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SENATE

{ REPORT  
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### TREASURY AND GENERAL GOVERNMENT APPROPRIATION BILL, 2002

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SEPTEMBER 4, 2001.—Ordered to be printed

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Mr. DORGAN, from the Committee on Appropriations,  
submitted the following

### REPORT

[To accompany S. 1398]

The Committee on Appropriations reports the bill (S. 1398) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 2002, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Amount of bill as reported to the Senate .....	\$32,363,450,000
Amount of estimate .....	32,035,351,000
The bill as reported to the Senate:	
Above the appropriations provided in 2001 ....	1,788,729,000
Above the estimates for 2002 .....	328,099,000

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## GENERAL STATEMENT AND SUMMARY OF THE BILL

The accompanying bill contains recommendations for new budget (obligational) authority for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 2002.

The Committee considered budget estimates for fiscal year 2002 in the aggregate amount of \$32,035,351,000. Compared to that amount, the accompanying bill recommends new budget authority totaling \$32,363,450,000.

### REPROGRAMMING REQUIREMENTS

The Committee is concerned about the number of reprogramming requests submitted by agencies for congressional review. Agencies are again reminded that only those requests which meet the reprogramming criteria listed below will be considered, that reprogramming should be reserved for critical circumstances, and that reprogramming proposals will not be considered, except in extraordinary circumstances, if received 45 or fewer days prior to the end of the fiscal year.

The reprogramming guidelines to be used to determine whether or not a reprogramming shall be submitted to the Committee for prior approval are as follows:

1. Except under extraordinary and emergency situations, the Committees on Appropriations will not consider requests for a reprogramming or a transfer of funds, or use of unobligated balances, which are submitted after the close of the third quarter of the fiscal year, June 30;
2. Clearly stated and detailed documentation presenting justification for the reprogramming, transfer, or use of unobligated balances shall accompany each request;
3. For agencies, departments, or offices receiving appropriations in excess of \$20,000,000, a reprogramming shall be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of \$500,000 or 10 percent, whichever is greater, of the object class, budget activity, program line item, or program activity;
4. For agencies, departments, or offices receiving appropriations less than \$20,000,000, a reprogramming shall be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of \$50,000, or 10 percent, whichever is greater, of the object class, budget activity, program line item, or program activity;
5. For any action where the cumulative effect of below threshold reprogramming actions, or past reprogramming and/

or transfer actions added to the request, would exceed the dollar threshold mentioned above, a reprogramming shall be submitted;

6. For any action which would result in a major change to the program or item which is different than that presented to and approved by either of the Committees, or the Congress, a reprogramming shall be submitted;

7. For any action where funds earmarked by either of the Committees for a specific activity are proposed to be used for a different activity, a reprogramming shall be submitted; and,

8. For any action where funds earmarked by either of the Committees for a specific activity are in excess of the project or activity requirement, and are proposed to be used for a different activity, a reprogramming shall be submitted.

Additionally, each request shall include a declaration that, as of the date of the request, none of the funds included in the request have been obligated, and none will be obligated, until the Committees on Appropriations have approved the request.

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$222,337,000
Budget estimate, 2002 .....	181,768,000
Committee recommendation .....	187,322,000

The Committee recommends an appropriation of \$187,322,000 for salaries and expenses for department offices of the Department of the Treasury, which is \$5,554,000 above the President's request. The increase above the President's request includes \$1,354,000 for non-pay inflation, \$3,200,000 for reimbursements related to the Asian Development Bank Conference and \$1,000,000 for Smartforce.

Departmental Offices' function in the Treasury Department is to provide basic support to the Secretary of the Treasury, who is the chief operating executive of the Department. The Secretary of the Treasury maintains the primary role in formulating and managing the domestic and international tax and financial policies of the Federal Government. The Secretary's responsibilities funded by the Salaries and Expenses appropriation include: recommending and implementing United States domestic and international economic and tax policy; fiscal policy; governing the fiscal operations of the Government; maintaining foreign assets control; managing the public debt; overseeing major law enforcement functions carried out by the Treasury Department; managing development financial policy; representing the United States on international monetary, trade and investment issues; overseeing Treasury Department overseas operations; and directing the administrative operations of the Treasury Department.

In support of the Secretary, the Salaries and Expenses appropriation provides resources for policy formulation and implementation in the areas of domestic and international financial, investment, tax, economic, trade and financial operations and general fiscal policy. This appropriation also provides resources for administrative support to the Secretary and policy components, and coordination of Departmental administrative policies in financial and personnel management, procurement operations, and automated information systems and telecommunications.

*Economic Policies and Programs.*—The function of the Economic Policies and Programs Activity is to advise the Secretary and Deputy Secretary in economic areas such as: (1) monitors macro- and micro-economic developments and assists in determining appropriate economic policies; collects and analyzes data pertaining to international portfolio investment and foreign exchange positions; develops an overall appraisal of the current state of, and outlook

for the economy; provides written and oral briefing materials for the Secretary, other officials, and outsiders; participates in inter-agency groups working on economic matters to develop and maintain a coordinated and consistent government-wide economic program; and (2) the formulation and execution of U.S. international economic and financial policies regarding a wide range of international development and analysis functions involving: trade and investment, energy policy, monetary affairs, development financing, and general economic research into international financial issues. The Office of International Affairs works closely with other Federal agencies and international financial institutions, and coordinates international financial and macro-economic policy with the National Economic Council (Annual Economic Summit), the National Security Council, the Council of Economic Advisors, the Office of Management and Budget (foreign country risk review), the United States Trade Representative (financial services, investment, etc.), and all components of the Executive Office of the President. Under Presidential Executive Order, the Office of International Affairs participates with the Department of State in the collection and analysis of economic information on foreign countries. In the areas of international monetary and foreign exchange policy, the Office of International Affairs shares responsibility with the Federal Reserve (principally, the Board of Governors, but also the Federal Reserve Bank of New York) in working closely with the International Monetary Fund. In the area of international development, the Office of International Affairs formulates resource needs, notably U.S. contributions, policies and programs for various Multilateral Development Banks. With the Export-Import Bank, the Office of International Affairs has responsibility for export credit finance. This activity includes the Office of the Assistant Secretary (Economic Policy), the immediate offices of the Under Secretary (International Affairs), the Assistant Secretary (International Affairs) and the Office of International Affairs.

*Financial Policies and Programs.*—The function of the Financial Policies and Programs Activity is to advise the Secretary and Deputy Secretary in areas of domestic finance, banking, fiscal policy and operations, and other related financial matters, including development of policies and guidance in the areas of financial institutions, Federal debt finance, financial regulation, and capital markets. Specifically, this activity ensures that the management of the Federal Government's cash minimizes risk and strikes a balance between cash needs and short-term investments. This activity provides decision makers and stakeholders with: (1) timely, concise and thorough policies, guidance and analysis in the areas of: financial institutions, financial regulation, the equitable and efficient delivery of financial services, the availability of credit, financial crimes, Federal debt finance, capital markets, the privatization of government assets, and any other issues related to domestic finance and financial services; and (2) the development and implementation of tax policies and programs; provides official estimates of all Government receipts for the President's Budget, fiscal policy decisions, and cash management decisions; establishes policy criteria reflected in regulations and rulings and guides preparation of them with the Internal Revenue Service to implement the Internal

Revenue Code; negotiates tax treaties for the United States; and provides economic and legal policy analysis for domestic and international tax policy decisions. This activity includes the immediate office of the Under Secretary (Domestic Finance), the Assistant Secretary (Financial Institutions), the Assistant Secretary (Financial Markets), the Fiscal Assistant Secretary, and the Deputy Assistant Secretary for Community Development Policy and the Assistant Secretary (Tax Policy).

*Enforcement Policies and Programs.*—The function of the Enforcement Policies and Programs activity is to provide policy development, guidance and coordination to Treasury's law enforcement entities to combat money laundering and other financial crime, interdict illegal drugs, reduce violent crime, protect our nation's leaders, and provide quality training for enforcement personnel. Responsibilities include: (1) providing Departmental oversight and supervision of U.S. Customs Service, U.S. Secret Service, Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco, and Firearms, and Executive Office of Asset Forfeiture; and (2) negotiating international agreements on behalf of the Secretary to engage in joint law enforcement operations for the exchange of financial information and records. The Office of Enforcement administers economic sanctions against selective foreign countries, international narcotics traffickers and international terrorists in furtherance of U.S. foreign policy and national security goals. This activity includes the immediate offices of the Under Secretary for Enforcement and the Assistant Secretary (Enforcement), including the Office of Foreign Assets Control.

*Treasury-wide Management Policies and Programs.*—The Treasury-wide Management Policies and Programs Activity provides policy advice on matters involving the internal management of the Department and its bureaus; coinage and currency production and security; the sale and retention of savings bonds; financial management, information systems, security, property management, human resources, procurement and contracting, strategic planning; and customer service. This activity is responsible for implementing the functions of the Chief Financial Officer (CFO), the Government Performance Results Act (GPRA), and the Information Technology Management Reform Act which includes efficient and effective use of the Treasury's resources. This activity includes the Office of the Assistant Secretary (Management) and Chief Financial Officer and the Treasurer of the United States.

The Committee has provided \$3,200,000 to reimburse law enforcement agencies in the State of Hawaii for additional expenses incurred during the May 7–12, 2001 Asian Development Bank Conference in Honolulu. These funds are to be transferred subject to a review of the billing statements.

#### OFFICE OF FOREIGN ASSETS CONTROL

The Committee provides that the Office of Foreign Assets Control (OFAC) be funded at no less than \$19,732,000. The Committee is encouraged by the level of funding detail offered by Treasury in its budget justifications for its Enforcement programs, and regards this as an assurance that OFAC's direct costs will be properly covered as shown, and that administrative overhead resources are

fairly allocated. The Committee requests that similar explanatory tables be provided in future justifications.

#### DEPARTMENT-WIDE TRAINING

The Committee encourages the Department of the Treasury to deploy a commercial, enterprise-wide, Internet-based, comprehensive online, e-learning solution to provide training for its employees. The Committee is interested in this approach versus using multiple, fragmented and redundant training strategies across the Department. The Committee believes that adopting such an enterprise-wide, e-learning solution will create economies of scale and cost savings. Internet-based, on-line, e-learning solutions are already being deployed within the Treasury at the IRS School of Information Technology in Austin, Texas. These e-learning solutions provide a higher quality training experience for IRS employees that can also be customized and adapted to fulfill the training needs of the entire Treasury Department. The Committee has provided an additional \$1,000,000 to assist in the deployment of this training.

#### DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM

Appropriations, 2001 .....	\$62,150,000
Budget estimate, 2002 .....	70,828,000
Committee recommendation .....	69,028,000

The Committee has provided a total of \$69,028,000. The 1997 Treasury and General Government Appropriations Act established this account which is authorized to be used by or on behalf of Treasury bureaus, at the Secretary's discretion, to modernize business processes and increase efficiency through technology investments, as well as other activities that involve more than one Treasury bureau or Treasury's interface with other governmental agencies.

#### OFFICE OF THE INSPECTOR GENERAL

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$32,827,000
Budget estimate, 2002 .....	35,150,000
Committee recommendation .....	35,150,000

The Committee recommends an appropriation of \$35,150,000 for salaries and expenses of the Office of the Inspector General (IG). This amount is \$2,323,000 above the fiscal year 2001 level, and equals the budget estimate in fiscal year 2002.

The IG conducts and supervises audits, evaluations, and investigations designed to: (1) promote economy, efficiency, and effectiveness and prevent fraud, waste and abuse in Departmental programs and operations; and (2) keep the Secretary and the Congress fully and currently informed of problems and deficiencies in the administration of Departmental programs and operations. The audit function provides program audit, contract audit and financial statement audit services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Program audits review and audit all facets of

agency operations. Financial statement audits assess whether financial statements fairly present the agency's financial condition and results of operations, the adequacy of accounting controls, and compliance with laws and regulations. These audits contribute significantly to improved financial management by helping Treasury managers identify improvements needed in their accounting and internal control systems. The evaluations function reviews program performance and issues critical to the mission of the Department, including assessing the Department's implementation of the Government Performance and Results Act (GPRA). The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. This appropriation also provides for the oversight of internal investigations made by the Office of Internal Affairs and Inspection in the Bureau of Alcohol, Tobacco and Firearms, the Customs Service, and the Secret Service.

The Inspectors General Auditor Training Institute provides the necessary facilities, equipment, and support services for conducting auditor training for the Federal Government Inspector General community. The Office of the Inspector General is the parent organization for this entity, although program and financing data is reported under the Treasury Franchise fund (effective in 1999).

The Committee is aware that the IG has the authority to request external audits for Treasury agencies. The Committee is deeply disturbed that the IG's decision not to continue to perform certain financial audits was made after the fiscal year 2002 budget submission, leaving the affected agencies scrambling to find funds to cover the costs of the audits. The Committee expects the Department of the Treasury to work with the IG to remedy this growing problem for fiscal years 2001 and 2002, and propose a permanent fix for fiscal year 2003 and beyond. Further, the Committee directs the IG to provide to the Committee by November 12, 2001, a written description of the steps that are being taken to address this problem.

The Committee is also concerned about the movement of staff resources from performing financial audits to conducting investigations. As a result of this shift, the Committee is concerned that the IG is not meeting all of its requirements laid out by the Chief Financial Officer Act of 1990, Public Law 101-576, Section 301. The Committee directs the Inspector General to allocate the necessary staff and funding required to prepare the financial audits which the Secretary determines fall under the Inspector's jurisdiction. The Committee also directs the Inspector General to provide to the Committee on Appropriations, by March 1, 2002, a complete breakdown of financial audits prepared by the office. The report should delineate where such funds were provided to cover the costs during fiscal years 2001 and 2002, as well as provide a comprehensive plan for fiscal year 2003 for funding of the audit program.

#### TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

Appropriations, 2001 .....	\$118,166,000
Budget estimate, 2002 .....	122,342,000
Committee recommendation .....	123,799,000

The Committee recommends an appropriation of \$123,799,000, an increase of \$5,633,000 above the fiscal year 2001 level and

\$1,457,000 above the President's request. This includes \$457,000 for non-pay inflation and \$1,000,000 for monthly tax assistance audits.

The Treasury Inspector General for Tax Administration (TIGTA) conducts audits, investigations, and evaluations to assess the operations and programs of the Internal Revenue Service (IRS) and Related Entities, the IRS Oversight Board and the Office of Chief Counsel to (1) promote the economic, efficient and effective administration of the nation's tax laws and to detect and deter fraud and abuse in IRS programs and operations; and (2) recommend actions to resolve fraud and other serious problems, abuses, and deficiencies in these programs and operations, and keep the Secretary and the Congress fully and currently informed of these issues and the progress made in resolving them. TIGTA reviews existing and proposed legislation and regulations relating to the programs and operations of the IRS and Related Entities and makes recommendations concerning the impact of such legislation and regulations on the economy and efficiency in the administration of programs and operations of the IRS and Related Entities. The audit function provides program audit, contract audit and financial statement audit services. Program audits review and audit all facets of IRS and Related Entities. Contract audits provide professional advice to IRS contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. The evaluations function reviews program performance and issues critical to the mission of the IRS. The investigative function provides for the detection and investigation of improper and illegal activities involving IRS programs and operations and protects the IRS and Related Entities against external attempts to corrupt or threaten their employees.

The Treasury Inspector General for Tax Administration was established by the IRS Restructuring and Reform Act of 1998 (Public Law 105-206). Funding was first appropriated for this account in the fiscal year 2000 Treasury and General Government Appropriations Act (Public Law 106-58).

#### IMPROVED TAXPAYER ASSISTANCE

One of Congress's principal objectives in enacting sweeping changes in the IRS Restructuring and Reform Act of 1998 (RRA 98) was to improve IRS' service to the vast majority of taxpayers who want to comply with their tax filing and payment obligations but need additional assistance in meeting the obligations on an accurate and timely basis. In RRA 98, Congress directed IRS to achieve a better balance between its post-filing enforcement efforts on the one hand and pre-filing taxpayer assistance through education and service on the other. Congress also created an independent TIGTA to access and report on IRS' progress in achieving its new mandate.

IRS maintains Taxpayer Assistance Centers (TACs), walk-in site staffed by IRS assistors where taxpayers should be able to have questions correctly answered and obtain the forms and guidance required for filing timely and accurate returns. To evaluate the IRS's success with these centers, TIGTA audited 47 TACs and detailed the results in its May, 2001, report, "The Internal Revenues Service Continues to Give Incorrect Tax Information in Taxpayer As-

sistance Centers.” The report paints a scathing picture of numerous instances in which IRS provided inaccurate, incomplete, or inapplicable information. The Committee was especially concerned to read of several instances in which taxpayers were treated rudely, inconvenienced by waits as long as 90 minutes, and in some cases, denied service altogether.

The Committee is deeply concerned about the findings of the TIGTA report, and with IRS’s failure since enactment of RRA 98 to achieve more significant progress in the critically important areas of pre-filing taxpayer service and assistance. The Committee has provided additional funds to TIGTA to allow TIGTA to conduct monthly audits—similar to the one conducted for its May 2001 report—and to report to the Committee on IRS’ efforts to improve taxpayer service. The Committee expects to see a marked improvement in service during the 2001 tax filing season and directs TIGTA to begin the audits after January 1, 2002.

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

Appropriations, 2001 .....	\$30,932,000
Budget estimate, 2002 .....	32,932,000
Committee recommendation .....	32,932,000

The Committee recommends an appropriation of \$32,932,000 for the repair and restoration of the Treasury Building and Annex. This appropriation funds repairs and selected improvements to maintain the Main Treasury and Annex buildings. This recommendation is \$2,000,000 above the fiscal year 2001 level and equal to the budget estimate.

FINANCIAL CRIMES ENFORCEMENT NETWORK

Appropriations, 2001 .....	\$37,493,000
Budget estimate, 2002 .....	45,155,000
Committee recommendation .....	45,702,000

The Committee recommends an appropriation of \$45,702,000 for the Financial Crimes Enforcement Network (FinCEN), which is \$8,209,000 above the fiscal year 2001 level and \$547,000 above the President’s request. The increase above the President’s request is for non-pay inflation.

FinCEN has responsibility for implementing Treasury’s anti-money laundering regulations through administration of the Bank Secrecy Act, 31 U.S.C. section 5311, et seq., and serves as a United States Government source for the systematic collection and analysis of information to assist in the investigation of money laundering and other financial crimes. FinCEN supports Treasury’s goal to “Combat Financial Crimes and Money Laundering” by: (1) providing focused and sophisticated analysis of the elements of major case law enforcement support including trends and patterns of money laundering; (2) preventing money laundering through its regulatory programs and its outreach efforts to the financial community; and (3) serving as a catalyst to enlist valuable international support by promoting anti-money laundering measures worldwide.

FinCEN, through the investigative analysis efforts, provides assistance to all law enforcement entities, including Federal, State,

local and international, as they investigate and prosecute individuals, businesses and organizations involved in money laundering and other financial crimes. In the regulatory area, FinCEN establishes policy for an oversees Bank Secrecy Act (BSA) compliance by financial institutions. FinCEN provides BSA training to law enforcement, bank regulators, and bankers. FinCEN also provides expertise to support policy issues relevant to U.S. Government anti-money laundering and financial crime initiatives carried out through multilateral organizations. FinCEN is a catalyst for the development of Financial Intelligence Units (FIUs) in other countries, and the transfer of information on money laundering issues and financial services worldwide.

The Money Services Business (MSB) Regulatory Support Program will provide funding for additional regulatory and enforcement support to ensure compliance by money service businesses to the requirements of the Bank Secrecy Act.

#### TREASURY FORFEITURE FUND

The Treasury forfeiture fund was established on October 1, 1993, in Public Law 102-393. It is available to pay or reimburse certain costs and expenses related to seizures and forfeitures that occur pursuant to the Treasury Department's law enforcement activities. It has two accounts, one which is funded through permanent indefinite authority and the other which is funded through a direct annual appropriation. The direct appropriation represents the annual congressional limitation on the use of the proceeds from seized and forfeited assets. Forfeited cash and the proceeds of forfeited monetary instruments are deposited into the fund. Proceeds from the sale of other seized and forfeited assets are also deposited into the fund.

#### EXPANDED ACCESS TO FINANCIAL SERVICES

##### (RESCISSION)

Appropriations, 2001 .....	\$10,000,000
Budget estimate, 2002 .....	0
Committee recommendation .....	-8,000,000

The Committee rescinds \$8,000,000 of unobligated balances and directs that the remaining funds be obligated to continue the two projects initiated in fiscal year 2001.

#### COUNTERTERRORISM FUND

Appropriations, 2001 .....	\$54,879,000
Budget estimate, 2002 .....	44,879,000
Committee recommendation .....	44,879,000

The Committee has provided \$44,879,000 for the Counterterrorism Fund, which is equal to the budget estimate. These funds are provided for responding to unforeseen emergencies not budgeted for in the regular process. These funds are to be made available upon the advance approval of the Committees on Appropriations.

The Counterterrorism Fund is designed to cover unanticipated costs associated with: (1) providing support to counter, investigate, or prosecute domestic or international terrorism, including pay-

ment of rewards in connection with these activities; and (2) re-establishing the operational capability of an office, facility or other property damaged or destroyed as a result of any domestic or international terrorist incident. Treasury bureaus have important counterterrorism responsibilities including: protecting the President; designing and implementing security at National Special Security Events; investigating arson, explosives and firearms incidents; conducting financial investigations relating to terrorism; preventing weapons of mass destruction from entering our country; and implementing sanctions against terrorist organizations. Funds would be reimbursed to Treasury bureaus of departmental offices to compensate for costs incurred in areas such as travel, transportation, rentals and communications, print and graphics, other services, supplies, equipment, and unvouchered funds.

FEDERAL LAW ENFORCEMENT TRAINING CENTER  
SALARIES AND EXPENSES

Appropriations, 2001 .....	\$99,264,000
Budget estimate, 2002 .....	100,707,000
Committee recommendation .....	106,317,000

The Committee recommends an appropriation of \$106,317,000 for salaries and expenses of the Federal Law Enforcement Training Center (FLETC), an increase of \$5,610,000 above the President's request which provides \$1,062,000 for non-pay inflation. This includes an additional \$1,298,000 necessary for the training associated with the third and final year of the Secret Service staffing initiative. This also includes an additional \$2,000,000 necessary for the costs associated with training additional Customs officers in the Northern Border staffing initiative. The Committee has included \$650,000 for the Center to work with other Federal law enforcement agencies to establish written standards for the accreditation of Federal law enforcement training.

FLETC provides the necessary facilities, equipment, and support services for conducting recruit, advanced, specialized, and refresher training for Federal law enforcement personnel. FLETC personnel conduct the instructional programs for the basic recruit and some of the advanced training. This appropriation is for operating expenses of FLETC, for research in law enforcement training methods, and curriculum content. In addition, FLETC has a reimbursable program to accommodate the training requirements of various Federal agencies. As funds are available, law enforcement training is provided to certain State, local, and foreign law enforcement personnel on a space-available basis.

The Committee has included ample funding to ensure that FLETC can meet the demands of agencies for training their personnel as they continue to hire additional personnel.

The Committee has again included a general provision (section 615) to permit FLETC to acquire the temporary use of additional training facilities without seeking the advance approval otherwise required by that section.

## OFF-CAMPUS TRAINING

The Committee continues to support the FLETC mission to provide basic technical assistance to State and local law enforcement agencies. Therefore, the Committee provides funding for the travel expenses of non-Federal personnel to attend course development meetings and training. In addition, the Committee continues to authorize FLETC to obtain temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities. In making these decisions, the Committee believes every consideration should be given to providing training in the most cost effective manner.

## RURAL LAW ENFORCEMENT EDUCATION

As part of the fiscal year 2001 appropriations made available to FLETC, Congress provided \$1,000,000 to expand on a collaborative undertaking between FLETC's National Center for State and Local Training and Minot State University (MSU). This funding was divided between the two organizations for use in expanding the National Center's Small Town and Rural Law Enforcement training series in the Northern Plains States and for related, on-going research by MSU. As part of a contractual agreement, MSU and FLETC have worked to increase the amount of training for rural law enforcement agencies in the Plains region, including drug enforcement, critical incident response training, and hate and bias crimes training. MSU also is conducting an evaluation during, and a longitudinal study following, each training program to determine the value of the training. MSU is developing a clearinghouse for research findings, pursuing additional research, and marketing training programs throughout the Plains States.

The Committee is pleased the Administration has continued funding for this program in its budget request at the fiscal year 2001 level and expects the National Center to use the funding provided in the bill, including funds used for hiring additional staff, to continue to develop specialized training for rural law enforcement agencies based upon the research and findings of MSU's studies and such other evaluative factors as FLETC may deem appropriate. The Committee provides an additional \$250,000 to MSU to develop and deliver training that will help strengthen relationships among law enforcement organizations, schools, and communities to reduce gang activities and drug and other offenses in a coordinated manner.

## LAW ENFORCEMENT VEHICLE PURSUIT TRAINING

In large and small communities throughout the United States, serious concerns have arisen over law enforcement vehicles engaged in criminal pursuit situations. One study, produced by the Police Executive Research Forum, suggests that 40 percent of all police chases conclude in collisions and 20 percent result in personal injuries, with 1 percent of those ending in an estimated 400 deaths annually. The problem has become one of balancing the legitimate needs for timely law enforcement actions against safety for all concerned.

At the request of this Committee in the fiscal year 2001 Appropriations Act, FLETC submitted a proposal to identify problems associated with vehicle pursuits, to evaluate current guidelines, and to develop programs aimed at improving practices involving police pursuits. Utilizing a FLETC curriculum developmental conference and a special interactive symposium, which was broadcast on live, closed circuit law enforcement television and over the Internet, participants and experts recommended an aggressive, multi-dimensional training program. The topics identified included ethical considerations, risk management, the decision to pursue, disengagement actions, legal and political ramifications, court decisions, and the psychology of stress on pursuing officers. The FLETC report suggests that training be conducted at three levels—executive, supervisory and officer—to reach as many as possible of the 17,000 law enforcement agencies across the country.

The Committee has included \$1,000,000 for the National Center for State and Local Training at FLETC to oversee the development and coordination of a train-the-trainer program with the initial emphasis on police executives. The training should draw on experiences of seasoned personnel and provide a framework of best practices in policy implementation that can be provided to any agency that has pursuit responsibilities. The funding made available by the Committee shall be used by the National Center for necessary staff, course development, and program delivery. To the extent feasible, both FLETC sites and the National Center’s Small Town and Rural (STAR) training sites should be utilized. The Committee recognizes that the funding provided will not be sufficient to complete all aspects of the needed training. FLETC should submit a report to the Committee on Appropriations on its progress and future resource needs, if any, no later that April 30, 2002.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Appropriations, 2001 .....	\$54,086,000
Budget estimate, 2002 .....	21,895,000
Committee recommendation .....	33,434,000

The Committee recommends an appropriation of \$33,434,000 for acquisition, construction, improvements, equipment, furnishings and related costs for expansion and maintenance of facilities of the Federal Law Enforcement Training Center. The increase above the President’s request includes \$939,000 for non-pay inflation.

