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of

funds that: (1) creates a new program; (2) eliminates a program, project, or activity; (3) increases funds for any program, project, or activity for which funds have been denied or restricted by the Congress; or (4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose, unless both Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, provided by previous appropriation Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2004, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for programs, projects, or activities through a reprogramming of funds in excess of \$5,000,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by the Congress; or (3) results from any general savings from a reduction in personnel that would result in a change in existing programs, projects, or activities as approved by the Congress; unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds.

(c) Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Homeland Security by this Act or provided by previous appropriation Acts may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by such transfers: Provided, That any transfer under this section shall be treated as a reprogramming of funds under subsection (b) of this section and shall not be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer.

SEC. 504. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2004 from appropriations for salaries and expenses for fiscal year 2004 in this Act shall remain available through September 30, 2005, in the account and for the purposes for which the appropriations were provided: Provided, That prior to the obligation of such funds, a request shall be submitted to the Committees on Appropriations of the Senate and the House of Representatives for approval in accordance with section 503 of this Act.

SEC. 505. In fiscal year 2004 and thereafter, unless otherwise provided, funds may be used for purchase of uniforms without regard to the general purchase price limitation for the current fiscal year; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State to furnish health and medical services to employees and their dependents serving in foreign countries; services authorized by section 3109 of title 5, United States Code; and the hire and purchase of motor vehicles, as authorized by section 1343 of title 31, United States Code: Provided, That purchase for police-type use of pas-

senger vehicles may be made without regard to the general purchase price limitation for the current fiscal year.

SEC. 506. The Federal Emergency Management Agency "Working Capital Fund" shall be available to the Department of Homeland Security, as authorized by sections 503 and 1517 of the Homeland Security Act of 2002 (6 U.S.C. 313, 557), for expenses and equipment necessary for maintenance and operations of such administrative services as the Secretary of Homeland Security determines may be performed more advantageously as central services: Provided, That such fund shall hereafter be known as the "Department of Homeland Security Working Capital Fund".

SEC. 507. The Federal Emergency Management Agency "Bequests and Gifts" account shall be available to the Department of Homeland Security, as authorized by sections 503 and 1517 of the Homeland Security Act of 2002 (6 U.S.C. 313, 557), for the Secretary of Homeland Security to accept, hold, administer and utilize gifts and bequests, including property, to facilitate the work of the Department of Homeland Security: Provided, That such fund shall hereafter be known as "Department of Homeland Security, Gifts and Donations": Provided further, That any gift or bequest shall be used in accordance with the terms of that gift or bequest to the greatest extent practicable.

SEC. 508. Funds made available by this Act for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2004 until the enactment of an Act authorizing intelligence activities for fiscal year 2004.

SEC. 509. The Federal Law Enforcement Training Center shall establish an accrediting body, to include representatives from the Federal law enforcement community and non-Federal accreditation experts involved in law enforcement training, to establish standards for measuring and assessing the quality and effectiveness of Federal law enforcement training programs, facilities, and instructors.

SEC. 510. None of the funds in this Act may be used to make a grant unless the Secretary of Homeland Security notifies the Committees on Appropriations of the Senate and the House of Representatives not less than 3 full business days before any grant allocation, discretionary grant award, or letter of intent totaling \$1,000,000 or more is announced by the Department or its directorates from: (1) any discretionary or formula-based grant program of the Office for Domestic Preparedness; (2) any letter of intent from the Transportation Security Administration; or (3) any port security grant: Provided, That no notification shall involve funds that are not available for obligation.

SEC. 511. Notwithstanding any other provision of law, no agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations of the Senate and the House of Representatives, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 512. The Director of the Federal Law Enforcement Training Center shall ensure that all training facilities under the control of the Center are operated at optimal capacity throughout the fiscal year.

SEC. 513. For fiscal year 2004 and thereafter, none of the funds appropriated or otherwise made available to the Department of Homeland Security may be used for the production of customs declarations that do not inquire whether the passenger had been in the proximity of livestock.

SEC. 514. For fiscal year 2004 and thereafter, none of the funds appropriated or otherwise made available to the Department of Homeland Security shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a determination, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 515. For fiscal year 2004 and thereafter, none of the funds appropriated or otherwise made available to the Department of Homeland Security may be used to allow—

(1) the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined under section 307 of the Tariff Act of 1930 (19 U.S.C. 1307); or

(2) the release into the United States of any good, ware, article, or merchandise on which there is in effect a detention order under such section 307 on the basis that the good, ware, article, or merchandise may have been mined, produced, or manufactured by forced or indentured child labor.

SEC. 516. None of the funds appropriated or otherwise made available by this Act may be used for expenses of any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus.

SEC. 517. None of the funds appropriated or otherwise made available by this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Transportation Security Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to aviation security: Provided, That the prohibition of funds in this section does not apply to—

(1) negotiations between the agency and airport sponsors to achieve agreement on “below-market” rates for these items, or

(2) space for necessary security checkpoints.

SEC. 518. None of the funds in this Act may be used in contravention of the applicable provisions of the Buy American Act (41 U.S.C. 10a et seq.).

SEC. 519. (a) None of the funds provided by this or previous appropriations Acts may be obligated for deployment or implementation, on other than a test basis, of the Computer Assisted Passenger Prescreening System (CAPPS II) that the Transportation Security Administration (TSA) plans to utilize to screen aviation passengers, until the General Accounting Office has reported to the Committees

on Appropriations of the Senate and the House of Representatives that—

(1) a system of due process exists whereby aviation passengers determined to pose a threat and either delayed or prohibited from boarding their scheduled flights by the TSA may appeal such decision and correct erroneous information contained in CAPPs II;

(2) the underlying error rate of the government and private data bases that will be used both to establish identity and assign a risk level to a passenger will not produce a large number of false positives that will result in a significant number of passengers being treated mistakenly or security resources being diverted;

(3) the TSA has stress-tested and demonstrated the efficacy and accuracy of all search tools in CAPPs II and has demonstrated that CAPPs II can make an accurate predictive assessment of those passengers who may constitute a threat to aviation;

(4) the Secretary of Homeland Security has established an internal oversight board to monitor the manner in which CAPPs II is being developed and prepared;

(5) the TSA has built in sufficient operational safeguards to reduce the opportunities for abuse;

(6) substantial security measures are in place to protect CAPPs II from unauthorized access by hackers or other intruders;

(7) the TSA has adopted policies establishing effective oversight of the use and operation of the system; and

(8) there are no specific privacy concerns with the technological architecture of the system.

(b) During the testing phase permitted by paragraph (a) of this section, no information gathered from passengers, foreign or domestic air carriers, or reservation systems may be used to screen aviation passengers, or delay or deny boarding to such passengers.

(c) The General Accounting Office shall submit the report required under paragraph (a) of this section no later than February 15, 2004.

SEC. 520. For fiscal year 2004 and thereafter, the Secretary of Homeland Security shall charge reasonable fees for providing credentialing and background investigations in the field of transportation: Provided, That the establishment and collection of fees shall be subject to the following requirements:

(1) such fees, in the aggregate, shall not exceed the costs incurred by the Department of Homeland Security associated with providing the credential or performing the background record checks;

(2) the Secretary shall charge fees in amounts that are reasonably related to the costs of providing services in connection with the activity or item for which the fee is charged;

(3) a fee may not be collected except to the extent such fee will be expended to pay for the costs of conducting or obtaining a criminal history record check and a review of available law enforcement databases and commercial databases and records of other governmental and international agencies; reviewing and adjudicating requests for waiver and appeals of agency de-

cisions with respect to providing the credential, performing the background record check, and denying requests for waiver and appeals; and any other costs related to providing the credential or performing the background record check; and

(4) any fee collected shall be available for expenditure only to pay the costs incurred in providing services in connection with the activity or item for which the fee is charged and shall remain available until expended.

SEC. 521. The Secretary of Homeland Security is directed to research, develop, and procure certified systems to inspect and screen air cargo on passenger aircraft at the earliest date possible: Provided, That until such technology is procured and installed, the Secretary shall take all possible actions to enhance the known shipper program to prohibit high-risk cargo from being transported on passenger aircraft.

This Act may be cited as the "Department of Homeland Security Appropriations Act, 2004".

And the Senate agree to the same.

HAROLD ROGERS,
C. W. BILL YOUNG,
FRANK R. WOLF,
ZACH WAMP,
TOM LATHAM,
JO ANN EMERSON,
KAY GRANGER,
JOHN E. SWEENEY,
DON SHERWOOD,
MARTIN OLAV SABO,
DAVID E. PRICE,
JOSE E. SERRANO,
LUCILLE ROYBAL-ALLARD,
MARION BERRY,
ALAN B. MOLLOHAN,

Managers on the Part of the House.

THAD COCHRAN,
TED STEVENS,
ARLEN SPECTER,
PETE V. DOMENICI,
MITCH MCCONNELL,
RICHARD C. SHELBY,
JUDD GREGG,
BEN NIGHTHORSE CAMPBELL,
LARRY CRAIG,
ROBERT C. BYRD,
DANIEL K. INOUE,
ERNEST F. HOLLINGS,
PATRICK J. LEAHY,
TOM HARKIN,
BARBARA A. MIKULSKI,
HERB KOHL,
PATTY MURRAY,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2555), making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2004, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying conference report.

Senate Amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

Throughout the accompanying explanatory statement, the managers refer to the Committee and the Committees on Appropriations. Unless otherwise noted, in both instances, the managers are referring to the House Subcommittee on Homeland Security and the Senate Subcommittee on Homeland Security.

The language and allocations contained in House Report 108–169 and Senate Report 108–86 should be complied with unless specifically addressed to the contrary in the conference report and statement of managers. The statement of managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases where both the House and Senate reports address a particular issue not specifically addressed in the conference report or joint statement of managers, the conferees have determined that the House report and Senate report are not inconsistent and are to be interpreted accordingly.

In cases where the House or Senate report directs the submission of a report, such report is to be submitted to both the House and Senate Committees on Appropriations. Further, in a number of instances, House Report 108–169 and Senate Report 108–86 direct agencies to report to the Committees by specific dates that have now passed. In those instances, and unless alternative dates are provided in the accompanying explanatory statement, agencies are directed to provide these reports to the House and Senate Committees on Appropriations no later than November 14, 2003.

TITLE I—DEPARTMENTAL MANAGEMENT AND OPERATIONS

OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

The conferees agree to provide \$80,794,000 instead of \$78,975,000 as proposed by the House and \$83,653,000 as proposed by the Senate. Within the funds provided for the Office of the Secretary and Executive Management, travel expenses may not exceed \$2,575,000. The conferees agree to provide an additional \$490,000

to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. Funding shall be allocated as follows:

| | |
|---|-------------|
| Immediate Office of the Secretary | \$2,139,000 |
| Immediate Office of the Deputy Secretary | 1,116,000 |
| Office of Security | 19,899,000 |
| Chief of Staff | 5,047,000 |
| Executive Secretary | 5,239,000 |
| Special Assistant to the Secretary/Private Sector | 3,995,000 |
| Office of National Capital Region (NCR) Coordinator | 560,000 |
| Office of State and Local Government Coordination | 3,095,000 |
| Office of International Affairs | 1,165,000 |
| Office of Public Affairs | 8,168,000 |
| Office of Legislative Affairs | 5,907,000 |
| Office of General Counsel | 8,696,000 |
| Office of Civil Rights and Liberties | 13,027,000 |
| Citizenship and Immigration Services Ombudsman | 1,243,000 |
| Homeland Security Advisory Committee | 726,000 |
| Privacy Officer | 772,000 |
| Total | 80,794,000 |

RECEPTION AND REPRESENTATION EXPENSES

The conferees have provided \$40,000 for reception and representation expenses for the Office of the Secretary and Executive Management, as proposed by the House, instead of \$100,000 as proposed by the Senate in a general provision. Separate reception and representation allowances have been provided directly to other departmental agencies.

The conferees have not included bill language, proposed by the House, permitting the Secretary to use up to \$2,000,000 for unforeseen emergencies.

BUDGET JUSTIFICATIONS

The conferees direct the Department to submit its fiscal year 2005 budget justifications on the first Monday in February, concurrent with official submission of the President's budget to the Congress. These justifications should include detailed data and explanatory statements in support of the appropriations requests, including tables that detail each agency's programs, projects, and activities for fiscal years 2004 and 2005. The budget justifications should also include a table identifying the last year that authorizing legislation was provided by Congress for each program, project, or activity; the amount of the authorization; and the appropriation in the last year of the authorization.

MONTHLY REPORTING REQUIREMENTS

The conferees agree with House report language directing the Department to submit to the Committees on Appropriations a monthly budget execution report showing the status of obligations and costs for all components of the Department.

DETAILEES

The conferees direct the Department to report for fiscal year 2003 and for the first quarter of fiscal year 2004 to the Committees on Appropriations by January 1, 2004, by agency on the number of detailees in the Department as well as those detailed to other executive and legislative agencies; originating agency; salary;

length of detail (including beginning and end dates); and purpose of the detail.

PROTECTION OF CLASSIFIED INFORMATION

The conferees agree with House report language regarding proper storage and security of classified information and materials, and, within available funds for the Office of Security, up to \$3,000,000 shall be made available for initial purchase and installation of locks meeting or exceeding federal specification FF-L-2740-A. Consistent with House report language, the conferees expect a complete assessment of needs to be delivered to the Committees on Appropriations no later than December 15, 2003.

COUNTERMEASURES AGAINST SHOULDER-FIRED MISSILES

The Secretary shall report to the Committees on Appropriations no later than March 1, 2004, in classified form, on the progress made to develop countermeasures for commercial aircraft against shoulder-fired missile systems, including cost and time schedules for developing and deploying such countermeasures, a vulnerability assessment of category X and category 1 airports from the threat of shoulder-fired missile systems, and the interim measures being taken to address the threat.

ASSET FORFEITURE FUNDS

The conferees note that asset forfeiture funds have played a vital role in support of law enforcement and homeland security operations. The conferees also are aware that new legal and/or administrative structures are under consideration for the operation of the current Treasury and Justice Department forfeiture funds. Because a number of the Department's law enforcement agencies rely on the use of assets from these funds for on-going investigations and other operations, the conferees direct the Department to notify the Committees on Appropriations prior to any changes in the existing structure of these funds or changes to the distribution of the assets from these funds.

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

The conferees agree to provide \$130,983,000 instead of \$116,139,000 as proposed by the House and \$167,521,000 as proposed by the Senate. Within the funds provided for the Office of the Under Secretary for Management, travel expenses may not exceed \$602,000. Due to lack of details, the conferees have not provided funding for Strategic Initiatives. The conferees agree to provide an additional \$333,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. Funding shall be allocated as follows:

| | |
|---|-------------|
| Under Secretary for Management | \$1,278,000 |
| Office of Chief Financial Officer | 10,592,000 |
| Office of Procurement | 6,171,000 |
| Office of Human Resources | 6,743,000 |
| Office of Chief Information Officer | 60,496,000 |
| Office of Administration | 25,703,000 |
| Headquarters | 20,000,000 |
| Total | 130,983,000 |

STANDARDIZATION OF SYSTEMS

The conferees expect that standardization and savings will be realized through consolidation of support operations, personnel, and systems within the Department of Homeland Security. The conferees direct the Department to undertake these consolidation efforts in such areas as administration, finance and accounting, and procurement.