This amount includes funding for the Facilities Master Plan, which provides the long range blueprint for expansion of facilities to meet the training requirements of the over 73 participating agencies. The Committee has provided \$1,700,000 for a cafeteria and \$2,200,000 for a firearms training facility complex, both of which are at the Artesia, New Mexico campus, as well as \$4,700,000 for a firearms multipurpose building and an additional \$2,000,000 for the Port of Entry facility at the Glynco, Georgia campus.

## INTERAGENCY LAW ENFORCEMENT

Appropriations, 2001 .....	\$103,248,000
Budget estimate, 2002 .....	106,487,000
Committee recommendation .....	106,965,000

The Committee recommends an appropriation of \$106,965,000 for interagency law enforcement. The increase above the President's request is for non-pay inflation.

In a 1982 counterdrug effort, the Department of Justice (DOJ) developed the Interagency Crime and Drug Enforcement Task Force (ICDE) program to bring together and integrate the efforts of all levels of law enforcement in the fight against drugs. The ICDE program designated nine domestic regions that deploy the investigative expertise from 10 Federal agencies, and State and local law enforcement agencies to dismantle and disrupt major drug trafficking and money laundering organizations and place offenders in jail. Treasury agencies provide specific value-added investigative expertise to these major cases. The U.S. Customs Service provides specific expertise in international smuggling and interdiction; the Bureau of Alcohol, Tobacco and Firearms (ATF) provides expertise on firearms and explosives violence; and the Internal Revenue Service (Criminal Investigative Division) provides expertise on money laundering and tax evasion. Since 1998, the Treasury portion of the ICDE program has been administered by Treasury's Departmental Offices. Treasury's participating bureaus, ATF, Customs, and IRS, are reimbursed from this appropriation. Treasury has assigned two special agents to oversee ICDE policy and budget for the three Treasury bureaus. Funding for Treasury components is primarily utilized for full-time equivalent employees; however, a portion of funding is used for operating expenses incurred during the investigative phase of the case.

## FINANCIAL MANAGEMENT SERVICE

## SALARIES AND EXPENSES

Appropriations, 2001 .....	\$255,972,000
Budget estimate, 2002 .....	211,594,000
Committee recommendation .....	212,316,000

The Committee recommends an appropriation of \$212,316,000 for salaries and expenses for the Financial Management Service (FMS) in fiscal year 2002. The increase above the President's request is for non-pay inflation.

*Payments.*—FMS implements payment policy and procedures for the Federal Government, issues and distributes payments, promotes the use of electronics in the payment process, and assists agencies in converting payments from paper checks to electronic funds transfer (EFT). The control and financial integrity of the Federal payments and collections process includes reconciliation, accounting, and claims activities. The claims activity settles claims against the United States resulting from Government checks which have been forged, lost, stolen, or destroyed, and collects monies from those parties liable for fraudulent or otherwise improper negotiation of Government checks.

*Collections.*—FMS implements collections policy, regulations, standards, and procedures for the Federal Government, facilitates collections, promotes the use of electronics in the collections process, and assists agencies in converting collections from paper to electronic media.

*Debt Collection.*—FMS provides debt collection operational services to client agencies which includes collection of delinquent accounts, offset of Federal payments against debts owed the Government, post-judgment enforcement, consolidation of information reported to credit bureaus, reporting for discharged debts or vendor payments, Federal Employee Salary Offset Hearings, mortgage servicing, collection of unclaimed financial assets, and disposition of foreclosed property.

*Government-wide Accounting and Reporting.*—FMS also provides financial accounting, reporting, and financing services to the Federal Government and the Government’s agents who participate in the payments and collections process by generating a series of daily, monthly, quarterly and annual Government-wide reports. FMS also works directly with agencies to help reconcile reporting differences.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS  
SALARIES AND EXPENSES

Appropriations, 2001 .....	\$771,143,000
Budget estimate, 2002 .....	803,521,000
Committee recommendation .....	821,421,000

The Committee recommends an appropriation of \$821,421,000 for salaries and expenses of the Bureau of Alcohol, Tobacco and Firearms (ATF), an increase of \$17,900,000 above the President’s request. The Committee recommends \$6,400,000 for non-pay inflation, which includes \$2,000,000 to support the National Integrated Ballistic Information Network system. The Committee has also included \$5,000,000 above the Administration’s request for the Integrated Violence Reduction Strategy. This funding shall be used to increase the number of ATF agents to enforce existing firearms laws in support of satellite offices of the United States Attorney’s in outlying areas in conjunction with the Attorney General’s Safe Neighborhoods initiative. This amount also includes \$3,500,000 for retrofitting and upgrades of the National Tracing Center Facility in Martinsburg, West Virginia.

The ATF has three major strategic goals: (1) effectively contribute to a safer America by reducing the future number and cost of violent crimes; (2) maintain a sound revenue management and regulatory system that continues reducing payer burden, improving service, collecting revenue due, and preventing illegal diversion; and (3) protect the public and prevent consumer deception in ATF’s regulated commodities. To achieve these goals, ATF enforces the Federal laws and regulations relating to alcohol, tobacco, firearms, explosives, and arson by working directly and in cooperation with others.

## FEDERAL ALCOHOL ADMINISTRATION ACT

The Committee recognizes alcoholic beverages as among the most socially sensitive commodities marketed in the United States. In this connection, marketing, labeling, and advertising of alcoholic beverages must be accomplished in an environment which fosters fair and healthy competition while protecting the interests of the American consumer. The Committee expects that there be no diminution of regulatory and oversight functions in fiscal year 2002.

## ARMED CAREER CRIMINAL APPREHENSION PROGRAM

The Armed Career Criminal Act, signed into law in 1984 and expanded by the Anti-Drug Abuse Act of 1986, provides mandatory sentences for certain violent repeat offenders who carry firearms. The Bureau, given its jurisdiction over firearms laws, has a unique opportunity to effect the apprehension of violent offenders. The success to date of the Bureau's Repeat Offender Program has surpassed initial expectations regarding apprehension, prosecution, and conviction of career criminals. The Committee notes that over 80 percent of the defendants apprehended under this program have had direct involvement in illegal narcotics trafficking.

## STAFFING LEVELS IN SMALLER STATES AND RURAL STATES

Over the past several years the number of ATF agents in the smaller States and rural areas have steadily declined, in favor of placing agent resources in larger States with large metropolitan centers. These staffing trends have not always reflected the needs of these areas. The Committee credits the Department for recognizing the need for placing special agents in under-represented rural areas and small and medium-sized States. The Committee urges that ATF follow through on pledges to maintain and increase staffing in under-represented rural, small, and medium-sized States.

## GREAT PROGRAM

The Committee provides \$16,000,000 for grants to local law enforcement organizations for the Gang Resistance Education and Training (GREAT) Program. The GREAT program continues to be enthusiastically endorsed by communities in Colorado, North Dakota, and Alaska. The Committee directs ATF to consider providing GREAT funding to the qualified law enforcement and prevention organizations in these areas. In addition, the Committee believes strong consideration should be given to an application from Beaufort, South Carolina.

## SAFETY AND SECURITY STANDARDS

The Committee is concerned about the apparent lack of safety and security standards for federally licensed firearms dealers. Guns stolen from licensed gun dealers pose an increasingly significant public safety threat. It is clear that the industry and ATF need to work together to address these problems. Therefore, the Committee directs ATF to make identifying and addressing security recommendations for Federal firearms licensees a priority at the next firearms industry discussion group that convenes.

## CRIMINAL GANG ACTIVITY ON INDIAN RESERVATIONS

The Committee appreciates ATF's efforts to address the growing problem of gang-related activities on and near Indian reservations. In conjunction with programs and activities provided by the Boys and Girls Clubs of America, ATF has made in-roads in Native communities to reduce gang-related activities by training, seminars, and after-school activities aimed at reducing the number of Native children that are likely participants in gang behavior. The Committee recommends that ATF continue to coordinate the efforts of the Bureau of Indian Affairs (BIA), the Boys and Girls Clubs of America, and private organizations such as the National Native American Law Enforcement Association to expand these activities and develop an inter-agency and inter-disciplinary approach to gang-related activities.

## YOUTH CRIME GUN INTERDICTION INITIATIVE

The Committee commends ATF's efforts to reduce firearms violence by investigating illegal trafficking to the youth of this country. The Youth Crime Gun Interdiction Initiative (YCGII) began as a pilot program in 17 cities in 1996 and is currently operating in 50 sites.

The partnership between ATF and local law enforcement agencies in these communities is invaluable to the mutual effort to reduce gun-related crime. The tracing information provided by ATF not only allows local jurisdictions to target scarce resources to investigations likely to achieve results but also gives ATF the raw data to be able to investigate and prosecute the illegal source of these crime guns. The Committee continues to believe that there are significant disruptions in these illegal firearms markets directly due to investigative leads arising from this regional initiative.

The Committee is concerned about youth gun violence in the Providence, Rhode Island metropolitan area. The Committee requests that ATF evaluate the feasibility of expanding the Youth Crime Gun Interdiction Initiative into this area and report its findings to the Committee on Appropriations within 120 days of enactment of this Act.

## EXPLOSIVE DETECTION TRAINING

The Committee is pleased with the manner in which ATF has moved to make explosive detection training available on request to school districts nationwide. Field offices have utilized existing ATF publications and products for this effort, and are continuing to receive requests from schools and school systems.

## MANAGEMENT AND TECHNOLOGICAL ENHANCEMENTS

The Committee provided \$2,000,000 in fiscal year 2001 for management and technological enhancement at the ATF Licensing Center, the Imports Branch, and the National Firearms Act Branch (NFA). The Committee appreciates the efforts of ATF to clearly articulate the enhancements they have implemented and are planning to implement in order to provide a more appropriate level of service to customers. It is clear that these are definitely steps in

the right direction. The Committee encourages ATF to continue these efforts, and to provide periodic updates on their efforts to fulfill these commitments. However, the Committee believes that there are still two critical components of the plan which should be further addressed—personnel and communication.

Understaffing at certain branches has contributed to some of the problems with the slow responses and inefficiencies regarding permit or form applications processing. The plan does not fully state how this problem will be addressed, particularly with regard to staff needed to troubleshoot problems. The plan also states that it is establishing new performance standards and critical elements for service positions in the Firearms, Explosives and Arson (FEA) Division. However, the plan does not state the key personnel performance areas that will be improved, nor does it state some typical standards to be achieved. For example, industry has continually pointed out ATF’s long processing times, even for elementary transactions. One appropriate standard might be to cut the current processing time by some measurable percentage—perhaps by 50 percent within the next 18 months.

ATF has stated that it welcomes advice from the importing and NFA communities in contributing to the achievement of ATF program objectives. However, the plan does not mention outreach objectives, such as regular quarterly meetings, regulatory seminars, or regional workshops with these industry sectors. Some possible communication improvements include more frequent open letters or Federal Firearms Licensee (FFL) newsletters, a directory of ATF FEA personnel and how to contact them, and a revised and updated guidance handbook designed for both the importing and NFA communities. Finally, the Committee notes that ATF efforts cannot be fully achieved without some consideration to the import and export processes at the Department of State and the U.S. Customs Service. The Committee recommends that ATF seek a working group with these agencies to consult with industry on solutions that will enhance the fairness and efficiency of administering or enforcing firearms-related laws by these agencies.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$1,878,557,000
Budget estimate, 2002 .....	1,961,764,000
Committee recommendation .....	2,022,453,000

The Committee recommends an appropriation of \$2,022,453,000 for salaries and expenses of the U.S. Customs Service, an increase of \$143,896,000 above fiscal year 2001 levels and \$60,689,000 above the President’s request. The increase above the President’s request includes \$20,216,000 for non-pay inflation, \$1,000,000 for work on joint technology projects with New Mexico State University’s Physical Services Laboratory, \$1,800,000 for funding related to the Customs financial statement audit, an additional \$5,000,000 for child labor efforts, \$750,000 for the Center for Agriculture Policy and Trade Studies, \$250,000 for the National Law Center for Inter-American Free Trade, \$25,000,000 for northern border staffing, \$5,000,000 for the Intellectual Property Rights Center,

\$500,000 for the Vermont World Trade Office, and \$900,000 for the scrap metal inspection pilot.

The United States Customs Service, in partnership with other Federal agencies, is one of the Nation's primary means of border enforcement. Its mission is to ensure that all goods and persons entering and exiting the United States do so in compliance with all United States laws and regulations.

*Commercial.*—Commercial activities are all process/business area activities (Trade Compliance, Outbound, and Passenger Processing) which occur prior to a violation being confirmed or acceptance of a referral for investigation. This includes intelligence gathering, targeting, analysis, and examination activities.

*Drug and Other Enforcement.*—Drug and Other Enforcement activities are process activities which occur after confirmation of a violation or acceptance of a referral for investigation. Also included are enforcement strategies to address enforcement issues which impact more than one process, intelligence activities and investigations of drug and money laundering violations, intelligence activities and investigations related to alleged/suspected violations which are independent of process activities, the air and marine interdiction programs, and radio communications management.

#### NORTHERN BORDER STAFFING INITIATIVE

The Northern Border of the United States extends nearly 4,000 miles, but is staffed by only 1,773 Customs officers. Since the enactment of the North American Free Trade Agreement (NAFTA), trade with Canada has increased 90 percent, and total cargo entries have increased by 162 percent, representing trade worth over \$350,000,000,000 in goods annually. Annual increases in legitimate, as well as illegal, trade and traffic at the Northern Border places additional burdens on the woefully understaffed U.S. Customs Service, whose officers ensure all persons and goods entering and exiting the United States do so in compliance with all U.S. laws and regulations. Customs not only enforces these laws through interdiction and investigation, they facilitate the entry of billions of dollars in legitimate trade.

The 2,000-mile Southwest Border has experienced similar pressures in legitimate trade and illegal activity. The Committee provided a total of \$38,700,000 above the President's budget requests in fiscal years 2000 and 2001 for the additional hiring of Customs officers on the Southwest Border. That staffing effort resulted in the hiring of an additional 316 Special Agents, Inspectors, and Canine Enforcement Officers to augment the approximate 8,000 officers already serving that area. However, recent events at the Northern Border accentuate the need for increased staffing there as well. The Committee notes that in December 1999, prior to the celebration of the Millennium, Customs apprehended a terrorist at the Blaine, Washington Port of Entry as he entered the United States, thereby preventing an almost certain terrorist event. In June 2001, two Cuban assassins were apprehended by Customs agents as they attempted to flee the United States through this same border area, after murdering a child in New Mexico following a failed narcotics deal. These incidents, in conjunction with huge increases in legitimate cargo entering the United States across the

Northern border as a result of NAFTA and other trade agreements, underscore the need for additional staffing for Customs along this extended and largely unprotected border.

The Committee has included \$25,000,000 for a Northern Border hiring initiative. This funding would increase staffing along the Northern Border by approximately 285 Customs officers. The Committee therefore directs that Customs hire an appropriate ratio of Special Agents, Inspectors, and Canine Enforcement Officers to address the needs of the offices and ports along the Northern Border. The Committee encourages Customs to pay particular attention to the needs of Washington, Montana, North Dakota, Michigan, New York, and Vermont in assessing where to deploy these officers. The Committee directs Customs to submit an expenditure plan for approval to the Committee on Appropriations prior to obligating any funds provided by this initiative.

#### REMOTE ADMINISTRATION TECHNOLOGY

The Committee supports ongoing efforts to enhance services at low-volume ports of entry through the use of remote administration technology. The Committee believes the additional security presence and the after-hours travel capabilities will benefit those who live near the affected border crossings. However, to ensure that commercial traffic through these ports is not negatively affected, these enhancements must not result in loss of personnel or reduced staffed hours at these ports.

#### STAFFING AND SERVICE LEVELS AT CUSTOMS PORTS OF ENTRY

The Committee continues to believe that the services provided through the Charleston, WV, Customs office are very important to the State of West Virginia and the Nation as a whole. For this reason, the Committee expects the Service to maintain the level of services provided in fiscal year 1996 through fiscal year 2002 at this office.

The Committee continues to believe that the policy of providing part-time and temporary inspectors at the Honolulu International Airport is an effective way to handle the large and increasing volume of passengers arriving and departing this very busy airport in Hawaii. The Committee has again included \$750,000 for part-time and temporary positions in the Honolulu Customs District. This action is intended to enhance and not supplant current staffing levels. Amounts included in this account are sufficient to maintain staffing levels at this airport through fiscal year 2002 at the fiscal year 1997 level.

The Charleston, South Carolina Port (Port) is the fourth largest cargo port in the United States, and the second largest on the East Coast. However, the Port continues to be severely understaffed by Customs and lacks the necessary resources to address the volume of cargo entering the Port yearly. As the volume of cargo traffic at the Port continues to increase, Customs resources and staffing at the Port have fallen behind. The Committee is aware that Customs dedicated to the Port, on a temporary basis, an additional canine team which resulted in commensurate increases in seizures of contraband. This is concrete evidence that increased staffing at the Port will enhance the mission of the Customs Service at this loca-

tion, supporting enforcement as well as facilitating the entry of legitimate trade. The Committee recommends that Customs make every effort to provide additional staffing and equipment for use at the Port. The Committee directs that in no case shall the level of Special Agents, Inspectors, Canine Enforcement Officers or other support personnel fall below the 1999 staffing levels at the Port.

The Committee is aware of the need to sufficiently staff and operate the Santa Teresa, New Mexico border station. This border station has two processing booths, but lacks staff to operate them both throughout the day. With the projected traffic volume increase resulting from a new Mexican road which will bypass Ciudad Juarez/El Paso and divert traffic to Santa Teresa, it is essential that these two processing booths be fully manned. The Committee directs Customs to provide to the Committee by March 1, 2002 a report on their plans to address these staffing needs.

Southeast Michigan is one of the largest commercial trade corridors in North America. Its land border passenger traffic and airport passenger operations are among the busiest in the United States and growing. The Port of Detroit contains various modes of entry which present unique challenges to Customs because passengers and cargo arrive in Detroit via airport, seaport, tunnel, and bridge along an international border. The Committee is concerned that despite growing trade and commercial traffic, as well as increasing passenger border crossings and airport passenger arrivals, Customs staffing is inadequate to handle this volume of traffic at the Port. Customs should give a high priority to funding sufficient staffing at the Port of Detroit for fiscal year 2002.

The Louisville office of the Customs Service is the second busiest in the Midwest Region and ranks second in all major trade-related categories. However, the Committee has been made aware that the Louisville office ranks ninth in terms of staffing. The Louisville Airport ranks 12th in the world in terms of total cargo handled and seventh nationwide. As the Louisville Airport continues to grow, and as its links to the international community increase, additional Customs Inspectors are needed to handle the increased passenger and cargo traffic. Therefore, the Committee directs Customs to provide to the Committee by March 1, 2002 a report on their plans to address these staffing needs.

The Committee recognizes the deficiencies in facilities along the Northern Border between Montana and Canada. The Committee recommends that the Customs Service address these harmful shortages expeditiously.

Legitimate, as well as illicit, trade and traffic continue to grow in the State of Florida. Customs should give a high priority to funding sufficient inspection personnel at ports of entry in Florida for fiscal year 2002.

Over the years Customs personnel in smaller States as well as rural areas have declined considerably. Problems facing these areas have not necessarily declined, and the Committee urges Customs to continually review its staffing requirements and to consider the allocation to smaller States and rural areas.

The Committee recognizes the importance of full-time staffing at the Pittsburg, New Hampshire port of entry for New Hampshire and the entire New England region. As the only port of entry in

New Hampshire, the Committee directs Customs to give a high priority to funding sufficient staffing at the Pittsburg station for fiscal year 2002.

#### VERMONT WORLD TRADE OFFICE

Vermont continues to develop a large market in international trade. Forty percent of Vermont companies, which employ approximately 70,000 individuals, are engaged in exports. In 1995, the State of Vermont created the Vermont World Trade Office to provide technical assistance to businesses and information on foreign trade opportunities. The Office has received overwhelming numbers of requests from companies interested in exploring international trade opportunities. To meet this demand, the Vermont World Trade Office hopes to open satellite offices and expand service for its clients. The Committee includes \$500,000 to continue the partnership with the Vermont World Trade Office in furtherance of promoting foreign trade.

#### PORT OF ENTRY INFRASTRUCTURE ASSESSMENT

The Committee was pleased to receive the Port of Entry Infrastructure Assessment study earlier this year. This detailed report was a joint collaboration of the Customs Service, Immigration and Naturalization Service (INS), and General Services Administration (GSA). The information provided in the study is extremely valuable and sets ambitious goals for the Administration to meet. The Committee strongly believes that our Nation's ports of entry have been too long ignored and has provided detailed instructions in the GSA portion of this report for the Administration to carefully review as it prepares its budget projections for fiscal year 2003 and beyond.

Because of the dramatic increase in trade and traffic between the United States and Mexico over the past several years, resources to police the border and facilitate cross-border trade have been strained. There remains a critical need to upgrade New Mexico border facilities so that the Customs Service can efficiently and effectively handle the increasing traffic demands. The Committee encourages Customs to work with the General Services Administration to address infrastructure and technology improvements at the Santa Teresa and Columbus, New Mexico border stations. Further, the Committee requests that Customs provide a written update on those efforts by March 1, 2002.

#### CUSTOMS INTEGRITY AWARENESS PROGRAM (CIAP)

The Committee continues its strong support for the Customs integrity awareness program. This program, begun in fiscal year 2000, is to improve hiring methodologies to ensure that applicants are of the highest quality and integrity, and to improve the recruitment process. The funding provided allows Customs to conduct polygraph examinations for candidates applying for positions which are most susceptible to corruption. The Committee encourages the Commissioner to continue efforts to improve the integrity measures of the Customs Service.

## CHILD PORNOGRAPHY

The Committee directs the Customs Service to continue providing \$100,000 of available funds to promote public awareness for the child pornography tipline, including ongoing efforts to make children aware of the tipline, in fiscal year 2002. The Committee recommends that the Customs Service continue to coordinate this promotional effort with the National Center for Missing and Exploited Children and the U.S. Postal Service to ensure that the publicity is diversified and effective. The Committee fully supports Customs' work in battling child pornography and is impressed with the successes Customs has had given the limited resources.

## FORCED AND INDENTURED CHILD LABOR

The Committee is pleased with the continued work of Customs regarding enforcement of section 307 of the Tariff Act of 1930 as it relates to forced and indentured child labor. The Committee believes that continued focus on enforcement of the ban on importation of goods made by forced child labor is critical, and that Customs needs to continue this effort through aggressive investigation and enforcement of the applicable laws. The Committee has provided an additional \$5,000,000 in fiscal year 2002 for Customs to expand staffing and to open offices in regions identified as high-threat for forced and indentured child labor. The Committee requests an expenditure plan prior to the obligation of funds.

## CENTER FOR AGRICULTURAL POLICY AND TRADE STUDIES

The volume of trade along the Northern border has increased dramatically in the last decade as a result of a number of free trade agreements. Implementation of World Trade Organization (WTO) policies will also have a significant impact on the Northern Border, particularly in the Northern Plains region. The Committee recognized the importance of this growth in trade and provided funds in fiscal years 2000 and 2001 to conduct research on the bilateral trade of agricultural commodities and products under the Canada-United States Trade Agreement. This research is being conducted at the Center for Agricultural Policy and Trade Studies located at North Dakota State University.

The primary purpose of this research is to analyze a wide range of agricultural and trade policies, and emerging issues related to the Northern Plains agricultural exports for agricultural producers, agribusinesses, and the rural economies of the Northern Plains States. Specific objectives are to: (1) evaluate the impact of multilateral and regional free trade agreements and competitiveness of Northern Plains agriculture in global economies; (2) analyze the region's agricultural competitiveness and farm income under the 2002 Farm Bill; (3) evaluate the impact of macro policy variables, such as interest rates and exchange rates on imports; (4) develop strategies to improve export opportunities for Northern grown crops and products under the new trade environment; and (5) monitor continuously United States and Canada agricultural trade and assess its impact on the economy. The Committee recognizes that United States and Northern Plains agriculture has become internationally oriented. Therefore, it is critical that Federal and State

policymakers be able to appraise the impact of trade policy decisions on agriculture and agribusiness. The Committee has included \$750,000 for the Center to continue this project.

The Committee also has included \$250,000 for the National Law Center for Inter-American Free Trade to continue to conduct research and develop recommendations for the Customs Services in connection with the negotiations on the Free Trade Area of the Americas.

#### PROJECT ALERT

The Committee instructs the Customs Service to provide no less than \$200,000 to the National Center for Missing and Exploited Children for the training of retired law enforcement officers to assist in the investigation of unsolved missing children cases nationwide. The Committee anticipates that these funds will be in addition to other funds available to the Center for these purposes.

#### DRUG INTERDICTION OPERATIONS

Through the years, Customs has had to react to changing smuggling modes. Drug interdiction methods have been adjusted to challenge this ever changing threat. This effort has proven effective through the years. Yet, vigilance remains the watchword. Currently, emphasis is being placed on interdiction efforts in Caribbean waters around Puerto Rico and the U.S. Virgin Islands. Lessons learned from efforts off the Florida coast have been very successful. The Committee reminds Customs that the threat can shift very quickly, and that appropriate attention should be given to ensure that the Florida coast is adequately covered by air and marine assets.

#### INTELLECTUAL PROPERTY RIGHTS INITIATIVE

The U.S. copyright and trademark industries are America's fastest growing asset, representing more than 4.3 percent of the annual gross domestic product. These intellectual property based industries contribute more to the Nation's economy and employ more individuals than any other manufacturing sector, and remain first in foreign sales and exports. The software industry, in particular, contributes more than 800,000 skilled, highly paid jobs, and \$28,000,000,000 in tax revenues. The Committee is aware that the success of this industry is increasingly threatened by intellectual property theft. To stem the tide of piracy and counterfeiting, Federal law enforcement efforts, particularly by Customs, are dedicated to investigation and prosecution of these types of crimes. In 1999, Customs, in concert with the Federal Bureau of Investigation (FBI), developed and staffed the Intellectual Property Rights (IPR) Center. The Committee is extremely pleased with the results to date of the enforcement efforts of the Department of Justice, Customs and the FBI. The Committee, therefore, recommends that an additional \$5,000,000 be provided for the investigative efforts of the IPR Center. The Committee expects that the funds will support the hiring and strategic placement of dedicated Customs Special Agents in domestic and overseas offices to enhance enforcement of the intellectual property rights laws, and, in particular, to halt im-

portation and exportation of the contraband goods. The Committee further directs that sufficient funds be allocated to support the operations of the IPR Center. No funds shall be obligated without submission of a spending plan to the Committee on Appropriations.