COMMAND CENTER

The conferees have fully funded the command center under the Information Analysis and Infrastructure Protection management and administration account. No funding is included for this center under the Chief Information Officer, as proposed by both the House and Senate.

DHS HEADQUARTERS

The conferees agree to provide \$20,000,000 for necessary renovations at the Nebraska Avenue Complex instead of \$30,000,000 as proposed by the Senate and no funding as proposed by the House. The conferees include a new general provision (Section 516) prohibiting the expenditure of funds absent an approved prospectus, if required by the Public Buildings Act of 1959. Funding is provided for evaluations and planning; security upgrades; renovations and improvements of buildings 1, 4, 5, 18, 19, and 100; SCIF construction in building 5; and Navy relocation costs.

DEPARTMENT-WIDE TECHNOLOGY INVESTMENTS

The conferees agree to provide \$185,000,000 as proposed by the Senate instead of \$206,000,000 as proposed by the House. Funds are available until expended. Statutory language proposed by the House has been included prohibiting the use of funds to support or supplement the appropriations provided for the United States Visitor and Immigrant Status Indicator Technology project or the Automated Commercial Environment system.

The conference agreement includes \$72,506,000 for information technology services; \$31,000,000 for security activities; \$100,000,000 for wireless programs; and \$2,494,000 for federal salaries and expenses. The conference agreement also includes the Senate proposal to use \$21,000,000 transferred to the Department of Homeland Security from the Department of Justice Working Capital Fund for enterprise architecture and the information and evaluation program. Full funding has been provided for consolidation of the Department's watch lists.

The Department is to report to the Committees on Appropriations by December 15, 2003, on how the federal wireless program will operate with the state and local communications systems that are being implemented concurrently, and to identify the level of funding provided to all Departmental components for mobile radios.

The Department is to report to the Committees on Appropriations by December 15, 2003, on the status of the Department's efforts to: complete an inventory of the Department's entire information technology structure; devise and deploy a comprehensive en-

terprise architecture that promotes interoperability of homeland security information systems, including communications systems, for agencies within and outside the Department; consolidate multiple overlapping and inconsistent terrorist watch lists; and align common information technology investments within the Department and between the Department and other federal, state, and local agencies responsible for homeland security to minimize inconsistent and duplicative acquisitions and expenditures.

OFFICE OF INSPECTOR GENERAL

The conferees agree to provide \$58,664,000 instead of \$58,118,000 as proposed by both the House and the Senate; and \$22,000,000 is transferred from the Emergency Preparedness and Response Disaster Relief Fund for a total of \$80,664,000 for the Office of Inspector General. The conferees agree to provide an additional \$546,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment.

Bill language is included to allow the Inspector General to use not to exceed \$100,000 for unforeseen emergencies, including the payment of informants, as proposed by the Senate instead of \$1,000,000 as proposed by the House.

The conferees direct the Inspector General to provide all audit reports requested by the Committees on Appropriations to the Committees no less than 15 days prior to public distribution of such reports.

TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS

OFFICE OF THE UNDER SECRETARY FOR BORDER AND TRANSPORTATION SECURITY

SALARIES AND EXPENSES

The conferees agree to provide \$8,106,000 as proposed by the House instead of \$8,842,000 as proposed by the Senate. Within the Office of the Under Secretary for Border and Transportation Security, travel may not exceed \$418,000.

ADMINISTRATIVE SUPPORT AND INTERAGENCY COOPERATION

The conferees recognize that there will continue to be significant requirements for support between agencies within the Directorate of Border and Transportation Security, as well as other Departmental agencies, notably the Bureau of Citizenship and Immigration Services, as transition continues. This may include shared services, modernizing and supporting shared automated systems, shared infrastructure, access to databases, and other forms of support. The conferees direct that the Under Secretary and all bureaus collaborate to ensure that the needs of frontline employees are being met, regardless of which bureau is providing legacy system support or administrative infrastructure.

UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR
TECHNOLOGY (US VISIT)

The conferees agree to provide \$330,000,000 instead of \$350,000,000 as proposed by the House and \$380,000,000 as proposed by the Senate. Funds are available until expended.

US VISIT PLANNING, EXPENDITURE AND OVERSIGHT INFORMATION

The conferees are concerned about the progress in planning and deploying the US VISIT system. Given the priority of US VISIT, the conferees expect that some expenditure plans would be completed and submitted to the Committees on Appropriations shortly after appropriations become available, and not held up until late in the fiscal year as has been true in the past.

The conferees expect to be provided additional information about overall program characteristics, as well as greater details in specific expenditure plans. Overall, information needs to be provided showing the context in which US VISIT is being developed, to include, but not be limited to: an estimate of overall costs; a comprehensive explanation of the exit control business process on which planning is based; staffing plans being developed for entrance and exit control activity; and explanations of how US VISIT information will be made available to the Bureau of Immigration and Customs Enforcement and other law enforcement and homeland security agencies. In addition, expenditure plans shall provide a greater level of detail, including: annual cost, schedule, and performance milestones; outyear costs; and related impacts on staffing, infrastructure, and communications costs.

The conferees further direct DHS to submit its privacy policy to protect information held by US VISIT to the Committees on Appropriations not later than 45 days after enactment of the Act.

To assist the Committees in their oversight of US VISIT, the conferees direct DHS to submit detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports. The first report shall be submitted not later than October 15, 2003, and shall include information on deployment through September 2003, as well as for the remainder of fiscal year 2004.

US VISIT BIOMETRICS

The conferees believe that the success of US VISIT depends on the effective integration of biometrics into its systems and operations. The biometric infrastructure being built must be a viable long-term solution fully interoperable with the FBI Integrated Automated Fingerprint Identification System that meets biometric standards of the National Institute of Standards and Technology. As stated in Public Law 108-7, procurement decisions for the overall US VISIT program should ensure full and open competition.

An example of a technology with great capacity for storing biometric information is optical memory, now used by the Department for permanent resident cards and by the State Department for border crossing cards. The conferees encourage the Department to ensure that all technologies are considered as it proceeds with US VISIT development and as the State Department moves forward

with the next generation of travel documents and credentials. The conferees further encourage the Department to ensure that it coordinates with other federal agencies engaged in such technology development and that such technologies are developed to comply with current and planned international civil aviation standards.

CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

The conferees agree to provide \$4,396,350,000 for the Bureau of Customs and Border Protection (CBP) instead of \$4,587,600,000 as proposed by the House and \$4,369,000,000 as proposed by the Senate. This includes: \$18,000,000 to cover the costs of 2003 pay increases and partially restore unspecified administrative reductions taken to establish the Department; \$4,750,000 for textile transshipment enforcement, as authorized in the Trade Act of 2002; \$12,725,000 to enforce laws relating to forced or indentured child labor, of which \$4,000,000 is available until expended; \$63,800,000 for non-intrusive inspection technology; \$6,700,000 for additional staffing needed to support new inspection technology and implement wireless personal data assistant database access; \$41,000,000 for an additional 570 Border Patrol Agents; \$9,000,000 for additional inspectors; a reduction to correct for \$18,000,000 that had been double-counted in the budget request; and an additional \$23,200,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. The appropriation also reflects reductions that correspond to realignment of construction funding into separate appropriations, and \$128,000,000 for administrative support for investigations and air and marine operations into the Bureau of Immigration and Customs Enforcement appropriation. Funding requested for Plum Island is provided in the Science and Technology biological countermeasures program. Further details on the allocation of funds can be found in the conference funding tables included in this report.

The conferees are aware that the Department is conducting a comprehensive review of administrative and other mission responsibilities, particularly as they affect CBP and other agencies that have inherited multiple legacy missions. While funding provided by this conference agreement is based on the best possible information available, the conferees understand there may be a need to adjust funding to conform to the decisions resulting from the review.

BORDER STAFFING

The conferees support adequate staffing to secure the nation's ports and borders, and have included a total of \$76,300,000 for increased deployment of inspection technology, the Customs-Trade Partnership Against Terrorism, canine enforcement officers, CBP inspectors and Border Patrol Agents.

The conferees recognize the effort required to integrate these increases while continuing to adjust the structure and organization of a new, consolidated bureau. In order to assess the status of current and projected staffing, the conferees direct CBP to submit to the Committees on Appropriations not later than December 1, 2003, a detailed staffing plan including: actual on-board personnel

for fiscal year 2003; projected staffing for fiscal year 2004; positions authorized but vacant; full-time, part-time, and temporary positions funded through direct appropriations; full-time, part-time and temporary fee-funded positions; and staffing at each port of entry and border area. The report shall also identify the new positions funded by this Act. The conferees expect this staffing plan to be coordinated and consistent with the staffing assumptions included in the CBP construction master plan.

NON-INTRUSIVE INSPECTION AND RADIATION DETECTION TECHNOLOGY

The conferees are aware of several instances where improvements can be made in evaluating new technology for cargo screening and radiation detection. For example, completion of the demonstration project for pulsed fast neutron analysis at the Ysleta border crossing has been significantly delayed. The conferees direct CBP to accelerate its efforts to complete this test and report its findings to the Committees on Appropriations not later than August 1, 2004. In another example, the conferees note that \$3,000,000 was provided to CBP in the fiscal year 2003 appropriation to evaluate and prototype next generation technology to screen and detect contraband, explosives, radioactive materials, and potential chemical and biological weapons. However, it appears that a significant share of this funding is instead being used to test modifications to existing detection technology.

The conferees strongly support Departmental coordination of efforts by CBP and other DHS agencies to test and invest in technology for inspection, detection and monitoring for weapons of mass destruction, and integrate such technology in all operations. The conferees direct both CBP and DHS to ensure that all potential candidate technologies are permitted to compete and be fairly evaluated as part of any acquisition decisions for inspection and radiation detection technology.

ANTI-DUMPING ENFORCEMENT

The conferees have ensured that this account includes sufficient funds to enforce the anti-dumping authority contained in section 764 of the Tariff Act of 1930 (19 U.S.C. 1675c). Additionally, the conferees are aware of the Department of the Treasury Office of Inspector General audit report (OIG003-085), "Customs Needs to Improve Compliance with CDSOA (Continued Dumping and Subsidy Offset Act of 2000)" and expect the CBP to fully comply with the recommendations made in that report.

STEEL IMPORTS TRADE LAW ENFORCEMENT

The conferees fully support the language on enforcement of U.S. trade laws regarding steel imports contained in House Report 108-169. The conferees note that the report submitted May 30, 2003, on this issue did not contain the requested data on the types and value of illegal imports seized and penalties imposed. The conferees direct the CBP to submit a revised report by April 20, 2004, that includes all of the information requested.

OFFSETTING FEE COLLECTIONS

The conferees are concerned about the financial health of the Immigration Inspection User Fee, COBRA passenger inspection fees, and the Land Border Inspection Fee, all of which have been affected by declining travel volume. The conferees direct the Department and CBP to manage programs within the levels of actual receipts, and to adjust Land Border Inspection fees quickly to ensure adequate revenue. The conferees direct CBP to ensure that fee revenues are used first to fully fund base operations and adjustments, as supported in justification materials provided to Congress, before undertaking any new initiatives.

AUTOMATION MODERNIZATION

The conferees agree to provide \$441,122,000, as proposed by the Senate, instead of \$493,727,000 as proposed by the House. Funds are available until expended. This includes funding as requested for the Automated Commercial Environment, the Integrated Trade Data System, and the costs of the legacy Automated Commercial System.

CONSTRUCTION

The conferees agree to provide \$90,363,000 as proposed by the Senate, instead of \$95,552,000 funded within the CBP Salaries and Expenses appropriation as proposed by the House. Funds are available until expended. The conferees direct CBP to review its nationwide priority list for construction funding for the Border Patrol, and provide a detailed plan of its intended use of this funding within 45 days of enactment of this Act. In addition, the conferees direct CBP to submit an updated construction master plan to the Committees on Appropriations not later than July 1, 2004.

CONFERENCE FUNDING LEVELS

| | <i>Amount</i> |
|--|-----------------|
| Customs and Border Protection: | |
| Salaries and Expenses | \$4,396,350,000 |
| Automation Modernization | 441,122,000 |
| Construction (Border Patrol) | 90,363,000 |
| | <hr/> |
| Subtotal, Direct Appropriations | 4,927,835,000 |
| | <hr/> |
| Offsetting Fee Collections: | |
| Immigration user fee | (509,000,000) |
| Immigration examinations fund | (0) |
| Immigration enforcement fines | (6,000,000) |
| Land border inspection fund | (28,000,000) |
| COBRA | (302,000,000) |
| | <hr/> |
| Subtotal, Offsetting Fee Collections | (845,000,000) |
| | <hr/> |
| Total, Customs and Border Protection | (5,772,835,000) |

IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

(INCLUDING RESCISSION OF FUNDS)

The conferees agree to provide \$2,151,050,000 for the Bureau of Immigration and Customs Enforcement (ICE) instead of \$2,030,000,000 as proposed by the House and \$2,180,000,000 as proposed by the Senate. This includes: \$7,500,000 to cover the costs of annualizing 2003 pay increases and to partially restore unspecified administrative reductions taken to establish the Department; \$4,750,000 for textile transshipment enforcement, as authorized in the Trade Act of 2002; \$3,000,000 to enforce laws relating to forced or indentured child labor, of which \$1,000,000 is available until expended; \$6,700,000 in new funding for additional investigators, particularly for compliance monitoring; \$5,400,000 for personnel costs associated with establishing a Northern Border airwing; and \$6,400,000 for the Intellectual Property Rights Center.

The funding level reflects realignment of funding for construction into a separate construction appropriation, and realignment of \$128,000,000 for administrative support for investigations and air and marine operations into ICE. The conferees agree to provide an additional \$15,000,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. The conferees continue to support alternatives to detention and to providing legal orientation to persons in detention prior to their first hearing before an immigration judge, and expect that these programs will be funded at the same level as the previous fiscal year. Further details on funding allocations can be found in the conference funding tables included in this report.

The conferees are aware that the Department is conducting a comprehensive review of administrative and other mission responsibilities, particularly as they affect ICE and other agencies that have inherited multiple legacy missions. While funding provided by this conference agreement is based on the best possible information available, the conferees understand there may be a need to adjust funding to conform to the decisions resulting from the review.

STUDENT AND EXCHANGE VISITOR INFORMATION SYSTEM

The conferees direct the General Accounting Office to report on the implementation of the Student and Exchange Visitor Information System (SEVIS). The report should include an assessment of the technical problems faced by institutions of higher education using the system, the need for the detailed information collected, and an analysis of corrective action being taken by DHS to resolve problems in SEVIS. This report should be provided to the Committees on Appropriations not later than 180 days after enactment of the Act.

INTELLECTUAL PROPERTY RIGHTS

The conferees direct the Under Secretary for Border and Transportation Security to report, not later than January 15, 2004, on the number of Immigration and Customs Enforcement open cases, closed cases, arrests, convictions, and prosecutions that re-

sult in dismissals or civil actions related to intellectual property rights enforcement for each of fiscal years 2001 through 2003. The conferees strongly encourage the Department to establish a government/industry anti-counterfeit working group in order to facilitate investigations, interdictions and prosecutions.

OFFSETTING FEE COLLECTIONS

The conferees are concerned about the accuracy of estimates for fees supporting ICE operations. There have been significant downward adjustments in the estimates of funding available from breached bond/detention and removal collections that have forced the detention building program to be delayed as long as two years, and similarly, overestimates have been made for the Immigration Inspection User Fee Account. The conferees direct ICE to ensure that fee revenues are used first to fully fund base operations and adjustments, as supported in justification materials provided to Congress, before undertaking any new initiatives. The conferees also direct DHS and ICE to inform the Committees on Appropriations in a timely manner of potential short-term operational or programmatic impacts from reduced fee collections.

RESCISSION OF FUNDS

The conferees have rescinded \$54,000,000 from funds made available in chapter 6 of title I of Public Law 108–11. These funds were originally appropriated for expenses related to Operation Liberty Shield, but are no longer required for such purposes.

FEDERAL AIR MARSHALS

The conferees agree to provide \$626,400,000 for the Federal Air Marshals program within the Bureau of Immigration and Customs Enforcement rather than the Transportation Security Administration (TSA), pursuant to the Administration's reorganization notification submitted to the Congress on September 2, 2003. The House bill proposed \$634,100,000 for the Federal Air Marshals program as a separate account within TSA's budget. The Senate bill provided \$610,000,000 as a separate line item within TSA's aviation security appropriation. Within the funds provided, the conferees agree to provide an additional \$2,300,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. Funding shall be allocated as follows:

| | |
|---|---------------|
| Federal Air Marshals | \$602,300,000 |
| Explosive unit | 4,100,000 |
| Scheduling and information technology | 10,000,000 |
| Air-to-ground communications | 10,000,000 |
| <hr/> | |
| Total, Federal air marshals | 626,400,000 |

FEDERAL PROTECTIVE SERVICE

(TRANSFER OF FUNDS)

The conferees agree to provide \$424,211,000, as proposed by the House and as included by the Senate in the Salaries and Expenses appropriation for ICE.

AUTOMATION MODERNIZATION

The conferees agree to provide \$40,000,000, instead of \$367,605,000 as proposed by the House. Funds are available until expended. The Senate included funding for this purpose within the ICE appropriation. This new account will fund major information technology investment projects for ICE, including Atlas/Chimera data modernization and connectivity. The conferees include a new provision prohibiting the obligation of funds until the Committees receive and approve an expenditure plan.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

The conferees agree to provide \$210,200,000, instead of \$175,000,000 as proposed by the House and \$257,291,000 as proposed by the Senate. Funds are available until expended. This includes \$35,200,000 to establish a Northern Border airwing, of which \$12,800,000 is available for aircraft procurement.

AIR AND MARINE INTERDICTION (AMI) PROGRAM MODERNIZATION PLAN

The roles and missions of AMI are being redefined as it becomes integrated as a core component of the Department, and as a result of expanded airspace security missions following the September 11, 2001, attacks and during the recent Liberty Shield operation. The heightened need to coordinate air and marine operations, as well as to continue aggressive counterdrug efforts, make it essential that AMI modernize. As part of a comprehensive review of AMI missions, structures, operations and resources, a number of security shortfalls were identified by the Department. These include the need to establish Northern Border operations and to provide airspace security for the National Capital Region. Other priorities include replacing AMI's aging air and marine assets, and continuing counterdrug interdiction in the source and transit zones. The conferees were informed that, based on the review, a modernization plan including a five-year recapitalization plan will soon be completed.

The conferees are committed to seeing AMI succeed, and need to know more about the ultimate plan for AMI development, modernization and deployment, including its relationship to the Border Patrol and to the U.S. Coast Guard. The conferees therefore direct the Under Secretary for Border and Transportation Security to report to the Committees on Appropriations no later than November 14, 2003, on the five-year plan for AMI missions, structure, operations, and resources, including deployment and command and control requirements, such as the need to increase the number of servers at the Air and Marine Operations Center to eliminate significant surveillance gaps affecting the Northern Border and the western United States. In addition, the report should address: (1) the status of any air traffic control communications with recommendations on how to fill any voids; (2) the current and future role played by tethered aerostat radars (TARs) in airspace interdiction and homeland security, describing any gaps in TARs coverage, such as those that may exist in the central Gulf of Mexico; (3) the basing of air assets, in particular the P-3 aircraft, many of which now oc-

cupy temporary or inadequate hangar space such as that at Jacksonville, Florida; and (4) detailed plans for using the \$35,800,000 included in the Act for continued support of the Western Hemisphere Drug Elimination Act.

AMI STAFFING AND PERSONNEL

The conferees direct the Under Secretary to report, no later than November 14, 2003, on AMI staffing needs and personnel policies affecting the use and assignment of personnel, including staffing grades, maintenance and operational issues. The report, covering the next five years, should display the numbers and types of authorized positions needed to fulfill the mission of AMI; personnel and benefits costs; current on-board staffing levels; and projections for filling vacant positions.

CONSTRUCTION

The conferees agree to provide \$26,775,000 as proposed by the Senate and as included by the House in the Salaries and Expenses appropriation for ICE. Funds are available until expended. The conferees direct ICE to review its nationwide priority list for construction project funding and submit a detailed plan for use of this funding within 45 days of enactment of this Act. The conferees further direct ICE to submit an updated construction master plan to the Committees on Appropriations not later than July 1, 2004.

CONFERENCE FUNDING LEVELS

| | <i>Amount</i> |
|--|-----------------|
| Immigration and Customs Enforcement: | |
| Salaries and Expenses | \$2,151,050,000 |
| Federal Air Marshals | 626,400,000 |
| Federal Protective Service | 424,211,000 |
| Automation and Modernization | 40,000,000 |
| Air and Marine Interdiction | 210,200,000 |
| Construction | 26,775,000 |
| Subtotal, Direct Appropriations | 3,478,636,000 |
| Offsetting Fee Collections: | |
| Immigration user fee | (107,000,000) |
| Immigration examinations fund | (25,000,000) |
| Breached bond/Detention fund | (116,000,000) |
| SEVIS fund | (25,000,000) |
| COBRA | (0) |
| Subtotal, Offsetting Fee Collections | (273,000,000) |
| Total, Immigration and Customs Enforcement | (3,751,636,000) |

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

The conferees agree to provide \$3,732,700,000 instead of \$3,659,200,000 as proposed by the House and \$4,523,900,000 as proposed by the Senate. Within this amount, not to exceed \$3,000 is available for official reception and representation expenses as proposed by the House. The conference agreement includes the use of \$95,000,000 of prior year balances carried over from fiscal year 2003. Bill language is also included that reflects the collection of

\$2,070,000,000 from aviation user fees, as authorized. The following table specifies funding levels by budget activity:

Aviation Security:

| | |
|--|---------------|
| Passenger screening: | |
| Screening pilots | \$119,000,000 |
| Passenger screeners—PC&B | 1,319,600,000 |
| Passenger screeners—training and other | 114,100,000 |
| HR services | 151,000,000 |
| Checkpoint support | 62,000,000 |
| CAPPS II | 35,000,000 |
| Registered traveler | 5,000,000 |
| Subtotal, passenger screening | 1,805,700,000 |

Baggage screening:

| | |
|--|---------------|
| Baggage screeners—PC&B | 774,200,000 |
| Baggage screeners—training and other | 69,500,000 |
| EDS Purchase | 150,000,000 |
| EDS Installation | 250,000,000 |
| EDS/ETD maintenance | 75,000,000 |
| Subtotal, baggage screening | 1,318,700,000 |

Security direction and enforcement:

| | |
|--|-------------|
| Aviation regulation and other enforcement | 275,400,000 |
| Airport management and staff | 233,800,000 |
| Airport information technology and other support | 139,100,000 |
| Federal flight deck officer program | 25,000,000 |
| Air cargo | 30,000,000 |
| Subtotal, security direction and enforcement | 703,300,000 |

| | |
|-----------------------------------|---------------|
| Subtotal, aviation security | 3,827,700,000 |
| Use of prior year balances | – 95,000,000 |

| | |
|--------------------------------|---------------|
| Total, Aviation Security | 3,732,700,000 |
|--------------------------------|---------------|

SCREENER CAP

The conferees include bill language that caps full-time equivalent screener staff to 45,000, as proposed by the House. The conferees expect the Transportation Security Administration (TSA) to have no more than 45,000 full-time equivalent screeners on its rolls at the end of fiscal year 2004. In order to meet this requirement, the conferees urge TSA to hire more part-time and seasonal screeners. However, the conferees recognize that there are still staffing imbalances in many airports around the country and that TSA continues to lose screeners through attrition. Consequently, TSA may need to reduce staffing in some locations to comply with this provision while recruiting and hiring additional or replacement screeners at other airports. The prohibition on the number of full-time equivalents is not intended to prohibit TSA from hiring screeners during fiscal year 2004 at those airports where additional or replacement screeners are required to maintain aviation security and customer service.

WAIT TIMES

The conferees do not agree with language contained in the Senate report that requires TSA to ensure a 10-minute passenger screening standard is consistently met.

AIR CARGO

The conferees provide a total of \$30,000,000 within aviation security to strengthen the agency's oversight of air cargo security. Additional funding of \$55,000,000 is provided within the Research and Development account.

Currently, to secure 100-percent of cargo transported aboard passenger aircraft, TSA prohibits any cargo from "unknown or high-risk" shippers from being placed aboard these aircraft. TSA ensures that any shipper wishing to transport cargo on passenger aircraft achieve "known" status through participating in the agency's "known shipper program". Passenger carriers, all-cargo carriers, and freight forwarders that interline cargo to passenger carriers are responsible for validating the known shippers. Shippers that cannot be validated are not allowed to transport cargo via passenger carriers.

Within this funding, the conferees direct TSA to improve its oversight of the known shipper program, using a risk-weighted freight screening system that will identify pieces of cargo that require closer scrutiny before being loaded on passenger aircraft. An additional 100 TSA staff are provided to perform more in-depth audits of shipper compliance with the known shipper requirement. An improved automated system should include the automated known shipper verification system, the automated indirect air carrier certification and recertification program, and automated cargo profiling systems. In addition, funding has also been provided for TSA to conduct background checks on those employees who handle cargo, have access to secure areas or ramps in which cargo is loaded onto passenger airplanes, or have direct access to air cargo being shipped. Finally, TSA should consider testing the expansion of the Customs-Trade Partnership Against Terrorism (C-TPAT) to the domestic air cargo supply chain.

FEDERAL AIR MARSHALS

The conferees agree to provide \$626,400,000 for the Federal Air Marshals program within the Bureau of Immigration and Customs Enforcement (ICE) rather than TSA, pursuant to the Administration's reorganization notification submitted to the Congress on September 2, 2003.

MARITIME AND LAND SECURITY

The conferees agree to provide \$263,000,000 instead of \$231,700,000 as proposed by the House and \$295,000,000 as proposed by the Senate. Funding is available until September 30, 2005, as proposed by the Senate instead of until expended as proposed by the House. The following table specifies funding levels by budget activity:

| | |
|---|---------------|
| Maritime and Land Security: | |
| Port security grants | \$125,000,000 |
| Credentialing/transportation worker identification card | 50,000,000 |
| Intercity bus security | 10,000,000 |
| Operation Safe Commerce | 17,000,000 |
| Trucking industry security program (Highway Watch) | 22,000,000 |
| Hazardous materials security and truck tracking program | 7,000,000 |
| Nuclear detection and monitoring | 4,000,000 |

| | |
|---|-------------|
| Staffing and operations | 28,000,000 |
| Total, Maritime and Land Security | 263,000,000 |

TRANSPORTATION WORKER IDENTIFICATION CARD

The conferees agree to provide \$50,000,000 for the transportation worker identification card (TWIC) instead of \$55,000,000 as proposed by the House and \$35,000,000 as proposed by the Senate. The conferees are concerned with the status of implementing TWIC and the lack of progress in the test and evaluation phase as well as the development of guidelines, technology, applications, and enrollment for personalization and issuance of a universal card that are to be developed by fiscal year 2004.

The conferees encourage TSA to evaluate all technologies for these cards, including those currently in use in other federal agencies, to ensure that the most secure and cost efficient identification card is developed. Further, the conferees agree with language contained in the House report that TSA develop a personalization system that is centralized and uses an existing government card production facility for these activities. While providing funds for this program, the conferees direct TSA not to obligate funds for the next phase until a spend plan has been developed, the Committees on Appropriations are briefed on the results of the technical evaluation and prototype phases, and agree that the program should move forward.

INTELLIGENCE

The conferees agree to provide \$13,600,000, as proposed by the Senate instead of \$13,700,000 as proposed by the House. Funding is available until September 30, 2004, as proposed by the Senate instead of available until expended as proposed by the House.

RESEARCH AND DEVELOPMENT

The conferees agree to provide \$155,200,000 instead of \$125,700,000 as proposed by the House and \$130,200,000 as proposed by the Senate. The following table specifies funding levels by budget activity:

| | |
|--|--------------|
| Research and Development: | |
| Research and development (Tech Center) | \$55,200,000 |
| Next generation EDS/ETD | 45,000,000 |
| Air cargo | 55,000,000 |
| Total, Research and Development | 155,200,000 |

AIR CARGO

The conferees agree to provide \$55,000,000 for air cargo security research and development activities. This funding should be used by TSA to pursue a variety of technological solutions that would allow for the most efficient and targeted inspections of cargo being carried on passenger aircraft. TSA is directed to issue a request for proposals at the earliest date possible for these technologies and report back to the Committees on Appropriations by April 1, 2004, on the options to inspect air cargo, the associated costs, and timetable. Furthermore, TSA should immediately launch a pilot program to use explosive detection machines in select loca-

tions to screen high-risk cargo. Consideration should be made for those air carriers or routes that carry a high percentage of cargo on passenger aircraft. TSA should also consider expanding the canine screening teams for additional cargo screening applications. Funding should also be made available to test additional air cargo screening tools, based on recommendations from the industry, or to initiate a public-private partnership to design, develop and test air cargo facility security applications at high-cargo airports in the United States.

ADMINISTRATION

The conferees agree to provide \$427,200,000 instead of \$487,100,000 as proposed by the House and \$433,200,000 as proposed by the Senate. Funding is available until September 30, 2005, as proposed by the House. The following table specifies funding levels by budget activity:

| | |
|---|---------------|
| Administration: | |
| Headquarters support | \$173,700,000 |
| Mission support centers | 40,000,000 |
| Information technology applications | 198,100,000 |
| Corporate training | 15,400,000 |
| <hr/> | |
| Total, Administration | 427,200,000 |

BACKGROUND INVESTIGATIONS

Within the funding provided under Administration the conferees agree to provide \$6,000,000 to conduct background investigations on TSA employees, including security screeners, instead of \$12,000,000 as proposed by the Senate. The House included no similar provision. In addition, a general provision has been included that provides TSA broader authority to collect fees for background investigations and credentialing necessary for all modes of transportation.