#### SCRAP METAL INSPECTION PILOT

Last year the Committee provided funding for Customs, working with scientists at the Environmental Protection Agency (EPA) Office of Radiation and Indoor Air, to purchase and gather data from radiation monitors to detect radionuclide concentrations in scrap metal being imported into the United States through the port of New Orleans. The Committee is cognizant of the burden on United States businesses for efforts to dispose of contaminated steel and therefore provides an additional \$900,000 to fund a second year of the pilot. This threat assessment should also address which Government agency is best suited to carry out the pilot project, and at what cost. The Committee understands that although this radioactive waste is largely transported via ocean going cargo, it also is reportedly transported via trucks across the land borders. The Committee directs that consideration be given to expanding the project to develop a detection system at a land border port of entry with particular attention to a port in the State of Vermont.

#### INSPECTION TECHNOLOGY

The Committee has consistently supported new technology and equipment to improve the inspection of traffic across our borders. One example is the use of the Vehicle and Cargo Inspection System (VACIS) technology, which is a non-intrusive inspection technology used on vehicles and cargo containers. A new VACIS system has been developed to scan rail cars and is being installed along the Southwest Border for deployment.

An additional technology of interest to law enforcement agencies along our borders is the Weigh-In-Motion (WIM) system, which can weigh commercial traffic as it passes through ports of entry. New Mexico State University's Physical Sciences Lab (NMSU/PSL) has WIM under development, and is also establishing the Santa Teresa Border Technology Development Center, which is designed to test such technologies. With a presence on the border and at a port of entry that handles mostly commercial traffic, an additional \$1,000,000 has been included in the Customs budget for WIM and other detection technologies so that the agency can work in partnership with NMSU/PSL on joint technology projects.

#### MARKING REQUIREMENTS ON JEWELRY

The Committee directs Customs to report to the Committee on Appropriations, within 60 days of enactment of this Act, on the discrepancies between country of origin marking requirements for imported Native American style jewelry and imported fashion jewelry and jewelry boxes.

OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE  
INTERDICTION PROGRAMS

Appropriations, 2001 .....	\$139,919,000
Budget estimate, 2002 .....	162,637,000
Committee recommendation .....	172,637,000

The Committee recommends an appropriation of \$172,637,000 for operation and maintenance activities of the Customs air and marine interdiction programs. This amount is \$39,703,000 above fiscal year 2001 levels and \$10,000,000 above the President's request. This includes an additional \$3,000,000 for electro-optical infrared (EO-IR) sensors, and \$7,000,000 for the Customs National Aviation Center.

The Customs Air and Marine Interdiction Program combats the illegal entry of narcotics and other goods into the United States. This appropriation provides capital procurement and total operations and maintenance for the Customs air and marine program. This program also provides support for the interdiction of narcotics by other Federal, State and local agencies.

The Customs Service will continue implementation of the Western Hemisphere Drug Elimination Act (WHDEA). At the Administration's request \$35,000,000 in new funding is included to intensify WHDEA activities, including the purchase of new equipment as well as other enhancements, to improve interdiction efforts against drug operations in the source and transit zones.

CUSTOMS COUNTERDRUG RESOURCES

The Committee, supportive of the use of technology and assets as a means to enhance the Customs mission, necessarily places the priority on meeting these annualized costs over the acquisition of additional assets and the concomitant support personnel and maintenance costs. The Committee remains concerned about the Customs Service failure to consider the full budgetary impact and secure funding for items and personnel funded in addition to their congressional budget submission. The Committee encourages Customs to continue to evaluate, consider and acquire such assets in an effort to maximize its personnel and resources. However, the Committee expects that the Customs Service will responsibly address and meet all out-year costs for any new acquisitions and personnel without sacrificing existing programs in the process.

AIR AND MARINE INTERDICTION DIVISION EO/IR IMAGING SYSTEMS

The Committee recommends an appropriation of \$4,200,000 for electro-optical infrared (EO/IR) sensors, an increase of \$3,000,000 above the President's request of \$1,200,000 for P-3 EO/IR sensor upgrades. These additional funds are to be used for the procurement or upgrade of these sensors for the following Customs aircraft: AS-350 Light Enforcement Helicopter; UH-60 helicopter; C-12 Maritime Patrol Aircraft; and for the marine interceptor "go-fast" boats. These funds will allow Customs to accelerate the upgrade of the current fleet and begin the procurement for air/maritime platforms that do not presently have this critical EO/IR capability.

ROTORCRAFT TRAINING

The Committee is aware that the Customs Service previously contracted with the University of North Dakota for rotorcraft training. The University has state-of-the-art facilities, experienced flight instructors, internationally recognized expertise in touch-down auto rotation, and an excellent relationship with the Customs Service. Therefore, the Committee urges Customs to give particular attention to applications submitted by the University when the contract is next competed.

LONG RANGE BLUE WATER VESSELS

The Committee recognizes the importance of long range blue water vessels as an operational component of Customs' marine interdiction strategy. The Committee understands the difficult choices facing the Customs Service with regard to the marine interdiction program and applauds the continued success in spite of current budgetary constraints. The Committee encourages the Customs Service, within existing resources, to examine ways to address the replacement of these vessels given the importance of operating and maintaining a safe and effective fleet.

CUSTOMS NATIONAL AVIATION CENTER

The Committee has provided \$7,000,000 to continue a Customs Service program to facilitate uniformity in aviation training. This standardization program will be headquartered on site at the Customs National Aviation Center (CNAC) at Oklahoma City, Oklahoma. CNAC will also be the home station for such assets as are required to implement this program, including facilities necessary for further standardization of operational training activities of the Customs Service's Air and Marine Interdiction Division.

AUTOMATION MODERNIZATION

Appropriations, 2001 .....	\$257,832,000
Budget estimate, 2002 .....	257,832,000
Committee recommendation .....	357,832,000

The Committee has provided \$5,400,000 for the International Trade Data System, \$122,432,000 for the Automated Commercial Systems (ACS), and \$230,000,000 to continue work on the Automated Commercial Environment (ACE). This is \$100,000,000 above the requested level.

The Customs Service continues to modernize its trade data processing system. The current system, ACS, will be replaced with the new ACE. ACE will provide an upgrade to the system which will enable Customs to meet the demands of an increasing volume of trade and convert to a paperless process and an account-based system. These funds will support the ACS legacy system while the conversion to ACE is underway and will assist Customs in incorporating the development of an International Trade Data System into its overall plan for modernizing the trade data processing system.

AUTOMATED COMMERCIAL ENVIRONMENT

Automation modernization of the aging Customs commercial systems and processes is critical to the Nation's commerce. The Committee is encouraged by the efforts and progress made over the last year by Customs in its automation modernization effort. With funding provided by this Committee in fiscal year 2001, Customs was able to select the PRIME contractor for ACE. The Committee believes that Customs appears to be on the right track in establishing a well-considered framework necessary to proceed with the initial ACE development.

The Committee is extremely concerned that the Administration's inadequate request for the ACE project could result in a delay in the planned replacement of the legacy system, ACS, by a number of years. The Committee is concerned that delay beyond the 5-year track begs the question of whether ACE will be obsolete before it is functional. Delays also increase exposure to increased costs and risk of project failure. Additionally, delay in the development of ACE places concurrent additional burdens on the aging ACS system it was designed to replace. To allow for advances in technology over time, consideration should be given by Customs to design flexibility to address vagaries in the completion date and allow for technology insertion. The Committee directs Customs, in concert with General Accounting Office (GAO) and the Department of the Treasury, to report periodically on the status of the project pertaining to the need for technology insertion, to include the reasons, whether through technological advancement or delay in project completion.

The Committee strongly believes that continued oversight of the program by GAO and Treasury is critical to successful adherence to the ACE expenditure plan. Periodic review of investment increments allows for oversight of the capital planning and architecture development and is consistent with best practices. The Committee directs that regular quarterly reports continue to be provided until ACE become functional. Additionally, the Committee directs Customs to submit requests for release of funds, including a cost-benefit analysis, in a timely manner, but in no case less than 30 days from the anticipated need for the funds.

HARBOR MAINTENANCE FEE COLLECTION

Appropriations, 2001 .....	\$2,993,000
Budget estimate, 2002 .....	2,993,000
Committee recommendation .....	3,000,000

The Committee provides \$3,000,000 to be transferred from the harbor maintenance trust fund to the Customs Service "salaries and expenses" appropriation.

The harbor maintenance fee was established to provide resources to the Army Corps of Engineers for the improvement of American channels and harbors. The fee is assessed on the value of commercial imports and exports delivered to and from certain specified ports. The fee is collected by the Customs Service. The transferred funds will offset the costs incurred by Customs in collecting these fees.

## U.S. MINT

The U.S. Mint manufactures coins, sells numismatic and investment products, and provides for security and asset protection. Public Law 104-52 established the U.S. Mint Public Enterprise Fund (the Fund). The new Fund encompasses the previous Salaries and Expenses, Coinage Profit Fund, Coinage Metal Fund, and the Numismatic Public Enterprise Fund. The Mint submits annual audited business-type financial statements to the Secretary of the Treasury and to Congress in support of the operations of the revolving fund.

The operations of the Mint are divided into three major activities: Circulating Coinage; Numismatic and Investment Products; and Protection. The Mint is credited with receipts from its circulating coinage operations, equal to the full cost of producing and distributing coins that are put into circulation, including depreciation of the Mint's plant and equipment on the basis of current replacement value. From those receipts, the Mint pays its cost of operations, which includes the costs of production and distribution. The difference between the face value of the coins and these costs are profit, which is deposited as seigniorage to the general fund. In 2000, the Mint transferred \$2,281,000,000 to the General Fund. Any seigniorage used to finance the Mint's capital acquisitions is recorded as budget authority in the year that funds are obligated for this purpose, and as receipts over the life of the asset.

The Committee is concerned about the direction of the marketing campaigns which the U.S. Mint is using to promote the \$1 coin and the circulating commemorative quarters authorized under Public Law 105-124. The Committee is also concerned about the lack of information regarding the nature and extent to which the \$1 coin is being used in commerce, and the total funding to date of the marketing of the \$1 coin. The Committee has also not received information on all contracts and agreements secured between the Mint and non-government entities, and those secured by all public relations firms working on behalf of the Mint contained within the report, "Report to Congress on the Marketing of the Golden Dollar," submitted to the Congress by the U.S. Mint. The Committee is especially concerned about the lack of coordination between the Mint and the Congress on these promotional efforts. Therefore, the U.S. Mint shall not draw funds from the United States Mint Public Enterprise Fund to promote the \$1 coin or the circulating commemorative quarters until the Secretary or his designee submits to the Committee on Appropriations and the Committee approves a marketing plan for such promotional efforts. This provision shall not be construed to limit the sales or marketing of any of these coins for sale directly to the public through the U.S. Mint's traditional numismatic sales channels.

The Committee also is concerned about the amount of travel outside the continental United States by U.S. Mint employees. Therefore, the U.S. Mint shall not draw funds from the United States Mint Public Enterprise Fund for travel outside the continental United States until the Secretary or his designee has approved such travel. The Secretary or his designee shall submit a report on

the cost of such travel during fiscal year 2001 to this Committee no later than October 31, 2001.

The Committee also is concerned about the content of the quarterly reports submitted to the Congress as required by the conference report accompanying Public Law 104–52. The Committee intended for these reports to be a useful tool for Congress to judge whether or not the U.S. Mint is effectively implementing the United States Mint Public Enterprise Fund. The Committee believes that the report has degenerated into a marketing device and is concerned by this development. The Committee fully expects that the reports will begin to show a more comprehensive view of the operations of the U.S. Mint rather than only the positive aspects.

#### GOLDEN DOLLAR COIN

The Committee strongly supported the creation and circulation of the Golden Dollar (Sacagawea) coin. However, the Committee notes with disappointment that nearly a year has passed since the coin was first introduced, and the coin has yet to enter into regular circulation. It appears that notwithstanding rosy reports from the Mint, the coin is recognized but not used by the general public. By way of explanation, the Mint states that the coin is not circulating because it is being collected as a novelty. The Committee is not satisfied with this explanation and has asked the General Accounting Office (GAO) to provide a report on the Mint's marketing and promotion of the coin. Some of the issues to be addressed are, inter alia, promotional activities for the coin to date, the impact of having two \$1 coins in circulation simultaneously, method of distribution by the Federal Reserve, and the effect of business contracts between the Mint and commercial entities to market the coin.

#### BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing (BEP) designs, manufactures, and supplies Federal Reserve notes, various public debt instruments, as well as most evidences of a financial character issued by the United States, such as postage and internal revenue stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps.

The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the Bureau to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The Bureau is also authorized to assess amounts to acquire capital equipment and provide for working capital needs. Bureau operations during 2000 resulted in an increase to retained earnings of \$15,000,000.

The anticipated work volume is based on estimates of requirements submitted by agencies served. The program comprises the following activities:

*Currency.*—Total deliveries of currency for 2001 and 2002 are estimated to be 7.5 billion notes each year. During 2000, the Bureau delivered 9 billion Federal Reserve notes.

*Stamps.*—This category of work is comprised of postal and internal revenue stamps. The projected requirements for 2001 and 2002 are estimated to be 15 billion and 12 billion stamps, respectively. In 2000, the Bureau delivered 17.5 billion stamps.