UNITED STATES COAST GUARD

OPERATING EXPENSES

(INCLUDING RESCISSION OF FUNDS)

The conferees agree to provide a total appropriation of \$4,713,055,000 instead of \$4,719,000,000 as proposed by the Senate and \$4,703,530,000 as proposed by the House. Within this total, \$340,000,000 shall be available for defense-related activities, as proposed by the Senate instead of \$1,300,000,000 as proposed by the House. In addition, the conferees have rescinded \$71,000,000 from funds made available in chapter 6 of title I of Public Law 108-11 as proposed by the Senate. The House bill contained no similar provision.

Funding for operating expenses shall be allocated as follows:

| | |
|------------------------------------|-----------------|
| Military Pay and allowances: | |
| Military pay and allowances | \$1,993,713,000 |
| Military health care | 464,890,000 |
| Permanent change of stations | 105,184,000 |

| | |
|--|---------------|
| FECA/UCX | 4,420,000 |
| Subtotal, military pay and allowances | 2,568,207,000 |
| Civilian pay and benefits: | |
| Civilian pay and benefits | 381,246,000 |
| Pay parity for civilians | 4,247,000 |
| Subtotal, civilian pay and benefits | 385,493,000 |
| Training and Recruiting: | |
| Training and education | 106,638,000 |
| Recruiting | 20,702,000 |
| Area and district training and education | 4,000,000 |
| Command training and education | 35,100,000 |
| DHS administrative service | -2,200,000 |
| Subtotal, training and recruiting | 164,240,000 |
| Operating funds and unit level maintenance: | |
| Atlantic command | 145,714,000 |
| Pacific command | 161,540,000 |
| 1st District | 38,708,000 |
| 7th District | 54,498,000 |
| 8th District | 39,150,000 |
| 9th District | 20,860,000 |
| 13th District | 16,050,000 |
| 14th District | 11,522,000 |
| 17th District | 28,852,000 |
| Headquarters offices | 415,913,000 |
| Headquarters managed units | 111,310,000 |
| Other activities | 2,290,000 |
| Portable radiation search tools | 1,500,000 |
| Travel | -4,000,000 |
| DHS administrative services | -11,200,000 |
| Centrally-managed accounts (rent, ammo, postal) | -131,100,000 |
| Command training and education | -35,100,000 |
| Subtotal, operating funds and unit level maintenance | 866,507,000 |
| Centrally-managed accounts: | |
| Centrally-managed operating expenses | 131,100,000 |
| DHS administrative services | -1,700,000 |
| Subtotal, centrally-managed accounts | 129,400,000 |
| Intermediate and depot level maintenance: | |
| Aircraft maintenance | 218,771,000 |
| Electronic maintenance | 89,889,000 |
| Ocean engineering and shore facilities maintenance | 152,048,000 |
| Vessel maintenance | 146,400,000 |
| DHS administrative services | -7,900,000 |
| Subtotal, immediate and depot level maintenance | 599,208,000 |
| Subtotal, operating expenses | 4,713,055,000 |
| Rescission | -71,000,000 |
| Total, Operating Expenses | 4,642,055,000 |

For the fiscal year 2005 budget justification and for reprogramming purposes in fiscal year 2004, the Coast Guard shall use the six new budget categories listed above (military pay and allowances, civilian pay and benefits, training and recruiting, operating funds and unit level maintenance, centrally-managed accounts, and intermediate and depot level maintenance). However, the conferees

expect sufficient detail on each program, project, or activity in the fiscal year 2005 budget justifications to make informed decisions about the appropriate level of funding in each program line item within these six budget categories.

The conference agreement contains bill language to permit operating expenses to be used to make payments into the Department of Defense Medicare-Eligible Retiree Health Care Fund, as proposed by the Senate. The conference agreement also limits the number of passenger vehicles that the Coast Guard may purchase or lease in fiscal year 2004 to 25, instead of 5 as proposed by the Senate. The House bill contained no similar provisions. Finally, the conference agreement includes bill language to permit the Coast Guard to use not to exceed \$3,000 for official reception and representation activities, as proposed by the House. The Senate bill contained no similar provision.

ICE BREAKING

The conferees direct the Coast Guard to renegotiate the memorandum of agreement relating to ice breaking activities with the National Science Foundation (NSF), as discussed in House Report 108–169. A reduction of \$2,500,000 has been made to the budget request to reflect additional payments from NSF in fiscal year 2004 for ice breaking activities in the Antarctic region.

MARITIME SAFETY AND SECURITY TEAMS

A total of \$71,800,000 has been provided for Maritime Safety and Security Teams (MSSTs) instead of \$64,000,000 as proposed by the House and \$76,000,000 as proposed by the Senate. At this level, the conferees assume that seven MSSTs will be funded in fiscal year 2004 for a minimum of two quarters each, including one MSST in the 17th District.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

The conferees agree to provide \$17,000,000 as proposed by the Senate and the House.

RESERVE TRAINING

The conferees agree to provide \$95,000,000 as proposed by the Senate instead of \$94,051,000 as proposed by the House.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

The conferees agree to provide \$967,200,000 instead of \$805,000,000 as proposed by the House and \$1,035,000,000 as proposed by the Senate. Consistent with prior practice, bill language is included to distribute the total appropriation by separate obligation availabilities to prevent long-term unobligated balances and ensure fiscal discipline. The following table summarizes the recommended level by program, project, and activity:

| | |
|---|---------------|
| Vessels | \$66,500,000 |
| Great Lakes Icebreaker (GLIB) replacement | (2,000,000) |
| 41 foot UTB and NSB replacement project | (12,000,000) |
| 9 additional coastal patrol boats to enforce security zones | (52,500,000) |
| Integrated Deepwater Systems | 668,200,000 |
| Aircraft | (142,700,000) |

| | |
|--|---------------|
| Surface ships | (302,600,000) |
| C4ISR | (101,400,000) |
| Logistics | (45,400,000) |
| Systems engineering and integration | (42,100,000) |
| Government program management | (34,000,000) |
| Other equipment | 162,500,000 |
| Defense messaging system (DMS) implementation | (3,500,000) |
| National distress & response system modernization project (Rescue 21) | (134,000,000) |
| Oil spill prevention efforts under ports and waterways safety systems | (1,000,000) |
| Automatic Identification System | (24,000,000) |
| Personnel and related support | 70,000,000 |
| Core acquisition costs | (69,500,000) |
| Direct personnel cost | (500,000) |
| Total, Acquisition, Construction, and Improvements | \$967,200,000 |

INTEGRATED DEEPWATER SYSTEMS

The conferees agree to provide \$668,200,000 instead of \$702,000,000 as proposed by the Senate and \$530,000,000 as proposed by the House. The following table summarizes the recommended level by program, project, and activity:

| | |
|---|---------------|
| Aircraft: | |
| Maritime Patrol Aircraft | 25,000,000 |
| Unmanned Air Vehicles | 50,000,000 |
| Other contracts/legacy sustainment | 67,700,000 |
| Surface: | |
| National Security Cutter | 208,000,000 |
| OPC conceptual and contract design | 20,000,000 |
| Fast Response Cutter/110–123 ft. patrol boat conversion | 66,000,000 |
| Short Range Prosecutor | 1,600,000 |
| Other contracts/legacy sustainment | 7,000,000 |
| C4ISR: | |
| Command and Control System for Common Operating Picture | 58,000,000 |
| Cutter upgrades—C4ISR | 7,100,000 |
| Shore sites | 22,100,000 |
| Other contracts/legacy sustainment | 14,200,000 |
| Logistics: | |
| Integrated logistics support | 19,200,000 |
| Facilities design required for future deployments | 5,500,000 |
| Shore Facilities | 20,700,000 |
| Systems Engineering and Integration | 42,100,000 |
| Government Program Management | 34,000,000 |
| Total, Integrated Deepwater Systems | \$668,200,000 |

CAPITAL INVESTMENT PLAN

Bill language is included to require the Coast Guard to submit a five-year capital investment plan with initial submission of the President's budget request, as proposed by the House. The Senate bill contained no similar provision.

DISPOSAL OF REAL PROPERTY

Bill language is included to credit to the Acquisition, Construction, and Improvements appropriation any proceeds from the sale or lease of the Coast Guard's surplus real property and to provide that such receipts are available for obligation only for the Rescue 21 project until September 30, 2006, as proposed by the House. The Senate bill contained similar language, but made these funds available until expended.

ALTERATION OF BRIDGES

The conferees agree to provide \$19,250,000 instead of \$19,500,000 as proposed by the House. The Senate funded alteration of bridges under acquisition, construction, and improvements. Within this total, the funds shall be allocated as follows:

| | |
|---|-------------|
| Fourteen Mile bridge in Mobile, Alabama | \$5,250,000 |
| Burlington Northern Santa Fe bridge in Burlington, Iowa | 2,000,000 |
| Canadian Pacific Railroad bridge in LaCrosse, Wisconsin | 1,000,000 |
| Chelsea Street bridge in Chelsea, Massachusetts | 2,250,000 |
| Florida Avenue bridge in New Orleans, Louisiana | 6,750,000 |
| EJ&E Railroad bridge in Morris, Illinois | 1,000,000 |
| John F. Limehouse bridge in Charleston, South Carolina | 1,000,000 |

In addition the conferees include a proviso in the bill that funds be available only to the extent that steel, iron and manufactured products used in such projects are produced in the United States with certain exceptions, as proposed by the Senate. The House bill contained no similar provision.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

The conferees agree to provide \$15,000,000 instead of \$22,000,000 as proposed by the House. The Senate provided \$15,000,000 under the Science and Technology Directorate for Coast Guard's research, development, test, and evaluation program.

The conferees are aware that the development of new technologies is necessary if the Coast Guard is to keep pace with its expanding mission. The conferees therefore direct the Commandant to conduct an independent study on research and development priorities, as outlined in the Senate bill under the operating expenses account, and submit the findings of this study to the Committees on Appropriations by June 1, 2004.

RETIRED PAY

The conferees agree to provide \$1,020,000,000 as proposed by both the Senate and the House.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

The conferees agree to provide \$1,137,280,000 instead of \$1,148,700,000 as proposed by the House and \$1,114,737,000 as proposed by the Senate. This includes \$16,365,000 for White House mail screening; \$6,824,000 to annualize fiscal year 2003 pay base funding not captured in the fiscal year 2004 budget; \$6,475,000 to fully fund the 2003 pay raise; \$3,336,000 to fully annualize prior year staff increases; and \$5,450,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. Funding also includes \$2,100,000 for forensic support to the National Center for Missing and Exploited Children (NCMEC) as well as a \$5,000,000 grant to NCMEC.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED
EXPENSES

The conferees agree to provide \$3,579,000 as proposed by the House and the Senate. Funds are available until expended. The conferees include bill language under the Salaries and Expenses Account, as proposed by the House, to permit the James J. Rowley Training Center (JJRTC) to provide protective training on a reimbursable basis. The conferees note that the JJRTC is currently operating at full capacity simply to meet training requirements of the Secret Service and is presently unable to accommodate training outside students. The current facilities would need to be expanded to permit increases in training capacity. No additional funding for such expansion has been requested or provided in this Act. The conferees include bill language based on the expectation that it would only be utilized in emergency situations, subject to prior notification to the Committees on Appropriations.

TITLE III—PREPAREDNESS AND RECOVERY

OFFICE FOR DOMESTIC PREPAREDNESS

The conferees view state and local jurisdictions' ability to detect, prevent and respond to a terrorist attack as a high priority. State and local responders are first to arrive on scene when a terrorist attack occurs and must be prepared to protect life and property. This function is inherently non-federal, although federal resources and expertise are needed to manage the crisis, and provide support to state and local assets when an attack overwhelms their resources. For purposes of eligibility for funds under this heading, any county, city, village, town, district, borough, port authority, transit authority, water district, regional planning commission, council of government, Indian tribe, authorized tribal organization, Alaska Native village, or other political subdivision of any state shall constitute a "local unit of government."

STATE AND LOCAL PROGRAMS

The conferees agree to provide \$3,287,000,000 instead of \$2,888,000,000 as proposed by the Senate and \$3,513,000,000 as proposed by the House for the Office for Domestic Preparedness (ODP). Funding is available until September 30, 2004, as proposed by the Senate, instead of until expended as proposed by the House. None of these funds may be used for construction or renovation of facilities.

| <i>State and local programs</i> | <i>Amount</i> |
|--|-------------------|
| Formula-Based Grants | \$1,700,000,000 |
| Law Enforcement Terrorism Prevention Grants | 500,000,000 |
| High-Threat, High-Density Urban Areas Grants | 725,000,000 |
| Citizen Corps | 40,000,000 |
| National Domestic Preparedness Consortium | 135,000,000 |
| Technical Assistance | 30,000,000 |
| National Exercise Program | 50,000,000 |
| Competitive Training Grants | 60,000,000 |
| Equipment and Testing | 17,000,000 |
| Management and Administration | 30,000,000 |
| Total | 3,287,000,000 |

FORMULA-BASED GRANTS

The conferees agree to provide \$1,700,000,000, instead of \$1,900,000,000 as proposed by the House and \$1,200,000,000 as proposed by the Senate. These funds are available to all states for purposes of training, procuring equipment (such as interoperable communications equipment), and conducting exercises, based on the state's approved, updated homeland security strategies. The conferees expect that these funds will be made available to states within 30 days after enactment of this Act; that states will have 30 days to apply after the grant is announced; and that ODP will act within 15 days of receipt of an application or receipt of an updated state plan, whichever is later. The conferees also agree that no less than 80 percent of these funds shall be obligated by the state to local units of government within 60 days of the state receiving funds.

The conferees are aware of the need for overtime funding to backfill those first responders attending ODP certified training classes. The conferees understand that ODP anticipates continuing this overtime as an allowable expense of the formula-based grant program. The conferees support this effort with the understanding that only overtime directly related to backfilling first responders attending ODP certified training classes is eligible.

The Secretary may provide a waiver for the use of state grant funds by a local jurisdiction to purchase aviation equipment, where such equipment will be utilized primarily for homeland security objectives and permissible program activities and provided that the local jurisdiction certifies that it has an operating aviation unit and that the costs for operation and maintenance of such equipment will be paid from non-grant funds.

LAW ENFORCEMENT TERRORISM PREVENTION GRANTS

The conferees agree to provide \$500,000,000, as proposed by the Senate, instead of \$510,000,000 as proposed by the House. These funds are made available to all states for purposes as described in Senate Report 108–86. The conferees expect that these funds will be made available to states within 30 days after enactment of this Act; that states will have 30 days to apply after the grant is announced; and that ODP will act within 15 days of receipt of an application or receipt of an updated state plan, whichever is later. The conferees also agree that no less than 80 percent of these funds shall be obligated by the state to local units of government within 60 days of the state receiving funds.

Law enforcement terrorism prevention activities that involve compensation of overtime shall be limited to those specifically related to homeland security, such as providing expanded investigative and intelligence efforts. Funding may not be used to supplant ongoing, routine public safety activities of state and local law enforcement. State applications must certify that all requests for overtime funding comply with this requirement.

HIGH-THREAT, HIGH-DENSITY URBAN AREAS GRANTS

The conferees agree to provide \$725,000,000, instead of \$500,000,000 as proposed by the House and \$750,000,000 as pro-

posed by the Senate. The conferees do not agree to provide \$200,000,000 in a separate account for the protection of critical infrastructure, as proposed by the House. These funds are made available to the Secretary for discretionary grants to high-threat, high-density urban areas. The Secretary shall take into consideration credible threat, presence of critical infrastructure, population, vulnerability, cooperation of multiple jurisdictions in preparing domestic preparedness plans, and the identified needs of public agencies when determining the allocation of these funds. The conferees expect that these funds will be obligated no later than 60 days after enactment of this Act. The conferees also agree that no less than 80 percent of these funds shall be obligated by the state to local units of government within 60 days of the state receiving funds. Grants may be made to single or multiple jurisdictions in the same urban area.

The conferees are concerned with the limited information provided to the Committees on Appropriations regarding the manner in which the Department is distributing these grants. The conferees direct the Department to fully brief the Committees on Appropriations on the methodology for the proposed distribution of the funds appropriated for these grants before the distribution is announced.

CITIZEN CORPS GRANTS

The conferees agree to provide \$40,000,000, instead of \$45,000,000 as proposed by the House and \$50,000,000 as proposed by the Senate.

NATIONAL DOMESTIC PREPAREDNESS CONSORTIUM

The conferees agree to provide \$135,000,000, instead of \$125,000,000 as proposed by the House and \$140,000,000 as proposed by the Senate. Of the funds provided, \$55,000,000 shall be for the Center for Domestic Preparedness.

TECHNICAL ASSISTANCE

The conferees agree to provide \$30,000,000 for direct technical assistance to states, as proposed by the Senate, instead of \$67,000,000 as proposed by the House. The conferees do not provide an additional technical assistance account as proposed by the Senate for \$10,000,000 and by the House for \$32,000,000 under Grant Administration and Planning.

NATIONAL EXERCISE PROGRAM

The conferees agree to provide \$50,000,000, as proposed by both the House and Senate. The conferees fully support the Department's initiative to establish a performance-based national exercise program that centers on the Top Officials (TOPOFF) exercise series.

COMPETITIVE TRAINING GRANTS

The conferees agree to provide \$60,000,000, instead of \$35,000,000 as proposed by the House under Centers for Emergency Preparedness. The Senate proposed \$28,000,000 for the con-

tinuation of core training and \$60,000,000 for emerging training in separate accounts. The conferees expect ODP to fully honor all current training commitments.

EQUIPMENT AND TESTING

The conferees agree to provide \$17,000,000, instead of \$40,000,000 as proposed by the Senate. The House provided \$5,000,000 for equipment and \$12,000,000 for testing in separate accounts. The conferees agree that funding of \$15,000,000 for standards development be moved to Science and Technology to consolidate department-wide research and development efforts. The conferees further direct Science and Technology to continue the program established by ODP in coordination with the National Institute of Standards and Technology (NIST), consistent with the fiscal year 2003 budget directive and the 5-year plan for development with NIST.

MANAGEMENT AND ADMINISTRATION

The conferees agree to provide \$30,000,000, as proposed by the Senate. The House provided \$21,000,000 for management and administration and \$11,000,000 for contractor support in separate accounts. Of the funds provided, up to \$11,000,000 shall be available for contractor support.

EMERGENCY MEDICAL SERVICES (EMS)

The conferees agree with the language in both House Report 108–169 and Senate Report 108–86 regarding EMS providers. Further, the conferees direct the Department to submit the EMS grants report directed in Senate Report 108–86 no later than March 1, 2004.

BEST PRACTICES

The conferees request a report from the Department, no later than January 15, 2004, detailing efforts to assess and disseminate best practices to emergency responders. This report shall address, at a minimum, efforts to coordinate and share information with state and local officials and emergency preparedness organizations, and steps the Department proposes to improve the coordination and sharing of such information.

PREPAREDNESS GRANTS CONSOLIDATION

The conferees are disappointed in the inability of the Department to provide a comprehensive plan on the “one-stop shop” proposal. The conferees fully expect to receive this plan as soon as it is available and direct ODP to submit all legislative proposals required to achieve this initiative as part of the fiscal year 2005 budget request.

FIREFIGHTER ASSISTANCE GRANTS

The conferees agree to provide \$750,000,000, as proposed by the Senate. The House proposed \$760,000,000 under the Emergency Preparedness and Response Directorate. Not to exceed 5 per-

cent may be used for administrative expenses. Funds are available until September 30, 2005.

The conferees agree to provide Firefighter Assistance Grants as a separate appropriation within the Office for Domestic Preparedness. The conferees agree that the Department shall continue current administrative practices in a manner identical to the current fiscal year, including a peer review process of applications, granting funds directly to local fire departments, and the inclusion of the United States Fire Administration during grant administration.

The conferees believe that, when establishing priorities for fire-fighting vehicles within this grant program, the Department should take into consideration the unique geographical needs of individual fire departments.

COUNTERTERRORISM FUND

The conferees agree to provide \$10,000,000, instead of \$20,000,000 as proposed by the House and the Senate. Funds are available until expended. The Secretary shall notify the Committees on Appropriations 15 days prior to obligation of these funds.

EMERGENCY PREPAREDNESS AND RESPONSE

OFFICE OF THE UNDER SECRETARY FOR EMERGENCY PREPAREDNESS AND RESPONSE

The conferees agree to provide \$3,450,000, instead of \$3,615,000 as proposed by the Senate. The House provided \$3,293,000 for the Office of the Under Secretary in Title I, under Departmental Operations.

PREPAREDNESS, MITIGATION, RESPONSE, AND RECOVERY

The conferees agree to provide \$225,000,000, instead of \$363,339,000 as proposed by the House. The Senate provided \$163,000,000 for Preparedness, Mitigation, Response, and Recovery under Operating Expenses. Funding is available until September 30, 2004, as proposed by the House, instead of until expended as proposed by the Senate. The conferees agree to provide an additional \$2,000,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment.

The conferees do not provide \$25,000,000 for an emergency operations center competitive grant program, as proposed by the House.

URBAN SEARCH AND RESCUE TEAMS

Of the funds provided for Preparedness, Mitigation, Response, and Recovery, the conferees agree to provide \$60,000,000 for Urban Search and Rescue Teams, instead of \$64,587,000 as proposed by the Senate under Operating Expenses. The House bill contained no similar provision. Not to exceed 3 percent may be used for administrative expenses, instead of 5 percent as proposed by the Senate.

WEB-BASED TECHNOLOGY

In concurring with language in House Report 108–169, the conferees direct the Emergency Preparedness and Response Directorate to continue the Disaster Management Initiative, commonly referred to as DisasterHelp.gov. The conferees further direct the Emergency Preparedness and Response Directorate to collect the appropriate sums as necessary from the following contributing agencies: the Department of Justice, the Department of Commerce, the National Oceanic and Atmospheric Administration, the U.S. Army, the Department of Transportation, the Department of the Interior, the Department of Health and Human Services, the Department of Agriculture, and the Environmental Protection Agency.

ADMINISTRATIVE AND REGIONAL OPERATIONS

The conferees agree to provide \$167,000,000, instead of \$168,589,000 as proposed by the House. The Senate provided \$165,214,000 for Administrative and Regional Operations under Operating Expenses. Funding is available until September 30, 2004, as proposed by the House, instead of until expended as proposed by the Senate. The conferees agree to provide an additional \$1,733,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. Funding of not to exceed \$3,000 is provided for official reception and representation expenses.

OPERATING EXPENSES

(RESCISSION OF FUNDS)

The conferees rescind \$3,000,000 of the funds provided by Public Law 108–11, as proposed by the Senate. The House bill included no similar provision.

PUBLIC HEALTH PROGRAMS

The conferees agree to provide \$484,000,000, as proposed by the House. The Senate provided \$434,000,000 under Operating Expenses. Of the funds provided, \$400,000,000 shall be available for the Strategic National Stockpile, to remain available until expended; \$34,000,000 for the National Disaster Medical System; and \$50,000,000 for the Metropolitan Medical Response System.

BIODEFENSE COUNTERMEASURES

The conferees agree to provide \$5,593,000,000 for fiscal years 2004 through 2013 as proposed by the House. Not to exceed \$890,000,000 is available for obligation in fiscal year 2004, and not to exceed \$3,418,000,000 is available for obligation in fiscal years 2004–2008 as proposed by the House. The Senate included no similar provision.

RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

The conferees agree to retain the Radiological Emergency Preparedness Program as a separate appropriation, as proposed by the Senate. The House proposed the Radiological Emergency Preparedness Program be funded under Preparedness, Mitigation, Response, and Recovery.

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide \$1,800,000,000, as proposed by the House, instead of \$1,956,000,000 as proposed by the Senate. Of the funds provided, not to exceed \$22,000,000 shall be transferred to the Office of Inspector General. Funds are available until expended. The conferees direct the continuation of the Section 404 post-disaster hazard mitigation grants program as part of a comprehensive mitigation strategy.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

The conferees agree to provide \$560,000 for administrative expenses, instead of \$558,000 as proposed by the House and \$557,000 as proposed by the Senate. The conferees agree to provide an additional \$3,000 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. Gross obligations for the principal amount of direct loans shall not exceed \$25,000,000, as proposed by both the House and Senate.

NATIONAL PRE-DISASTER MITIGATION FUND

The conferees agree to provide \$150,000,000, as proposed by the Senate. The House proposed \$180,000,000 for pre-disaster mitigation under Grant Programs. Not to exceed 3 percent may be used for administrative expenses. Funds are available until expended. The conferees do not provide \$250,000 to each state for planning purposes, as proposed by the House.

FLOOD MAP MODERNIZATION FUND

The conferees agree to provide \$200,000,000, as proposed by both the House and the Senate. Not to exceed 3 percent may be used for administrative expenses. Funds are available until expended.

To correct a misprint on page 54 of House Report 108–169, the conferees agree, in the first line of the first paragraph after the heading “Flood Mapping Projects”, to insert “Perry,” after “of”.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide up to \$32,663,000 for salaries and expenses as proposed by the Senate, instead of \$32,761,000 as proposed by the House. The conferees further agree to provide up to \$77,809,000 for flood mitigation activities and limitations of \$55,000,000 for operating expenses, \$565,897,000 for agents’ commissions and taxes, and \$40,000,000 for interest on Treasury borrowings as proposed by both the House and the Senate.

NATIONAL FLOOD MITIGATION FUND

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide \$20,000,000 by transfer from the National Flood Insurance Fund, as proposed by the Senate. The

House proposed \$20,000,000 for flood mitigation by transfer under Grant Programs. Funds are available until September 30, 2005.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS (EMPG)

The conferees agree to provide \$180,000,000, instead of \$165,000,000 as proposed by the Senate. The House provided \$168,000,000 for EMPGs under Preparedness, Mitigation, Response, and Recovery. Not to exceed 3 percent may be used for administrative expenses. The conferees agree that EMPGs shall remain in the Emergency Preparedness and Response Directorate where the focus is an all-hazards approach to emergency management. In addition, the conferees direct the continuation of funding personnel expenses, as stated in both the House and Senate reports.

EMERGENCY FOOD AND SHELTER

The conferees agree to provide \$153,000,000, as proposed by both the House and the Senate. Not to exceed 3.5 percent may be used for administrative expenses. Funds are available until expended.

CERRO GRANDE FIRE CLAIMS

The conferees agree to provide \$38,062,000, as proposed by the Senate. The House included no similar provision. Not to exceed 5 percent may be used for administrative expenses. Funds are available until expended. This funding will fully cover all remaining Cerro Grande fire claims.

TITLE IV—RESEARCH AND DEVELOPMENT, TRAINING, ASSESSMENTS, AND SERVICES

CITIZENSHIP AND IMMIGRATION SERVICES

The conferees agree to provide \$236,126,000 for the Bureau of Citizenship and Immigration Services (BCIS), instead of \$248,500,000 as proposed by the House and \$229,377,000 as proposed by the Senate. This includes: \$3,836,000 for physical security and staffing; \$5,600,000 to cover the costs of 2003 pay increases and unspecified administrative reductions; and \$1,125,500 to partially offset the costs of the fiscal year 2004 4.1 percent pay adjustment. The conferees do not provide additional funding requested for information technology and for a program evaluation unit, but strongly support establishment of a program evaluation unit if funded through fee collections. Within the funds provided, not to exceed \$5,000 is provided for official reception and representation expenses.

TAMPER-PROOF TRAVEL AND IDENTIFICATION DOCUMENTS

The conferees are concerned that certain documents issued by the Department of Homeland Security and the State Department represent a significant security risk, being vulnerable to fraud, misuse, and counterfeiting to permit illegal entry into the United States or false identification. These include travel documents such as Refugee Travel Documents, Re-Entry Permits, Seamen Booklets,

and Advance Parole Documents, as well as old identification cards issued to Mexican citizens. The conferees are aware of efforts to improve security of such documents, but believe that far more must be done.

The conferees direct the Department, in cooperation with the Department of State, to: (1) develop and implement a plan to replace old Mexican identification cards by September 30, 2004; and (2) initiate a pilot program to develop tamper-proof documents. That program should take into account all relevant current and planned International Civil Aviation Organization standards, and incorporate security features such as biometrics (including fingerprint and photograph templates) as well as embedded contactless programmable chips. In addition, such a program should be carried out in consultation with the Forensic Development Laboratory of the Bureau of Immigration and Customs Enforcement.

CONTRACT MANAGEMENT

The conferees are troubled by a July 2003 General Accounting Office (GAO) report that outlined significant contracting weakness within legacy INS agencies, including functions transferred to BCIS. Among other problems, the GAO found that agencies lacked basic infrastructure for contract management and oversight, and documented a lack of procurement coordination. The contract for records management services at the regional support centers in California, Vermont, Texas, and Nebraska is an example of a critical activity dependent on competent oversight. The GAO recommended that the Department undertake a number of significant steps to ensure adequate oversight, management, and staffing for procurement, to include use of cross-functional acquisition teams, procurement performance measures, and upgrading procurement and financial information systems. As the Department has agreed to proceed in accordance with the GAO recommendations, the conferees direct that the Department submit a report to the Committees on Appropriations not later than April 1, 2004, on its specific plans and timetable for implementing these recommendations.

OFFSETTING FEE COLLECTIONS

Current estimates of examination fee collections, which constitute the majority of BCIS offsetting resources, are \$1,564,000,000. These support the adjudication of applications for immigration benefits and would be derived from fees collected from persons applying for immigration benefits. Operations are heavily dependent on a variety of fees to offset operations, particularly the Immigration Examination Fee. The fluctuation of these fees can adversely affect operations if allowances are not made for prioritizing spending. The conferees direct BCIS to ensure that it fully funds current, ongoing base operations that are fee-supported before undertaking new initiatives. The conferees also agree to correct page 57 of House Report 108-169 to delete the reference to the Microfilm Rescue Project.