*Securities.*—This program encompasses the production of a wide variety of bonds, notes, and debentures for the Bureau of Public Debt and certain other agencies of the Government.

*Commissions, certificates, etc.*—This program is comprised primarily of Presidential and Department of Defense commissions and certificates, White House invitations, and identification cards for various Government agencies. It represents a small portion of the Bureau's total workload.

*Space utilized by other agencies.*—Other agencies are charged for services provided in the space occupied in the Bureau's buildings.

*Other miscellaneous services.*—A wide variety of miscellaneous services are performed by Bureau personnel for other agencies, which are charged on an actual cost basis.

*Purchase of operating equipment.*—This category consists of new purchases and replacement of printing equipment and other related printing items.

*Plant alterations and experimental equipment.*—This category encompasses alterations made on the Bureau's buildings and purchases of experimental equipment. The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the Bureau to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The Bureau is also authorized to assess amounts to acquire capital equipment and provide for working capital needs. Bureau operations during 2000 resulted in an increase to retained earnings of \$15,000,000.

No direct appropriation is required to cover the activities of the Bureau.

## BUREAU OF THE PUBLIC DEBT

### ADMINISTERING THE PUBLIC DEBT

Appropriations, 2001 .....	\$182,699,000
Budget estimate, 2002 .....	185,370,000
Committee recommendation .....	187,318,000

The Committee recommends an appropriation of \$187,318,000 for the Bureau of the Public Debt in fiscal year 2002, an increase of \$4,619,000 above fiscal year 2001 levels and \$1,948,000 above the President's request. This amount includes a one-time only increase to \$15,000 within existing funds for official reception and representation expenses. This will allow the Bureau of Public Debt to host the third annual International Retail Debt Collection conference in May 2002. The increase above the President's request is for non-pay inflation.

This appropriation provides funds for the conduct of all public debt operations and the promotion of the sale of U.S. savings-type securities.

*Savings securities.*—This activity involves the issuance, servicing, and retirement of savings bonds and notes and retirement-type se-

curities, including: (1) the maintenance and servicing of individual accounts of owners of series H and HH bonds and the authorization of interest payments; and (2) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost. These functions are performed directly by the Bureau of the Public Debt, by the Federal Reserve Banks as fiscal agents of the United States, and by the qualified agents which issue and redeem savings bonds and notes. This activity also consists of sales promotion efforts, using press, radio, other advertising media, and organized groups, augmented by concentrated sales campaign emphasizing payroll savings plans.

*Marketable and special securities.*—This activity involves all securities of the United States, other than savings and retirement securities, including securities of Government corporations for which the Bureau of the Public Debt provides services. Functions performed relate to the issuance, servicing, and retirement of these securities, both directly by the Bureau and through the Federal Reserve Banks, as fiscal agents, including: (1) the maintenance and servicing of individual accounts of owners of registered securities and book-entry Treasury bills; (2) the authorization of interest and principal payments; and (3) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost.

## INTERNAL REVENUE SERVICE

### SUMMARY

The Committee has recommended a total of \$9,450,387,000 for the Internal Revenue Service (IRS) in fiscal year 2002. This amount is \$609,661,000 above the fiscal year 2001 enacted level and an increase of \$28,000,000 above the President's request.

#### IRS RESTRUCTURING AND REFORM ACT OF 1998

The IRS Restructuring and Reform Act of 1998 (RRA 98) required the Commissioner of Internal Revenue to develop and implement a plan to reorganize the IRS to establish units to serve particular groups of taxpayers with similar needs. This directive has resulted in the creation of a new organizational structure which establishes four operating divisions—Wage and Investment Income (individual taxpayers), Small Business and Self-Employed, Tax Exempt and Government Entities, and Large and Mid-Size Business. While full implementation of this new organizational structure will take time, it should result in more accurate and timely taxpayer assistance.

RRA 98 also requires the IRS to emphasize taxpayer assistance which has resulted in the transfer of resources from the Tax Law Enforcement (TLE) account into the Processing, Assistance, and Management and the Information Systems accounts. While the Committee has not objected to these transfers, there is continuing concern about the impact of this transfer on the Service's ability to effectively enforce tax laws and collect taxes due.

## PROCESSING, ASSISTANCE, AND MANAGEMENT

Appropriations, 2001 .....	\$3,643,166,000
Budget estimate, 2002 .....	3,783,347,000
Committee recommendation .....	3,786,347,000

The Committee recommends an appropriation of \$3,786,347,000 for processing, taxpayer assistance, and management. This amount is \$143,181,000 above fiscal year 2001 levels and \$3,000,000 above the President's request. This includes an additional \$1,000,000 for Volunteer Income Taxpayer Assistance and an additional \$2,000,000 for the Low Income Taxpayer Clinic program.

This appropriation provides for: processing tax returns and related documents; assisting taxpayers in the filing of their returns, paying taxes that are due, and complying with tax laws; issuing technical rulings; revenue accounting, conducting background investigations; managing financial resources, rent and utilities.

*Pre-Filing Taxpayer Assistance and Education.*—This activity includes resources to support services provided before a return is filed to assist the taxpayer in filing a correctly. Included in this activity are staffing, training and direct support for (1) pre-filing services operational management; (2) tax law interpretation and published guidance; (3) taxpayer communication and education to research customer needs, prepare tax forms and publications, develop and manage education programs, establish partnerships with stakeholder groups, and disseminate tax information to taxpayers and the general public; (4) rulings and agreements to apply the tax law to specific taxpayers in the form of pre-filing agreements, determination letters, advance pricing agreements and other pre-filing determinations and advice; (5) marketing of electronic tax administration products and services; and (6) ensuring that taxpayers have an advocate to prevent future problems by identifying the underlying causes of taxpayers' problems and to participate in the development of systemic and/or procedural remedies.

*Filing and Account Services.*—This activity provides resources to support services provided to a taxpayer in the process of filing returns and paying taxes in addition to issuance of refunds and maintenance of taxpayers records. Included in this activity are staffing, training and direct support for (1) filing and account services operational management; (2) submission processing of paper and electronically submitted tax returns and supplemental documents which account for tax revenues, and issue refunds and tax notices; (3) electronic/correspondence assistance to taxpayers to resolve account and notice inquires, either electronically or by telephone; (4) face-to-face assistance to taxpayers, including return preparation, answering tax questions, resolving account and notice inquiries, and supplying forms and publications to taxpayers; and (5) processing of information documents which enables the Service to match this information with that provided by taxpayers on their returns.

*Shared Services Support.*—This activity provides staffing, training and direct support for (1) services and supplies to manage IRS facilities; (2) human resources programs including recruitment, labor and employee relations, workforce planning and evaluation, performance management, employee benefits, personnel security

and transactional processing; (3) procurement; (4) the Servicewide EEO and Diversity program; (5) the Servicewide Learning Delivery program; (6) financial services including relocation, travel, imprest fund, purchase cards, corporate express and employee clearance; and (7) Treasury complaint centers. This activity also provides resources for (1) building rent; (2) IRS building services, maintenance space alterations, guard services, custodial overtime, utility services, and non-information technology equipment; (3) shared support such as copiers, postage meters, shredders, courier services, P.O. boxes, etc.; and (4) cleaning, maintenance, utilities, security and repair costs of delegated buildings.

*General Management and Administration.*—This activity provides staffing, training and direct support for (1) business unit headquarters management activities of strategic planning, communications and liaison, finance, human resources, EEO and diversity, and business systems planning; (2) national headquarters management and administration of policy making and goal setting, leadership and direction for the IRS, building partner relationships with key stakeholders (e.g., Congress, OMB, etc.); (3) strategic direction Servicewide for communications, Government liaison and disclosure, legislative affairs and public liaison; (4) general legal advice to the IRS on non-tax legal issues including procurement, personnel, labor relations, equal employment opportunity, fiscal law, tort claims and damages, ethics, and conflict of interest; and (5) payments for workmen's compensation benefits and unemployment compensation payments.

#### IRS STAFFING PLANS

The Committee continues to support adequate staffing levels for effective tax administration and supports the staffing plans for the Internal Revenue Service facilities in the communities of Martinsburg and Beckley, WV. Therefore, the Committee urges the IRS, within the constraints of the fiscal year 2002 funding levels, to make no staffing reductions at the Martinsburg National Computing Center and the programmed level at the Administrative Services Center in Beckley, WV.

#### TAXPAYER SERVICES

The Committee is pleased that the IRS is providing more service and assistance to taxpayers, especially in rural and less populated areas. The Committee notes the benefits provided by, and increased usage of, mobile tax preparation services in North Dakota. The Committee commends the IRS for providing this mobile taxpayer service and urges the IRS to use existing resources to expand this mobile service to New Mexico, with a special emphasis on providing these services to Native American reservations and pueblos. To increase use of these mobile services, the Committee urges the IRS to make a greater effort to provide early notice to local media of the dates and times the mobile services will be in specific locations.

#### TAX COUNSELING FOR THE ELDERLY

The Committee once again believes that the Tax Counseling Program for the Elderly has proven to be most successful. To meet the

goals of this program, \$3,950,000 is included within the aggregate amount recommended by the Committee for processing tax returns and assistance in fiscal year 2002. To ensure that the full effect of the program is accomplished, the IRS is directed to cover administrative expenses within existing funds.

#### TAXPAYER SERVICES IN ALASKA AND HAWAII

Given the remote distance of Alaska and Hawaii from the U.S. mainland and the difficulty experienced by Alaska and Hawaii taxpayers in receiving needed tax assistance by the national toll-free line, it is imperative that the Taxpayer Advocate Service office in each of these States is fully staffed and capable of resolving taxpayer problems of the most complex nature. The Committee directs the Internal Revenue Service to staff each Taxpayer Advocate Service office in each of these States with a Collection Technical Advisor and an Examination Technical Advisor in addition to the current complement of office staff. Staffing shall be increased if, as the result of the IRS Restructuring and Reform Act of 1998, subsequent legislation, or other factors, the number of cases or their complexity increases.

#### LOW-INCOME TAXPAYER CLINIC

The Committee commends the IRS for the Low-Income Taxpayer Clinic (LITC) program. With the growing complexity of tax laws, this program has provided invaluable help for taxpayers who are seeking to resolve disputes with the IRS. To ensure that the goals of the LITC program are maintained, the Committee has provided a total of \$8,000,000 to assist low-income tax clinics across the Nation.

#### VOLUNTEER INCOME TAX ASSISTANCE

The Committee notes that the existing Volunteer Income Tax Assistance (VITA) program provides an invaluable service by helping low income taxpayers prepare and file their Federal income tax returns. The Committee understands that VITA volunteers receive only in-kind contributions of forms and equipment from the IRS. An additional \$1,000,000 has been provided to assist VITA programs in increasing the capacity to file returns electronically and to cover some operational expenses.

#### REMOTE TRAINING FACILITIES

The Committee commends the IRS for creating IRS Remote Training Facilities throughout the country. Because of the extensive travel costs associated with bringing IRS employees to central locations for training, the IRS Training Section has begun deploying training locations around the country. The Committee understands that these locations usually consist of satellite downlink, television, VCR and 20 communications devices. These remote locations have helped tremendously to improve training efforts, reduce travel costs substantially and reduce the number of man-hours lost to travel. The Committee understands that the IRS has a goal of placing a remote training facility at locations that serve 50 or more employees. Therefore, the Committee strongly urges the IRS to con-

tinue this program and directs the IRS to place a remote training facility in North Dakota. Because the IRS has a presence in Fargo, North Dakota, the Committee recommends placing this remote facility at North Dakota State University. The University has state of the art facilities available, including Internet access, and is ideally suited to accommodate IRS training requirements in North Dakota, northern South Dakota and western Minnesota.

Further, the Committee is aware that the University of Missouri Kansas City and Rolla campuses are uniquely situated to assist the IRS with employee training through distance learning. The Committee strongly encourages the IRS to work directly with the Kansas City and Rolla campuses to provide professional and continuing education programs at a distance to ensure that employees in taxpayer assistance positions meet the IRS customer satisfaction goals.

#### TAX LAW ENFORCEMENT

Appropriations, 2001 .....	\$3,366,380,000
Budget estimate, 2002 .....	3,533,198,000
Committee recommendation .....	3,535,198,000

The Committee recommends an appropriation of \$3,535,198,000 for tax law enforcement activities in fiscal year 2002. This amount is \$168,818,000 above fiscal year 2001 levels and \$2,000,000 above the President's request, which is for a study on transfer pricing.

This appropriation funds IRS's ability to provide equitable application and enforcement of the tax laws, identify possible nonfilers for investigations, investigate violations of criminal statutes, and supports the Statistics of Income program.

*Compliance Services.*—This activity funds services to taxpayers after a return is filed, identifying and attempting to correct possible errors or underpayment. It provides for the examination of tax returns, both domestic and international, and the administration and judicial settlement of taxpayer appeals of examination findings. It also provides for monitoring employee pension plans, determining qualifications of organizations seeking exempt status, examining the tax returns of exempt organizations, enforcing statutes relating to detection and investigation of criminal violations of the internal revenue laws and other financial crimes, collecting unpaid accounts, securing unfiled tax returns and payments, analyzing and determining the reasons for delinquent accounts, preventing accounts from becoming delinquent, and preventing non-filing. This activity also provides for legal counsel regarding legal interpretation of the law and representation in litigation.

*Research and Statistics of Income.*—This activity funds research and statistical analysis support for the Service. It provides annual income, financial, and tax data from tax returns filed by individuals, corporations, and tax-exempt organizations. Likewise it provides resources for market-based research to identify compliance issues, for conducting tests of treatments to address non-compliance, and for the implementation of successful treatments of taxpayer non-compliant behavior.

The Committee continues to be concerned about the practice known as "transfer pricing." This is a practice used by some large multinational companies to underreport their U.S. income and to

improperly avoid paying billions of dollars of U.S. taxes annually. The Committee is aware of research conducted at the Florida International University regarding this practice to determine the amount of revenue that may be recovered by the Federal Government if such practices were curtailed. The Committee provides an additional \$2,000,000 to this account to expand upon this ongoing research effort. The Committee also notes that the Customs Service has also done additional research in this area. The Committee directs IRS and Customs to collaborate with the researchers at Florida International University and directs that the funds be transferred within 90 days of enactment of this Act.

EARNED INCOME TAX CREDIT

Appropriations, 2001 .....	\$144,681,000
Budget estimate, 2002 .....	146,000,000
Committee recommendation .....	146,000,000

The Committee recommends an appropriation of \$146,000,000, which is equal to the budget request.

The “Earned income tax credit” (EITC) appropriation provides for expanded customer service and public outreach programs, strengthened enforcement activities, and enhanced research efforts to reduce overclaims and erroneous filing associated with the earned income tax credit.

Expanded customer service includes dedicated, toll-free telephone assistance, increased community-based tax preparation sites, and a coordinated marketing and educational effort (including paid advertising and direct mailings) to assist low-income taxpayers in determining their eligibility for EITC. Improved compliance includes increased staff and systemic improvements in submissions processing, examination, and criminal investigation programs. In returns processing, new procedures include expanded use of math error authority and the identification of EITC-based refund claims involving invalid or duplicate primary, secondary, and dependent tax identification numbers (TIN’s). Increased examination coverage, prior to issuance of refunds, reduces overpayment and encourages compliance in subsequent filing periods. In addition, post-refund correspondence audits by service center staff aids in the recovery of erroneous refunds. Criminal investigation activities target individuals and practitioners involved in fraudulent refund schemes and generate referrals of suspicious returns for followup examination. Examination staff, assigned to district offices, audit return preparers and may apply penalties for noncompliance with due diligence requirements.

Enhanced research activities and projects focus on EITC claimant characteristics and patterns of noncompliance and are designed to improve education and outreach products, strengthen IRS abuse detection capabilities, and measure the effects of Servicewide programs on compliance levels for the EITC-eligible taxpayer population. This appropriation also funds the development of specialized research data bases and masterfile updates, reimbursement to the Social Security Administration (SSA) for enhancements to the SSA numbering systems, and cooperative efforts with State vital statistics offices.

## INFORMATION SYSTEMS

Appropriations, 2001 .....	\$1,522,416,000
Budget estimate, 2002 .....	1,563,249,000
Committee recommendation .....	1,563,249,000

The Committee recommends an appropriation of \$1,563,249,000 for information systems activities in fiscal year 2002. This amount is equal to the budget estimate.

This appropriation provides for Servicewide information systems operations and maintenance, and investments to enhance or develop business applications for the IRS Business Units. The appropriation includes staffing, telecommunications, hardware and software (including commercial-off-the-shelf), and contractual services.

*Information services.*—This activity provides the salaries, benefits, and related costs to manage, maintain, and operate the information systems that support tax administration. The Service's business activities rely on these information systems to process tax and information returns, account for tax revenues collected, send bills for taxes owed, issue refunds, assist in the selection of tax returns for audit, and provide telecommunications services for all business activities including the public's toll free access to tax information. These systems are located in a variety of sites including the Martinsburg, West Virginia, Memphis, Tennessee, and Detroit, Michigan Computing Centers; Service Centers; and in other field office operations. Staffing in this activity develops and maintains the millions of lines of programming code supporting all aspects of tax processing; as well as operating and administering the Service's hardware infrastructure of mainframes, minicomputers, personal computers, networks, and a variety of management information systems.

*Information systems improvement programs.*—This activity funds improvements or enhancements to business applications that support requirements unique to one of the new IRS Business Units. These projects meet the following criteria: each project is small or medium in size and can be fully developed and implemented in 1 to 2 years; it supports specialized functions of a single Business Unit; and it conforms to the modernized IRS architecture. These projects differ in scope from those funded by the Business Systems Modernization Program, which addresses major common tax administration systems that cross Business Unit lines.

## BUSINESS SYSTEMS MODERNIZATION

Appropriations, 2001 .....	\$71,593,000
Budget estimate, 2002 .....	396,593,000
Committee recommendation .....	419,593,000

The Committee has renamed this account "Business Systems Modernization" and recommends an appropriation of \$419,593,000. This amount is \$348,000,000 above fiscal year 2001 levels and \$23,000,000 above the President's budget request. This account, previously called "Information technology investments", provides for revamping business practices and acquiring new technology. The agency is using a formal methodology to prioritize, approve, fund, and evaluate its portfolio of business systems modernization investments. This methodology enforces a documented, repeatable,

and measurable process for managing investments throughout their life cycle. Investment decisions are approved by the IRS Core Business System Executive Steering Committee, chaired by the Commissioner.

The Committee is aware of the lengthy internal process IRS has to complete before funds for the capital asset acquisition of information technology systems can be released. The Committee directs IRS to report to the Committee on Appropriations no later than January 31, 2002 on the steps it is planning to take to streamline this process.

#### BUSINESS SYSTEMS MODERNIZATION EFFORT

The Committee very much appreciates the personal attention that the Commissioner has devoted to the systems modernization effort, and continues to recognize the need to modernize the time-worn IRS computer systems. The Committee also remains steadfast on the legislative demands that funds provided under the "Business Systems Modernization" account only be used in a manner that implements the IRS Modernization Blueprint, meets OMB investment guidelines, meets the requirements of the systems life cycle program, and are otherwise in compliance with Federal acquisition requirements and practices.

As expressed in communications with the Service, the Committee is also adamant that the IRS continue to proceed with the systems modernization in a way that is consistent with General Accounting Office (GAO) recommendations. The Committee acknowledges that the spending plans submitted to Congress thus far generally have been consistent with the legislative demands as well as GAO recommendations, and appreciates efforts by the IRS management team to keep GAO informed as those spending plans are developed.

However, the Committee remains concerned about the limited progress to date, and hopes that the IRS will heed the admonition to correct management weaknesses and establish the capability to build an effective, modernized system.

#### IRS—ADMINISTRATIVE PROVISIONS

The Committee has recommended approval of the following administrative provisions for the Internal Revenue Service:

Section 101 continues a provision which authorizes the IRS to transfer up to 5 percent of any appropriation made available to the agency in fiscal year 2002, to any other IRS account. The IRS is directed to follow the Committee's reprogramming procedures outlined earlier in this report.

Section 102 continues a provision which maintains a training program in taxpayer's rights and cross-cultural relations.

Section 103 continues a provision which requires the IRS to institute and enforce policies and procedures which will safeguard the confidentiality of taxpayer information.

Section 104 continues a provision which directs that funds shall be available for improved facilities and increased manpower to provide sufficient and effective 1-800 telephone assistance and that the Commissioner shall continue to make this a priority.

U.S. SECRET SERVICE  
SALARIES AND EXPENSES

Appropriations, 2001 .....	\$824,885,000
Budget estimate, 2002 .....	857,117,000
Committee recommendation .....	899,615,000

The Committee recommends an appropriation of \$899,615,000 for the U.S. Secret Service in fiscal year 2002. This amount is \$74,730,000 above fiscal year 2001 levels and \$42,498,000 above the President's request. The Committee recommendation also includes \$32,944,000 for the third and final year of the workforce retention and workforce balancing initiative. The increase above the President's request includes \$9,000,000 for non-pay inflation.

The Secret Service is responsible for the security of the President, the Vice President and other dignitaries and designated individuals; for enforcement of laws relating to obligations and securities of the United States and financial crimes such as financial institution fraud and other fraud; and for protection of the White House and other buildings within Washington, D.C.

*Investigations, protection, and uniformed activities.*—The Service must provide for the protection of the President of the United States, members of his immediate family, the President-elect, the Vice President, or other officer next in the order of succession to the Office of the President, and the Vice President-elect, and the members of their immediate families unless the members decline such protection; protection of the person of a visiting head and accompanying spouse of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of the person of former Presidents, their spouses and minor children unless such protection is declined. The Service is also responsible for the detection and arrest of persons engaged in counterfeiting, forging, or altering of any of the obligations or other securities of the United States and foreign governments; the investigation of thefts and frauds relating to Treasury electronic fund transfers; fraudulent use of debit and credit cards; fraud and related activity in connection with Government identification documents; computer fraud; food coupon fraud; and the investigation of personnel, tort claims, and other criminal and noncriminal cases.

The Secret Service Uniformed Division protects the Executive Residence and grounds in the District of Columbia; any building in which White House offices are located; the President and members of his immediate family; the official residence and grounds of the Vice President in the District of Columbia; the Vice President and members of his immediate family; foreign diplomatic missions located in the Washington metropolitan area; and the Treasury Building, its annex and grounds, and such other areas as the President may direct on a case-by-case basis.

*Presidential candidate protective activities.*—The Secret Service is authorized to protect major Presidential and Vice Presidential candidates, as determined by the Secretary of the Treasury after consultation with an advisory committee. In addition, the Service is authorized to protect the spouses of major Presidential and Vice

Presidential candidates; however, such protection may not commence more than 120 days prior to the general Presidential election.

MISSING AND EXPLOITED CHILDREN

The Committee has included \$4,187,000 for the Service’s operation costs of the exploited child unit, associated with its continued efforts with the National Center for Missing and Exploited Children, including \$2,554,000 as a grant for investigations of exploited children.

ACQUISITION, CONSTRUCTION, IMPROVEMENT AND RELATED EXPENSES

Appropriations, 2001 .....	\$8,921,000
Budget estimate, 2002 .....	3,352,000
Committee recommendation .....	3,352,000

The Committee recommends an appropriation of \$3,352,000 for the “Acquisition, construction, improvement and related expenses” account in fiscal year 2002, which is equal to the budget estimate.

This appropriation provides funding for the James J. Rowley Training Center to continue development of the current Master Plan and to maintain and renovate existing facilities to ensure efficient and full utilization of the Center.

DEPARTMENT OF THE TREASURY

GENERAL PROVISIONS

The Committee recommends that certain general provisions be included in the Senate bill. The provisions do the following:

Section 110 continues a provision which pertains to reprogramming instructions for unobligated funds.

Section 111 continues a provision which authorizes certain basic services within the Treasury Department in fiscal year 2002, including purchase of uniforms; maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; and contracts with the Department of State for health and medical services to employees and their dependents serving in foreign countries.

Section 112 continues a provision which requires that funds provided to ATF for fiscal year 2002 will be expended in such a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

Section 113 continues a provision which authorizes transfers, up to 2 percent, between law enforcement appropriations under certain circumstances.

Section 114 continues a provision which authorizes transfers, up to 2 percent, between Departmental Offices, Office of Inspector General, Treasury Inspector General for Tax Administration, Financial Management Service, and the Bureau of the Public Debt appropriations under certain circumstances.

Section 115 continues a provision which authorizes transfer, up to 2 percent, between the Internal Revenue Service and the Treasury Inspector General for Tax Administration under certain circumstances.

Section 116 continues a provision to require that the purchase of law enforcement vehicles is consistent with Departmental vehicle management principles.

Section 117 authorizes the Secretary of the Treasury to transfer funds from Salaries and Expenses, Financial Management Service, to the Debt Services Account as necessary to cover the costs of debt collection. Such amounts shall be reimbursed to the Salaries and Expenses account from debt collections received in the Debt Services Account.

Section 118 is a new provision that authorizes intelligence and intelligence-based activities at the Department of the Treasury.

Section 119 is a new provision that extends the pilot project for designated critical occupations for one additional year.

Section 120 is a new provision that requires authorization for the construction and operation of a museum by the United States Mint.

TITLE II—U.S. POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriations, 2001 .....	\$95,888,000
Budget estimate, 2002 .....	76,619,000
Committee recommendation .....	76,619,000

The Committee recommends an appropriation of \$76,619,000 in fiscal year 2002 for payment to the Postal Service Fund. The Committee provides \$56,303,000 for providing free mail to the blind and overseas voters and \$8,684,000 has been deducted to reconcile previous fiscal year estimated mail volume with actual volume. The Committee also provides \$29,000,000 as partial reimbursement for losses incurred in previous years for reduced-rate mail, as required by the Revenue Forgone Act of 1993.

Revenue forgone on free and reduced-rate mail enables postage rates to be set at levels below the unsubsidized rates for certain categories of mail as authorized by subsections (c) and (d) of section 2401 of title 39, United States Code. Free mail for the blind and overseas voters will continue to be provided at the funding level recommended by the Committee.

The Committee includes provisions in the bill that would assure that mail for overseas voting and mail for the blind shall continue to be free; that 6-day delivery and rural delivery of mail shall continue at the 1983 level; and that none of the funds provided be used to consolidate or close small rural and other small post offices in fiscal year 2002. These are services that must be maintained in fiscal year 2002 and beyond.