The following table displays how the conferees expect these fees will be applied:

| | |
|---|--------------|
| Citizenship and Immigration Services, Offsetting Collections: | |
| Backlog Elimination Initiative | \$20,000,000 |

| | |
|--|---------------|
| Telephone Customer Service Center Operations | 43,000,000 |
| Digitization Projects | 20,400,000 |
| Other Immigration Staffing and Operations | 1,480,600,000 |
| <hr/> | |
| Total, Citizenship and Immigration Services, Offsetting Col- lections | 1,564,000,000 |

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

The conferees agree to provide \$155,423,000, instead of \$136,629,000 as proposed by the House and \$172,736,000 as proposed by the Senate. The additional \$33,044,000 provided above the budget request is to be used for expenses related to the anticipated growth in student weeks of basic training (\$32,120,000), including retention of 130 instructors first provided in fiscal year 2003, and to offset a portion of the costs of the fiscal year 2004 4.1 percent pay parity (\$924,000). Within this total, \$36,174,000 is for materials and support and not to exceed \$12,000 may be used for official reception and representation expenses. The conferees also include bill language authorizing reimbursement for the use of personal cellular phones for official duties, as proposed by the House. Funds in this account are available until September 30, 2005, as proposed by the Senate, instead of September 30, 2006, as proposed by the House.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The conferees agree to provide \$37,357,000, instead of \$32,323,000 as proposed by the House and \$28,708,000 as proposed by the Senate. Funds above the budget request (+\$13,678,000) are for priorities at the Center's facilities in Cheltenham, Maryland, and Artesia, New Mexico. The conference agreement includes bill language that authorizes the Center to accept reimbursements from government agencies requesting construction of special use facilities operated by the Federal Law Enforcement Training Center, as proposed by the House. The Senate bill contained no similar provision.

INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION

MANAGEMENT AND ADMINISTRATION

The conferees agree to provide \$125,000,000 for management and administration. The Senate proposed \$10,460,000 for the Office of the Under Secretary for Information Analysis and Infrastructure Protection (IAIP) and the House proposed this funding under Title I. The funding recommendation includes \$4,800,000 for the Office of the Under Secretary; \$100,200,000 for other salaries and expenses for federal employees in the IAIP directorate; and \$20,000,000 for the Department's command center. The House and Senate provided funding for the command center in two separate accounts, as requested. The conference agreement consolidates this funding within the IAIP management and administration program. Within the funds provided for the Office of the Under Secretary, travel expenses may not exceed \$231,000.

The conferees want to ensure that personnel requirements for critical intelligence positions are met and direct the Department to submit a report by December 15, 2003, on plans to meet the personnel requirements of the IAIP directorate, improve communications and disseminate information between the directorate and the intelligence community, and improve coordination between the directorate and state and local public safety entities. This report should include the specific manpower details requested in the House report.

ASSESSMENTS AND EVALUATIONS

The conferees agree to provide \$714,300,000 for assessments and evaluations instead of \$776,000,000 as proposed by the House and \$823,700,000 as proposed by the Senate. All funding for federal salaries and expenses has been moved from the individual programs, as proposed by the House, and is provided in the management and administration account. Funds in this account are available until September 30, 2005.

THREAT DETERMINATION AND ASSESSMENT

The conferees agree to provide \$28,400,000 as proposed by the House.

INFORMATION AND WARNING ADVISORIES

The conferees agree to provide \$52,300,000, of which \$32,800,000 is for cybersecurity, as proposed by the Senate.

The conference agreement includes the use of \$10,000,000 within information and warning advisories funding to better develop a national alert system to notify the general public in the event of a terrorist attack. Redundancy in the dissemination of warnings is essential. The conferees are aware of the capabilities of the National Oceanic and Atmospheric Administration (NOAA) nationwide radio network and direct the Under Secretary to report to the Committees on Appropriations by December 15, 2003, on the immediate use of the NOAA radio network as a key component of the warning systems, measures to expand consumer access to the warning systems, and efforts to educate and inform the public about the existence of this warning system.

The Under Secretary should consult with the Chairman of the Federal Communications Commission to develop the best way to communicate with the general public during threat alerts by using a full range of communication devices, such as wireline and cellular telephones, e-mail and instant messaging systems, radio and television broadcasts, and personal digital assistants. To the extent possible, the Department should incorporate existing federal, state, and local alert systems and consult with state and local public safety and emergency preparedness agencies.

The conferees direct the Under Secretary to report to the Committees on Appropriations by December 15, 2003, on proposed improvements to the Homeland Security Advisory System including an assessment of how the system is fulfilling its intended missions, and an evaluation of progress being made to tailor the system so that alerts are raised on a regional rather than national basis.

INFRASTRUCTURE VULNERABILITY AND RISK ASSESSMENT

The conferees agree to provide \$84,200,000 as proposed by the House.

REMEDIATION AND PROTECTIVE ACTIONS

The conferees agree to provide \$345,100,000. Funding of \$3,900,000 is provided for the critical infrastructure information management office to establish a program to enable and manage the sharing of critical infrastructure information among federal, state, local, and private sector homeland security officials. The office is to develop and deploy information management tools and techniques to provide quick, complete access to information relevant to the protection of physical and cyber critical infrastructure.

The conference agreement provides \$172,700,000 for vulnerability field assessments. In scheduling and performing vulnerability assessments of critical infrastructure and key assets, the conferees expect the Department to ensure that public assembly facilities are also addressed.

Funding of \$65,700,000 is provided for cybersecurity, as proposed by the Senate, and \$8,000,000 is provided for protection standards and performance metrics.

The conferees are aware that the Department of Energy and the Nuclear Regulatory Commission are reviewing and analyzing the safety and security of spent nuclear fuel storage at commercial nuclear power plants. The Under Secretary is directed to perform an independent review and analyses of this information as it becomes available.

NATIONAL COMMUNICATIONS SYSTEM

The conferees agree to provide \$141,000,000 as proposed by the House.

ADMINISTRATION AND OUTREACH

For administration and outreach programs, the conferees agree to provide \$18,900,000 for competitive analysis and evaluation, \$3,500,000 for national plans and strategies, and \$40,900,000 for outreach and partnerships, as proposed by the House.

CONFERENCE FUNDING LEVELS

| <i>Program</i> | <i>Amount</i> |
|--|---------------|
| Threat determination and assessment | \$28,400,000 |
| Information and warning advisories | 52,300,000 |
| Infrastructure vulnerability and risk assessment | 84,200,000 |
| Remediation and protective actions | 345,100,000 |
| National communications system | 141,000,000 |
| Competitive analysis and evaluation | 18,900,000 |
| National plans and strategies | 3,500,000 |
| Outreach and partnerships | 40,900,000 |
| Total, Assessments and Evaluations | 714,300,000 |

SCIENCE AND TECHNOLOGY

MANAGEMENT AND ADMINISTRATION

The conferees agree to provide \$44,168,000 for management and administration instead of \$5,400,000 as proposed by the Senate solely for the Office of the Under Secretary for Science and Technology. The House provided funding for this office under title I. The funding recommendation includes \$5,168,000 for the immediate Office of the Under Secretary and \$39,000,000 for other salaries and expenses for federal employees in the Science and Technology directorate. Within the funds provided for the Office of the Under Secretary, travel expenses may not exceed \$250,000.

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

The conferees agree to provide \$874,000,000 for research, development, acquisition, and operations instead of \$900,360,000 as proposed by the House and \$866,000,000 as proposed by the Senate. The recommendation includes the use of \$68,000,000 of prior year unobligated funds that will remain available for use in fiscal year 2004. All funding for federal salaries and expenses has been moved from the individual programs, as proposed by the House, and is provided in the management and administration account. Funds in this account are available until expended, as proposed by the Senate.

The conferees are concerned that research and development is being conducted independently by each of the Department's legacy components leading to duplicative research activities, wasted funds, and lack of appropriate management oversight. The Department is directed to consolidate all Departmental research and development funding within the science and technology programs in the fiscal year 2005 budget request.

BIOLOGICAL COUNTERMEASURES

The conference agreement includes \$198,500,000 and the use of \$68,000,000 of prior year unobligated funds that will remain available for use in fiscal year 2004. This funding level supports the budget request for the individual programs within biological countermeasures with the following exceptions: \$18,500,000 is transferred to management and administration for federal salaries and expenses; an additional \$15,000,000 is provided for the urban monitoring program; signatures and bioassays is reduced by \$5,000,000; and \$88,000,000 for construction of the National Bio-defense Analysis and Countermeasures Center is funded as a separate program.

NUCLEAR AND RADIOLOGICAL COUNTERMEASURES

The conference agreement includes \$127,000,000. This supports the budget request with the following exceptions: \$7,000,000 is transferred to management and administration for federal salaries and expenses, and sensor research and development is reduced by \$3,000,000.

CHEMICAL AND HIGH EXPLOSIVES COUNTERMEASURES

The conference agreement includes \$52,000,000 for chemical countermeasures and \$9,500,000 for high explosives countermeasures, as proposed by the House.

THREAT AND VULNERABILITY, TESTING AND ASSESSMENT

The conference agreement includes \$93,500,000. This supports the budget request with the following exceptions: \$4,500,000 is transferred to management and administration for federal salaries and expenses; cybersecurity is increased by \$11,000,000; and the remaining programs are reduced by a total of \$3,000,000.

CONVENTIONAL MISSIONS IN SUPPORT OF DHS

The conference agreement includes \$34,000,000, allocated as follows: \$25,000,000 for border and transportation security; \$2,000,000 for the Secret Service; and \$10,000,000 for emergency preparedness and response. Funding of \$3,000,000 is transferred to management and administration for federal salaries and expenses.

RAPID PROTOTYPING PROGRAM/TECHNICAL SUPPORT WORKING GROUP

The conference agreement includes \$75,000,000, an increase of \$45,000,000 over the budget request of \$30,000,000. The conferees encourage Science and Technology to evaluate information sharing proposals between the law enforcement and intelligence communities.

STANDARDS/STATE AND LOCAL PROGRAM

The conference agreement includes \$39,000,000, as proposed by the House, which transfers \$15,000,000 for development of standards from the Office for Domestic Preparedness (ODP). The conferees expect all standards development in the Department to be done by Science and Technology. Working with the public and private sectors, Science and Technology will develop a network of security certification laboratories to provide a consistent level of assurance in the effectiveness of homeland security technologies, systems, and equipment, and allow state and local governments to make better informed decisions on equipment needs. The conferees direct Science and Technology to continue the standards program established by ODP in coordination with the National Institute of Standards and Technology (NIST), consistent with the fiscal year 2003 budget directive and the 5-year plan for development with NIST.

The conferees support House language regarding search and rescue robotics certification and expect the Department to develop standards and criteria for search and robotics certification.

In preparing the report requested by the House on narrowbanding, Science and Technology is directed to consult with the Department of Commerce, the National Telecommunications and Information Administration, the Department of Justice, the Department of Treasury, and major organizations that support state and local public safety agencies.

The conferees support incorporation by SAFECOM of Project 25 technical standards where applicable, and encourage continued

involvement of the user community in development and implementation of standards such as those being developed by Project 25 which allow for backward compatibility with existing digital and analog systems and provide for interoperability in future systems.

EMERGING THREATS

The conferees agree to provide \$21,000,000 as proposed by the House.

CRITICAL INFRASTRUCTURE PROTECTION

The conferees agree to provide \$66,500,000, of which \$60,000,000 is provided for research, development, testing, and evaluation of an anti-missile device for commercial aircraft. Funding of \$500,000 is transferred to management and administration for federal salaries and expenses.

UNIVERSITY PROGRAM/HOMELAND SECURITY FELLOWSHIP PROGRAMS

The conferees agree to provide \$70,000,000, an increase of \$60,000,000 over the budget request of \$10,000,000, to establish a university-based system to enhance the nation's homeland security efforts. The conferees encourage the Department to consider all colleges and universities that meet the requirements of 6 U.S.C. 188 in the selection of university-based centers, including historically black colleges and universities, tribal colleges, Hispanic-serving institutions, and Alaskan Native-serving institutions.

NATIONAL BIODEFENSE ANALYSIS AND COUNTERMEASURES CENTER

The conferees agree to provide \$88,000,000 to initiate construction of a National Biodefense Analysis and Countermeasures Center that is to be the principal Department of Homeland Security component of the Fort Detrick Interagency Biodefense Campus in Maryland.

CONFERENCE FUNDING LEVELS

| <i>Program</i> | <i>Amount</i> |
|---|---------------|
| Biological countermeasures | \$198,500,000 |
| Nuclear and radiological countermeasures | 127,000,000 |
| Chemical countermeasures | 52,000,000 |
| High explosives countermeasures | 9,500,000 |
| Threat and vulnerability, testing and assessment | 93,500,000 |
| Conventional missions in support of DHS | 34,000,000 |
| Rapid prototyping/Technical support working group | 75,000,000 |
| Standards/State and local program | 39,000,000 |
| Emerging threats | 21,000,000 |
| Critical infrastructure protection | 66,500,000 |
| University programs/homeland security fellowships | 70,000,000 |
| National Biodefense Analysis and Countermeasures Center | 88,000,000 |
| Total, Assessments and Evaluations | 874,000,000 |

TITLE V—GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

Section 501. The conferees agree to a provision that no part of any appropriation shall remain available for obligation beyond the current year unless expressly provided.

Section 502. The conferees agree to a provision that unexpended balances of prior appropriations may be merged with new appropriation accounts and used for the same purpose, subject to reprogramming guidelines.

Section 503. The conferees agree to a provision that provides reprogramming authority for funds within an account and not to exceed 5 percent transfer authority between appropriation accounts with the requirement for a 15-day advance Congressional notification. A detailed funding table identifying each Congressional control level for reprogramming purposes is included at the end of the statement of the managers. These reprogramming guidelines shall be complied with by all agencies funded by the Department of Homeland Security Appropriations Act, 2004.

The conferees expect the Department to submit reprogramming requests on a timely basis and not wait until the end of the fiscal year in an attempt to use funds that would otherwise expire. Any reprogramming that is submitted within 45 days of the end of the fiscal year must be due to exceptional or emergency circumstances. Additionally, the conferees are concerned that reprogramming requests submitted to date by the Department have not been sufficiently documented. Justifications have been incomplete and explanations of funding offsets have been inadequate requiring time consuming follow-up questions and briefings. The conferees expect the Department to review its internal reprogramming process to correct these deficiencies in fiscal year 2004.

Section 504. The conferees agree to a provision that not to exceed 50 percent of unobligated balances remaining at the end of fiscal year 2004 from appropriations made for salaries and expenses shall remain available through fiscal year 2005 subject to reprogramming guidelines.

Section 505. The conferees agree to a provision that allows the use of funds for: purchase of uniforms without regard to the general purchase price limitation, purchase of insurance for official vehicles in foreign countries, entering into contracts with the State Department for furnishing health and medical services to employees serving in foreign countries, hire and purchase of motor vehicles, and purchase of police-type passenger vehicles without regard to the general purchase price limitation, and make this provision permanent.

Section 506. The conferees agree to a provision that converts the Federal Emergency Management Agency "Working Capital Fund" to the "Department of Homeland Security Working Capital Fund".

Section 507. The conferees agree to a provision that converts the Federal Emergency Management Agency "Bequests and Gifts" account to the "Department of Homeland Security, Gifts and Donations" account.

Section 508. The conferees agree to a provision that provides that funds for intelligence activities are deemed to be specifically authorized during fiscal year 2004 until the enactment of an Act authorizing intelligence activities for fiscal year 2004.

Section 509. The conferees agree to a provision that directs the Federal Law Enforcement Training Center to establish an accredited-

iting body to establish standards for assessing federal law enforcement training programs, facilities, and instructors.

Section 510. The conferees agree to a provision that requires notification of the Committees on Appropriations 3 days before any grant allocation, discretionary grant award, or letter of intent totaling \$1,000,000 or more is announced by the Department.

Section 511. The conferees agree to a provision that no agency shall purchase, construct, or lease additional facilities for federal law enforcement training without advance approval of the Committees on Appropriations.

Section 512. The conferees agree to a provision that requires the Director of the Federal Law Enforcement Training Center to ensure that all training facilities are operated at optimal capacity throughout the fiscal year.

Section 513. The conferees agree to a provision that none of the funds may be used to produce customs declarations that do not inquire whether a passenger has been in proximity to livestock, and make this provision permanent.

Section 514. The conferees agree to a provision that none of the funds may be used for any activity or to pay the salary of any government employee if that would result in a determination, regulation, or policy that would prohibit enforcement of section 307 of the Tariff Act of 1930, and make this provision permanent.

Section 515. The conferees agree to a provision that none of the funds may be used to import goods that have been produced by forced or indentured child labor, and make this provision permanent.

Section 516. The conferees agree to a provision that none of the funds may be used for any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, has not been approved.

Section 517. The conferees agree to a provision that none of the funds may be used to require airport sponsors to provide building modifications, utilities and expenses, or space to the Transportation Security Administration without cost for services related to aviation security.

Section 518. The conferees agree to a provision that none of the funds may be used in contravention of the Buy American Act.

Section 519. The conferees modify a provision related to the Computer Assisted Passenger Prescreening System (CAPPS II). The provision prohibits the use of funds for deployment or implementation of CAPPS II until certain conditions are met.

Section 520. The conferees agree to a provision that the Secretary of Homeland Security shall charge reasonable fees for providing credentialing and background investigations for transportation purposes, and may credit the fees to the appropriation available for that purpose, and make this provision permanent.

Section 521. The conferees modify a provision regarding the inspection of air cargo.

PROVISIONS NOT ADOPTED

The conference agreement deletes section 604 of the Senate bill providing that no Departmental employee may be detailed to an-

other component without compensation. This requirement is addressed in the statement of managers.

The conference agreement deletes section 606 of the Senate bill providing a single official reception and representation expenses account. These funds have been provided in separate accounts.

The conference agreement deletes section 616 of the Senate bill requiring a report on countermeasures against shoulder-fired missile systems. This requirement is addressed in the statement of managers.

The conference agreement deletes section 617 of the Senate bill requiring a report on security costs incurred by state and local law enforcement offices for visits by foreign and domestic officials.

The conference agreement deletes section 619 of the Senate bill requiring a report on the Homeland Security Advisory System. This requirement is addressed in the statement of managers.

The conference agreement deletes section 620 of the Senate bill expressing the sense of the Senate that tourist populations should be factored into grant allocations.

The conference agreement deletes section 621 of the Senate bill requesting a review of damage claims from the University of North Dakota.

The conference agreement deletes section 622 of the Senate bill requiring a report on state and local law enforcement access to the "Tipoff" database.

The conference agreement deletes section 623 of the Senate bill requiring a report on information technology infrastructure. This requirement is addressed in the statement of managers.

The conference agreement deletes section 624 of the Senate bill prohibiting use of funds for companies that incorporate overseas.

The conference agreement deletes section 625 of the Senate bill requiring the department to ensure active minority institution participation in the university research program. This requirement is addressed in the statement of managers.

The conference agreement deletes section 626 of the Senate bill requiring a report on enhancing operations of the Information Analysis and Infrastructure Protection program. This requirement is addressed in the statement of managers.

The conference agreement deletes section 627 of the Senate bill requiring a report on all data-mining programs.

The conference agreement deletes section 628 of the Senate bill directing the Secretary to consider unique geographical needs when establishing priorities for firefighting vehicles. This requirement is addressed in the statement of managers.

The conference agreement deletes section 629 of the Senate bill requiring a report on the status of air traffic control communications. This requirement is addressed in the statement of managers.

CONFERENCE RECOMMENDATIONS

The conference agreement's detailed funding recommendations for programs in this bill are contained in the following table:

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| ----- | | |
| DEPARTMENT OF HOMELAND SECURITY | | |
| TITLE I - DEPARTMENTAL MANAGEMENT AND OPERATIONS | | |
| Departmental Operations | | |
| Immediate Office of the Secretary..... | 2,340 | 2,139 |
| Immediate Office of the Deputy Secretary..... | 1,207 | 1,116 |
| Office of Security..... | 20,025 | 19,899 |
| Chief of Staff..... | 5,284 | 5,047 |
| Executive Secretary..... | 6,103 | 5,239 |
| Special Assistant to the Secy/Private Sector..... | 4,777 | 3,995 |
| Office of National Capital Region Coordinator..... | 583 | 560 |
| Office of State and Local Government Coordination..... | 3,698 | 3,095 |
| Office of International Affairs..... | 1,384 | 1,165 |
| Office of Public Affairs..... | 9,633 | 8,168 |
| Office of Legislative Affairs..... | 7,463 | 5,907 |
| Office of General Counsel..... | 10,750 | 8,696 |
| Office of Civil Rights and Liberties..... | 14,885 | 13,027 |
| Citizenship and Immigration Services Ombudsman.... | 1,304 | 1,243 |
| Homeland Security Advisory Committee..... | 767 | 726 |
| Privacy Officer..... | 767 | 772 |
| ----- | | |
| Subtotal, Office of the Secretary and Executive Management..... | 90,970 | 80,794 |
| Office of the Under Secretary for Management: | | |
| Under Secretary for Management..... | 1,471 | 1,278 |
| Strategic Initiatives..... | 1,844 | --- |
| Office of Chief Financial Officer..... | 12,175 | 10,592 |
| Office of Procurement..... | 7,134 | 6,171 |
| Office of Human Resources..... | 7,824 | 6,743 |
| Office of Chief Information Officer..... | 82,167 | 60,496 |
| Office of Administration..... | 28,809 | 25,703 |
| Headquarters..... | 30,000 | 20,000 |
| ----- | | |
| Subtotal, Office of the Under Secretary for Management..... | 171,424 | 130,983 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| <hr/> | | |
| Other Departmental Operations | | |
| Office of the Under Secretary for Border and Transportation Security..... | 10,132 | --- |
| Office of the Under Secretary for Information Analysis and Infrastructure Protection..... | 5,730 | --- |
| Command Center..... | 5,459 | --- |
| Office of the Under Secretary for Emergency Preparedness and Response..... | 4,115 | --- |
| Office of the Under Secretary for Science and Technology..... | 6,170 | --- |
| Subtotal, Other Departmental Operations..... | 31,606 | --- |
| Total, Departmental Operations..... | 294,000 | 211,777 |
| Department-Wide Technology Investments | | |
| Information technology services..... | 75,000 | 72,506 |
| Security activities..... | 31,000 | 31,000 |
| Wireless program..... | 100,000 | 100,000 |
| Salaries and expenses..... | --- | 2,494 |
| Subtotal, Department-wide technology investments | 206,000 | 206,000 |
| Transfer from working capital fund..... | --- | -21,000 |
| Total, Department-Wide Technology Investments... | 206,000 | 185,000 |
| Office of Inspector General | | |
| Operating expenses..... | 58,118 | 58,664 |
| Emergency Preparedness and Response Disaster Relief Fund (by transfer)..... | (22,000) | (22,000) |
| Total, Office of Inspector General..... | (80,118) | (80,664) |
| Total, Title I..... | 558,118 | 455,441 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| ----- | | |
| TITLE II - SECURITY, ENFORCEMENT, AND INVESTIGATIONS | | |
| Office of the Under Secretary for Border and Transportation Security..... | --- | 8,106 |
| U.S. Visitor and Immigrant Status Indicator Technology | --- | 330,000 |
| Customs and Border Protection | | |
| Salaries and expenses..... | 4,170,042 | --- |
| Inspection, port operations, and other activities. | --- | 2,204,559 |
| Inspection Technologies: | | |
| Wireless PDA Access to Databases: equipment.... | 14,500 | 14,500 |
| Non-Intrusive Inspection Technology..... | 57,800 | 63,800 |
| Fiberoptic Scopes..... | 6,800 | 6,800 |
| License Plate Readers..... | 6,000 | 6,000 |
| Customs Automated Operations System (CAOS).... | 9,700 | 9,700 |
| Explosive and Chemical Detector Canine programs | 17,500 | 17,500 |
| Other, including Inspection Technology Staff.... | 6,700 | 6,700 |
| Subtotal, Inspection technologies..... | 119,000 | 125,000 |
| Container Security Initiative..... | 61,754 | 61,754 |
| Customs-Trade Partnership Against Terrorism..... | 18,000 | 14,100 |
| Free and Secure Trade initiative (FAST)..... | 3,900 | 3,900 |
| Agricultural Quarantine Inspection..... | 42,000 | 42,000 |
| Plum Island..... | 8,000 | --- |
| Textile Transshipment Enforcement..... | --- | 4,750 |
| Enforcement of laws against forced child labor.... | 12,725 | 12,725 |
| Border Patrol operations..... | --- | 1,924,562 |
| Border Patrol construction..... | 43,385 | --- |
| Other construction..... | 52,167 | --- |
| U.S. Visitor and Immigrant Status Indicator Tech.. | 444,300 | --- |
| IT Transformation to Homeland Security Fund..... | 30,210 | --- |
| ATLAS/CHIMERA IT Connectivity..... | 22,395 | --- |
| Automated Commercial Environment/ International Trade Data System (ITDS)..... | 441,122 | --- |
| Air and marine interdiction | 175,000 | --- |
| Harbor maintenance fee collection (trust fund).... | 3,000 | 3,000 |
| Subtotal, CBP Salaries and expenses..... | 5,647,000 | 4,396,350 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| Automated Commercial Environment/International | | |
| Trade Data System (ITDS)..... | --- | 318,690 |
| Automated Commercial System & Legacy IT Costs..... | --- | 122,432 |
| Subtotal, Automation modernization..... | --- | 441,122 |
| Construction (Border Patrol)..... | --- | 90,363 |
| Total, Direct appropriations..... | 5,647,000 | 4,927,835 |
| Offsetting fee collections: | | |
| Immigration inspection user fee..... | (509,000) | (509,000) |
| Immigration examinations fund..... | (25,000) | --- |
| Immigration enforcement fines..... | (6,000) | (6,000) |
| Land border inspection fee..... | (28,000) | (28,000) |
| COBRA passenger inspection fee..... | (253,000) | (302,000) |
| Subtotal, Offsetting fee collections..... | (821,000) | (845,000) |
| Total, Customs and border protection..... | (6,468,000) | (5,772,835) |
| Immigration and Customs Enforcement | | |
| AMI Staffing (northern border airwing)..... | --- | 5,400 |
| Investigations, Intelligence, and Interdiction... | 903,708 | 1,041,214 |
| Textile transshipment enforcement..... | --- | 4,750 |
| Child pornography tipline | --- | 100 |
| Project Alert | --- | 200 |
| Enforcement of laws against forced child labor... | 3,000 | 3,000 |
| Intellectual Property Rights Center..... | 6,400 | 6,400 |
| Detention and Removals..... | 1,082,186 | 1,089,986 |
| Detention and removals construction..... | 21,000 | --- |
| Other construction..... | 5,796 | --- |
| U.S. Visitor and Immigrant Status Indicator Tech.. | 35,700 | --- |
| ATLAS/CHIMERA IT Connectivity..... | 5,210 | --- |
| Subtotal, Salaries and expenses..... | 2,063,000 | 2,151,050 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|---|--------------------|-------------------------|
| Rescission..... | --- | -54,000 |
| Subtotal, ICE Salaries and expenses..... | 2,063,000 | 2,097,050 |
| Federal Air Marshals: | | |
| Federal Air Marshals..... | --- | 616,400 |
| Air-to-ground communications..... | --- | 10,000 |
| Subtotal, Federal Air Marshals..... | --- | 626,400 |
| Federal Protective Service..... | 424,211 | 424,211 |
| Automation Modernization: | | |
| ATLAS/CHIMERA IT connectivity | --- | 40,000 |
| Subtotal, Automation Modernization..... | --- | 40,000 |
| Air and marine interdiction | --- | 175,000 |
| Northern border airwing..... | --- | 35,200 |
| Subtotal, Air and marine interdiction..... | --- | 210,200 |
| Construction..... | --- | 26,775 |
| Total, Direct appropriations..... | 2,487,211 | 3,424,636 |
| Offsetting fee collections: | | |
| Immigration inspection user fee..... | (132,000) | (107,000) |
| Immigration examinations fund..... | --- | (25,000) |
| Breach bond/Detention fund..... | (116,000) | (116,000) |
| SEVIS fund..... | --- | (25,000) |
| COBRA passenger inspection fee..... | (49,000) | --- |
| Subtotal, Offsetting fee collections..... | (297,000) | (273,000) |
| Total, Immigration and customs enforcement..... | 2,784,211 | 3,697,636 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| ----- | | |
| Transportation Security Administration | | |
| Passenger screening: | | |
| Screening pilots..... | 112,000 | 119,000 |
| Passenger screeners--P,C&B..... | 1,319,600 | 1,319,600 |
| Passenger screeners--training and other..... | 114,100 | 114,100 |
| Human resource services..... | 153,300 | 151,000 |
| Checkpoint support..... | 62,200 | 62,000 |
| CAPPS II..... | 35,000 | 35,000 |
| Registered traveler | 5,000 | 5,000 |
| | ----- | ----- |
| Subtotal, Passenger screening..... | 1,801,200 | 1,805,700 |
| Baggage screening: | | |
| Baggage screeners--P,C&B..... | 774,200 | 774,200 |
| Baggage screeners--training and other..... | 69,500 | 69,500 |
| EDS purchase..... | --- | 150,000 |
| EDS installation..... | --- | 250,000 |
| EDS/ETD maintenance..... | 100,000 | 75,000 |
| Checked baggage data system..... | 100 | --- |
| | ----- | ----- |
| Subtotal, Baggage screening..... | 943,800 | 1,318,700 |
| Airport Security Direction and Enforcement: | | |
| Aviation regulation and other enforcement | 366,800 | 275,400 |
| Airport management and staff..... | 283,800 | 233,800 |
| Airport information technology & other support | 176,200 | 139,100 |
| Federal flight deck officer program..... | 25,000 | 25,000 |
| Air cargo..... | 20,000 | 30,000 |
| | ----- | ----- |
| Subtotal, Airport security direction and enforcement..... | 871,800 | 703,300 |
| Use of prior year balances..... | --- | -95,000 |
| | ----- | ----- |
| Subtotal, Aviation security..... | 3,616,800 | 3,732,700 |
| Port security grants..... | --- | 125,000 |
| Credentialing (TWIC)..... | 55,000 | 50,000 |
| Intercity bus security..... | --- | 10,000 |
| Operation Safe Commerce..... | 2,500 | 17,000 |
| Trucking industry security..... | --- | 22,000 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| Hazardous materials security..... | --- | 7,000 |
| Nuclear detection and monitoring..... | --- | 4,000 |
| Staffing and operations..... | 28,000 | 28,000 |
| Subtotal, Maritime and land security..... | 85,500 | 263,000 |
| Intelligence..... | 13,600 | 13,600 |
| Research & development at Tech Center..... | 55,200 | 55,200 |
| Next generation EDS and ETC..... | 10,000 | 45,000 |
| Air cargo..... | 10,000 | 55,000 |
| Subtotal, Research and development..... | 75,200 | 155,200 |
| Headquarters administration..... | 167,700 | 173,700 |
| Mission support centers..... | 40,000 | 40,000 |
| Information technology | 198,100 | 198,100 |
| Corporate training..... | 15,400 | 15,400 |
| Subtotal, Administration..... | 421,200 | 427,200 |
| Subtotal, TSA..... | 4,212,300 | 4,591,700 |
| Offsetting collections..... | -2,070,000 | -2,070,000 |
| Total, Transportation security administration... | 2,142,300 | 2,521,700 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|---|--------------------|-------------------------|
| ----- | | |
| United States Coast Guard | | |
| Military pay and allowances..... | 2,568,207 | 2,568,207 |
| Civilian pay and benefits..... | 381,246 | 385,493 |
| Training and recruiting..... | --- | 164,240 |
| Operating funds and unit level maintenance..... | 1,041,107 | 866,507 |
| Centrally managed accounts..... | --- | 129,400 |
| Intermediate and depot level maintenance..... | 607,108 | 599,208 |
| Subtotal, operating expenses..... | 4,597,668 | 4,713,055 |
| Less adjustment for Defense function..... | -99,668 | -340,000 |
| Defense function..... | 340,000 | 340,000 |
| Rescissions..... | --- | -71,000 |
| Subtotal, Operating expenses..... | 4,838,000 | 4,642,055 |
| Environmental compliance and restoration..... | --- | 17,000 |
| Reserve training..... | --- | 95,000 |
| Acquisition, Construction, and Improvements: | | |
| Vessels: | | |
| Great Lakes Icebreaker (GLIB) replacement..... | 2,000 | 2,000 |
| 41 foot UTB and NSB replacement project..... | 12,000 | 12,000 |
| 9 add'l coastal patrol boats to enforce securi | 52,500 | 52,500 |
| Subtotal, Vessels..... | 66,500 | 66,500 |
| Automatic identification system..... | --- | 24,000 |
| Defense messaging system (DMS)..... | 4,500 | 3,500 |
| National distress & response sys modernization | 134,000 | 134,000 |
| Port and waterway safety..... | --- | 1,000 |
| Subtotal, Other equipment..... | 138,500 | 162,500 |
| Core acquisition costs..... | 500 | 500 |
| Direct personnel cost..... | 69,500 | 69,500 |
| Subtotal, Personnel compensation & benefits. | 70,000 | 70,000 |
| Aircraft..... | 67,700 | 142,700 |
| Surface ships..... | 230,400 | 302,600 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| C4ISR..... | 80,400 | 101,400 |
| Logistics..... | 45,400 | 45,400 |
| Systems engineering & integration..... | 42,100 | 42,100 |
| Government program management..... | 34,000 | 34,000 |
| Subtotal, Integrated deepwater systems..... | 500,000 | 668,200 |
| Research, development, test, and evaluation..... | 22,000 | --- |
| Subtotal, AC&I..... | 797,000 | 967,200 |
| Alteration of bridges..... | --- | 19,250 |
| Research, development, test, and evaluation..... | --- | 15,000 |
| Subtotal, U.S. Coast Guard discretionary..... | 5,635,000 | 5,755,505 |
| Retired pay (mandatory)..... | 1,020,000 | 1,020,000 |
| Total, United States Coast Guard..... | 6,655,000 | 6,775,505 |
| United States Secret Service | | |
| Protective, Investigative, & Uniformed Activities: | | |
| Other Prot., Investigative & Unif. Activities..... | 1,017,790 | 1,048,875 |
| White House Mail Screening and Processing..... | 33,000 | 16,365 |
| Investigations of Missing/Exploited Children: | | |
| Support..... | 1,633 | 2,100 |
| Grants..... | 3,009 | 5,000 |
| Presidential Candidate Protective Activities..... | 64,940 | 64,940 |
| Subtotal, Salaries and expenses..... | 1,120,372 | 1,137,280 |
| Acquisition, construction, improvements & related exp..... | 3,579 | 3,579 |
| Total, United States Secret Service..... | 1,123,951 | 1,140,859 |
| Total, Title II..... | 18,055,462 | 19,128,641 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| ----- | | |
| TITLE III - PREPAREDNESS AND RECOVERY | | |
| Office for Domestic Preparedness | | |
| Office for Domestic Preparedness..... | 2,558,000 | --- |
| State and local programs: | | |
| Basic formula grants..... | --- | 1,700,000 |
| Law enforcement terrorism prevention grants... | 500,000 | 500,000 |
| Firefighter assistance grants..... | 500,000 | --- |
| High-threat High-density urban area..... | --- | 725,000 |
| Citizen Corps..... | --- | 40,000 |
| National domestic preparedness consortium..... | --- | 135,000 |
| Technical assistance..... | --- | 30,000 |
| National exercise program..... | --- | 50,000 |
| Competitive training grants..... | --- | 60,000 |
| Equipment and testing..... | --- | 17,000 |
| Management and administration..... | --- | 30,000 |
| | ----- | ----- |
| Subtotal, State and local programs..... | 1,000,000 | 3,287,000 |
| Firefighter assistance grants..... | --- | 750,000 |
| | ----- | ----- |
| Total, Office of Domestic Preparedness..... | 3,558,000 | 4,037,000 |
| Counterterrorism fund..... | 40,000 | 10,000 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| ----- | | |
| Emergency Preparedness and Response | | |
| Office of the Under Secretary for Emergency | | |
| Preparedness and Response..... | --- | 3,450 |
| Operating expenses: | | |
| Preparedness, mitigation, response and recovery... | 163,000 | --- |
| Administrative and regional operations..... | 165,267 | --- |
| Public health programs..... | 434,000 | --- |
| Rescissions..... | --- | -3,000 |
| Subtotal, Operating expenses..... | (762,267) | (-3,000) |
| Preparedness, mitigation, response and recovery: | | |
| Operating activities..... | --- | 165,000 |
| Urban search and rescue teams..... | --- | 60,000 |
| Subtotal, Preparedness, Mitigation, Response and Recovery | --- | 225,000 |
| Administrative and regional operations..... | --- | 167,000 |
| Strategic national stockpile..... | --- | 400,000 |
| National disaster medical system..... | --- | 34,000 |
| Metropolitan medical response system..... | --- | 50,000 |
| Subtotal, Public health programs..... | --- | 484,000 |
| Biodefense countermeasures..... | 890,000 | 890,000 |
| Advance appropriations..... | 4,703,000 | 4,703,000 |
| Subtotal, Biodefense countermeasures..... | 5,593,000 | 5,593,000 |
| Radiological emergency preparedness program..... | 1,000 | --- |
| Radiological emergency preparedness fund..... | -1,000 | --- |
| Disaster relief..... | 1,956,000 | 1,800,000 |
| (Transfer to Office of the Inspector General)..... | (-22,000) | (-22,000) |
| Disaster assistance direct loan program account: | | |
| (Limitation on direct loans)..... | (25,000) | (25,000) |
| Administrative expenses..... | 557 | 560 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|---|--------------------|-------------------------|
| National pre-disaster mitigation fund..... | --- | 150,000 |
| Flood map modernization fund..... | 200,000 | 200,000 |
| National flood insurance fund: | | |
| (Limitation on administrative expenses): | | |
| Salaries and expenses..... | 32,663 | 32,663 |
| Flood mitigation..... | 77,809 | 77,809 |
| Subtotal, National flood insurance fund..... | 110,472 | 110,472 |
| (Transfer to Grant programs)..... | (-20,000) | --- |
| (Transfer to National flood mitigation fund)..... | --- | (-20,000) |
| National flood mitigation fund (by transfer)..... | --- | (20,000) |
| Grant programs..... | 280,000 | --- |
| National flood insurance fund (by transfer)..... | (20,000) | --- |
| Subtotal, Grant programs..... | (300,000) | --- |
| Emergency Management Performance Grants..... | --- | 180,000 |
| Emergency food and shelter..... | 153,000 | 153,000 |
| Cerro Grande fire claims..... | --- | 38,062 |
| Total, Emergency Preparedness and Response..... | 9,055,296 | 9,101,544 |
| ===== | ===== | ===== |
| Total, Title III..... | 12,653,296 | 13,148,544 |
| Current Year appropriations..... | (7,950,296) | (8,448,544) |
| Advance appropriations..... | (4,703,000) | (4,703,000) |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| ----- | | |
| TITLE IV - RESEARCH AND DEVELOPMENT, TRAINING, ASSESSMENTS, AND SERVICES | | |
| Citizenship and Immigration Services | | |
| Operating expenses..... | 155,000 | 156,126 |
| Backlog Elimination Initiative..... | 80,000 | 80,000 |
| Subtotal, Operating expenses..... | 235,000 | 236,126 |
| Offsetting fee collections: | | |
| Immigration user fee..... | (4,000) | (4,000) |
| Immigration examinations fund..... | (1,550,000) | (1,550,000) |
| H-1b Visa fees..... | (10,000) | (10,000) |
| Subtotal, Offsetting fee collections..... | (1,564,000) | (1,564,000) |
| Total, Citizenship and immigration services..... | (1,799,000) | (1,800,126) |
| Federal Law Enforcement Training Center | | |
| Salaries and expenses..... | 122,379 | 155,423 |
| Acquisition, const, improvements & related expenses... | 23,679 | 37,357 |
| Total, Federal Law Enforcement Training Center.. | 146,058 | 192,780 |
| Information Analysis and Infrastructure Protection | | |
| Management and administration: | | |
| Office of the Under Secretary for Information Analysis and Infrastructure Protection..... | --- | 4,800 |
| Other salaries and expenses..... | --- | 100,200 |
| DHS Command Center..... | --- | 20,000 |
| Subtotal, Management and administration..... | --- | 125,000 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| Threat determination and assessment..... | 32,000 | 28,400 |
| Information and warning advisories..... | 69,700 | 52,300 |
| Infrastructure vulnerability and risk assessment.. | 95,000 | 84,200 |
| Remediation and protective actions..... | 383,900 | 345,100 |
| National communications system..... | 155,000 | 141,000 |
| Competitive analysis and evaluation..... | 20,000 | 18,900 |
| National plans and strategies..... | 5,000 | 3,500 |
| Outreach and partnerships..... | 60,000 | 40,900 |
| Office of the Under Secretary for IAIP..... | 8,400 | --- |
| Subtotal, Assessments and evaluations..... | 829,000 | 714,300 |
| Total, Info Analysis & Infrastructure Protection | 829,000 | 839,300 |
| Science and Technology | | |
| Management and administration: | | |
| Office of the Under Secretary for Science and Technology..... | --- | 5,168 |
| Other salaries and expenses..... | --- | 39,000 |
| Subtotal, Management and administration..... | --- | 44,168 |
| Biological countermeasures: | | |
| Operating expenses..... | 274,735 | 266,500 |
| Construction..... | 90,000 | --- |
| Use of prior year balances..... | --- | -68,000 |
| Subtotal, Biological countermeasures..... | 364,735 | 198,500 |
| Nuclear and radiological countermeasures..... | 136,625 | 127,000 |
| Chemical countermeasures..... | 55,000 | 52,000 |
| High explosives countermeasures..... | 10,000 | 9,500 |
| Threat and vulnerability, testing and assessment.. | 90,000 | 93,500 |
| Conventional missions in support of DHS..... | 55,000 | 34,000 |

DEPARTMENT OF HOMELAND SECURITY
(IN THOUSANDS OF DOLLARS)

| | FY 2004 Request | Conference Agreement |
|--|--------------------|-------------------------|
| Rapid prototyping program/ Technical support working group..... | 30,000 | 75,000 |
| Standards/State and local program..... | 25,000 | 39,000 |
| Emerging threats..... | 22,000 | 21,000 |
| Critical infrastructure protection..... | 5,000 | 66,500 |
| University programs/Homeland security fellowship.. | 10,000 | 70,000 |
| National Biodefense Analysis and Countermeasures Center..... | --- | 88,000 |
| Subtotal, Research, development, acquisition, and operations..... | 803,360 | 874,000 |
| Total, Science and Technology..... | 803,360 | 918,168 |
| Total, Title IV..... | 2,013,418 | 2,186,374 |
| Total, Department of Homeland Security..... | 33,280,294 | 34,919,000 |

CONGRESSIONAL BUDGET RECAP

| | | |
|--|--------------|--------------|
| Scorekeeping adjustments: | | |
| Airline bailout..... | 215,000 | 215,000 |
| Less advance appropriations for subsequent years | -4,703,000 | -4,703,000 |
| Total, scorekeeping adjustments..... | -4,488,000 | -4,488,000 |
| Total (including adjustments)..... | 28,792,294 | 30,431,000 |
| Amount in this bill..... | (33,280,294) | (34,919,000) |
| Scorekeeping adjustments..... | (-4,488,000) | (-4,488,000) |
| Total mandatory and discretionary..... | 28,792,294 | 30,431,000 |
| Mandatory..... | (1,020,000) | (1,020,000) |
| Discretionary..... | (27,772,294) | (29,411,000) |

CONFERENCE TOTAL--WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follow:

| | |
|---|---------------|
| (In thousands of dollars) | |
| New budget (obligational) authority, fiscal year 2003..... | \$ 29,764,233 |
| Budget estimates of new (obligational) authority, fiscal year 2004..... | 29,392,294 |
| House bill, fiscal year 2004..... | 30,430,982 |
| Senate bill, fiscal year 2004..... | 29,541,000 |
| Conference agreement, fiscal year 2004..... | 30,431,000 |
| Conference agreement compared with: | |
| New budget (obligational) authority, fiscal year 2003..... | +666,767 |
| Budget estimates of new (obligational) authority, fiscal year | |
| 2004..... | +1,038,706 |
| House bill, fiscal year 2004..... | +18 |
| Senate bill, fiscal year 2004..... | +890,000 |

HAROLD ROGERS,
C. W. BILL YOUNG,
FRANK R. WOLF,
ZACH WAMP,
TOM LATHAM,
JO ANN EMERSON,
KAY GRANGER,
JOHN E. SWEENEY,
DON SHERWOOD,
MARTIN OLAV SABO,
DAVID E. PRICE,
JOSÉ E. SERRANO,
LUCILLE ROYBAL-ALLARD,
MARION BERRY,
ALAN B. MOLLOHAN,

Managers on the Part of the House.

THAD COCHRAN,
TED STEVENS,
ARLEN SPECTER,
PETE V. DOMENICI,
MITCH MCCONNELL,
RICHARD C. SHELBY,
JUDD GREGG,
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ERNEST F. HOLLINGS,
PATRICK J. LEAHY,
TOM HARKIN,
BARBARA A. MIKULSKI,
HERB KOHL,
PATTY MURRAY,

Managers on the Part of the Senate.