The Committee believes that 6-day mail delivery is one of the most important services provided by the Federal Government to its citizens. Especially in rural and small town America, this critical postal service is the linchpin that serves to bind the Nation together. The Committee was extremely concerned when the Postal Service Board of Governors announced on April 3, 2001 that it had directed the management of the Postal Service to study cost-savings associated with reducing delivery to five days. Likewise, the Committee believes the Board made the right decision on July 10, 2001 when, after receiving the preliminary findings and decided to maintain 6-day delivery. The Committee recognizes that the Postal Service faces fiscal woes, but it believes that there are other means available to resolve this problem than reducing mail delivery to Americans.

PEST INTRODUCTIONS

The Committee is concerned that recent introductions of plant and animal pests and diseases into Hawaii may have occurred through the U.S. postal system. Such introductions have severe consequences for U.S. agriculture, biodiversity, and public health

and safety. The U.S. Postal Service is directed to work with the U.S. Department of Agriculture and the Hawaii Department of Agriculture to devise and implement a program to combat pest introductions.

#### ETHANOL VEHICLES

The Committee commends the USPS for their purchase and deployment of ethanol flexible fuel vehicles—Long Life E-85 vehicles—and their increasing use of this alternative fuel. The Committee encourages the USPS to continue to purchase ethanol flexible fuel vehicles. The Committee understands that the USPS will locate vehicles as its operations require and that local providers will be encouraged to develop the necessary infrastructure to enable convenient access to ethanol at competitive prices.

#### LAKE ST. LOUIS, MISSOURI

The Committee is aware that the city of Lake St. Louis, Missouri has a population of 10,500 citizens, is experiencing rapid growth, and is without a full service post office. The Committee directs the Postal Service to expeditiously evaluate the need for a full service post office in Lake St. Louis, working with local officials and community leaders. The Committee further asks that the Postal Service report its findings to the Committee.

#### POSTAL SERVICE EFFICIENCIES

The Committee commends the Postal Service for its previous efforts to improve service and promote efficiencies, which are critical to providing universal mail service throughout the United States. The Committee is eager to learn more about other new and innovative ways to serve the public and enhance USPS operations. Accordingly, the Committee requests that the Postal Service provide the Committee with a report 90 days after enactment detailing and supporting the Postal Service's position as to the scope of its existing authority under title 39, United States Code, and title 39, Code of Federal Regulations, to introduce and provide new products and services (including the introduction and provision of new products and services on an experimental or market test basis) and to enter into negotiated service agreements with individual customers or groups of customers. Such report shall detail any efforts to use such authority within the past 24 months.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

SUMMARY

The President's fiscal year 2002 budget request under this title totals \$731,725,000. The Committee recommendation is \$755,519,000. This amount is \$55,246,000 above the fiscal year 2001 appropriations and \$23,794,000 above the President's request.

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

Appropriations, 2001 .....	\$390,000
Budget estimate, 2002 .....	450,000
Committee recommendation .....	450,000

The fiscal year 2002 budget request for compensation of the President is \$450,000. This amount includes \$400,000 for the direct salary of the President as authorized by 3 U.S.C. 102, and a \$50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered as taxable to the President.

The Committee recommends the full budget request of \$450,000 for compensation of the President.

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$53,171,000
Budget estimate, 2002 .....	54,165,000
Committee recommendation .....	54,165,000

The Committee recommends an appropriation of \$54,165,000 for the White House Office. This is the same as the President's request.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. Public Law 95-570 authorizes appropriations for the White House Office and codifies the activities of the White House Office.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

Appropriations, 2001 .....	\$10,876,000
Budget estimate, 2002 .....	11,914,000
Committee recommendation .....	11,914,000

The Committee recommends an appropriation of \$11,914,000 for the Executive Residence at the White House. The Committee recommendation is equal to the budget estimate.

These funds provide for the care, maintenance, refurnishing, improvement, heating, and lighting, including electrical power and fixtures, of the Executive Residence.

The Executive Residence staff provides for the operation of the Executive Residence. A staff of 40 domestic employees accomplish general housekeeping, prepare and serve meals, greet visitors, and provide services as required in support of official and ceremonial functions. A staff of 33 tradespersons, including plumbers, carpenters, painters, on a single shift; electricians on a double shift; and operating engineers on a 24-hour basis, maintains and makes repairs, minor modifications, and improvements to the 132 rooms and the mechanical systems, and provides support for official and ceremonial functions.

A staff of 12 specialized employees provide services necessary to the operation of the White House and official and ceremonial functions. This staff includes four florists, four curators, and four calligraphers.

An administrative staff consists of the chief usher, four assistant ushers, one executive grounds superintendent, one operating accountant, one accounting technician, one computer network engineer, and one administrative officer. This staff is charged with management and administrative functions of the Executive Residence. This requires coordination with the Executive Office of the President, the National Park Service, the military, the U.S. Secret Service, the General Services Administration, and other agencies.

During larger events, the Executive Residence staff is assisted by contract personnel under personal services contract agreements (services by agreement) to provide additional help as required for official and ceremonial functions.

#### WHITE HOUSE REPAIR AND RESTORATION

Appropriation, 2001 .....	\$966,000
Budget estimate, 2002 .....	8,625,000
Committee recommendation .....	8,625,000

The Committee recommends an appropriation of \$8,625,000 for White House Repair and Restoration. The Committee recommendation is equal to the budget estimate.

To provide for the repair, alteration, and improvement of the Executive Residence at the White House, a separate account was established in fiscal year 1996 to program and track expenditures for the capital improvement projects at the Executive Residence at the White House.

#### SPECIAL ASSISTANCE TO THE PRESIDENT

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$3,665,000
Budget estimate, 2002 .....	3,896,000
Committee recommendation .....	3,896,000

The Committee recommends an appropriation of \$3,896,000 for special assistance to the President. The Committee recommendation equals the budget estimate.

The "Special assistance to the President" account was established on September 26, 1970, to enable the Vice President to provide as-

sistance to the President. This assistance takes the form of directed and special Presidentially assigned functions.

The objective of the Office of the Vice President is to efficiently and effectively advise, assist, and support the President in the areas of domestic policy, national security affairs, counsel, administration, press, scheduling, advance, special projects, and assignments. Assistance is also provided for the wife of the Vice President.

The Vice President also has a staff funded by the Senate to assist him in the performance of his duties in the legislative branch.

The level of funding recommended by the Committee will allow for 24 full-time permanent positions in fiscal year 2002.

#### OFFICIAL RESIDENCE OF THE VICE PRESIDENT

##### OPERATING EXPENSES

Appropriations, 2001 .....	\$353,000
Budget estimate, 2002 .....	314,000
Committee recommendation .....	314,000

The Committee recommends an appropriation of \$314,000 for the official residence of the Vice President. This amount equals the budget estimate.

The "Official Residence of the Vice President (residence)" account was established by Public Law 93-346 on July 12, 1974. The residence is located on the grounds of the Naval Observatory in the District of Columbia and serves as a facility for official and ceremonial functions and as a home for the Vice President and his family.

The objective of the "Residence" account is to provide for the care of, operation, maintenance, refurnishing, improvement, and heating and lighting of the residence and to provide such appropriate equipment, furnishings, dining facilities, services, and provisions as may be required to enable the Vice President to perform and discharge the duties, functions, and obligations associated with his high office.

Funds to renovate the residence are provided to the residence through the Department of the Navy budget. The Committee has had a longstanding interest in the condition of the residence and expects to be kept fully apprised by the Vice President's office of any and all renovations and alterations made to the residence by the Navy.

#### COUNCIL OF ECONOMIC ADVISERS

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$4,101,000
Budget estimate, 2002 .....	4,192,000
Committee recommendation .....	4,192,000

The Committee recommends an appropriation of \$4,192,000 for salaries and expenses of the Council of Economic Advisers. The Committee recommendation is equal to the budget estimate.

The Council of Economic Advisors analyzes the national economy and its various segments, advises the President on economic developments, recommends policies for economic growth and stability, appraises economic programs and policies of the Federal govern-

ment, and assists in the preparation of the annual Economic Report of the President to Congress.

#### OFFICE OF POLICY DEVELOPMENT

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$4,023,000
Budget estimate, 2002 .....	4,119,000
Committee recommendation .....	4,119,000

The Committee recommends \$4,119,000 for the Office of Policy Development. The Committee recommendation equals the budget estimate.

The Office of Policy Development supports the National Economic Council and the Domestic Policy Council, in carrying out their responsibilities to advise and assist the President in the formulation, coordination, and implementation of economic and domestic policy. The Office of Policy Development also provides support for other domestic policy development and implementation activities as directed by the President.

#### NATIONAL SECURITY COUNCIL

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$7,149,000
Budget estimate, 2002 .....	7,447,000
Committee recommendation .....	7,447,000

The Committee recommends an appropriation of \$7,447,000 for the salaries and expenses of the National Security Council (NSC). The Committee recommendation is equal to the budget estimate.

The primary purpose of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security.

The funding level provided by the Committee will support 60 full-time equivalent positions, or the same since the fiscal year 1996 level for the normal activities of the NSC.

#### OFFICE OF ADMINISTRATION

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$43,641,000
Budget estimate, 2002 .....	46,032,000
Committee recommendation .....	46,032,000

The Committee has provided \$46,032,000 to the Office of Administration for fiscal year 2002. The Committee recommendation is equal to the budget estimate.

The Office of Administration's mission is to provide high-quality, cost-effective administrative services to the Executive Office of the President. These services, defined by Executive Order 12028 of 1977, include financial, personnel, library and records services, information management systems support, and general office services.

The Office of Administration receives reimbursements for information management support and general office services.

## OFFICE OF MANAGEMENT AND BUDGET

## SALARIES AND EXPENSES

Appropriations, 2001 .....	\$68,635,000
Budget estimate, 2002 .....	70,521,000
Committee recommendation .....	70,519,000

The Committee recommends an appropriation of \$70,519,000. The Committee supports the creation of an official representation account and provides \$3,000 for that purpose. This level of funding is similar to that of the Congressional Budget Office.

The Office of Management and Budget (OMB) assists the President in the discharge of his budgetary, management, and other executive responsibilities.

*OMB-wide offices.*—Executive direction and coordination for all Office of Management and Budget activities is provided. This includes the Director's immediate office as well as staff support in the areas of budget review, administration, public affairs, office of communications, legislative reference, legislative affairs, economic policy, and general counsel. Budget instructions and procedures are developed, review of agency estimates is coordinated, budget data systems are maintained, agency financial management plans are reviewed, the budget document is prepared, and scorekeeping is accomplished.

*National security and international affairs; general government and finance; natural resources, energy, and science; education, income maintenance, and labor; and health/personnel.*—Agency programs, budget requests, and management activities are examined, appropriations are apportioned, proposed changes in agency functions are studied, and special studies aimed at establishing goals and objectives that would result in long- and short-range improvements in the agencies' financial, administrative, and operational management are conducted.

*Financial management.*—In conjunction with the Chief Financial Officers Council, prepares the Government-wide financial management status report and 5-year plan, monitors execution of the plan; provides policy guidance on preparation and audit of financial statements, financial systems requirements, management controls, and cost accounting and audit requirements for the non-Federal grantee community.

*Information and regulatory affairs.*—Agency proposals to implement or revise Federal regulations and information collection requirements are reviewed and coordinated. Information resources management and statistical policies and practices are analyzed and developed.

*Procurement policy.*—The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

## HARRY S TRUMAN MEMORIAL SCHOLARSHIPS

The Committee strongly supports the Truman Scholarship program and its original intentions. The Committee is concerned, however, that the regulations regarding awarding a scholarship to at

least one qualified applicant from each State has been violated numerous times in recent years. The Committee directs the Board of the Truman Scholarship program to strictly adhere to its statutory mandate to “assure that at least one Truman scholar shall be selected each year from each State in which there is at least one resident applicant who meets the minimum criteria established by the Foundation.”

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$24,705,000
Budget estimate, 2002 .....	25,100,000
Committee recommendation .....	25,096,000

The Committee recommends an appropriation of \$25,096,000. This recommendation is \$391,000 over fiscal year 2001.

The Office of National Drug Control Policy (ONDCP), established by the Anti-Drug Abuse Act of 1988, and reauthorized by Public Law 105-277, is charged with developing policies, objectives and priorities for the National Drug Control Program. In addition, ONDCP administers the Counterdrug Technology Assessment Center (CTAC), the High Intensity Drug Trafficking Areas (HIDTA) program and the Special Forfeiture Fund. The account provides funding for personnel compensation, travel, and other basic operations of the Office, and for general policy research to support the formulation of the National Drug Control Strategy. Funds are also provided for the National Alliance for Model State Drug Laws, which encourages States to adopt and implement model laws, policies, and regulations to reduce drug use and its adverse consequences.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

Appropriations, 2001 .....	\$35,974,000
Budget estimate, 2002 .....	40,000,000
Committee recommendation .....	42,000,000

The Committee recommends an appropriation of \$42,000,000 for the Counterdrug Technology Assessment Center (CTAC). This funding includes \$22,000,000 for the continuation of the technology transfer program by CTAC to State and local law enforcement in their efforts to combat drugs. Pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (Title VII of Division C of Public Law 105-277), CTAC serves as the central counterdrug research and development organization for the U.S. Government.

The Committee expects multiagency research and development programs to be coordinated by CTAC in order to prevent duplication of effort and to assure that whenever possible, those efforts provide capabilities that transcend the need of any single Federal agency. Prior to the obligation of these funds, the Committee expects to be notified by the chief scientist on how these funds will be spent; it also expects to receive periodic reports from the chief scientist on the priority counterdrug enforcement research and development requirements identified by the Center and on the status of projects funded by CTAC.

The Committee continues to believe CTAC should work closely and cooperatively with the individual law enforcement agencies in the definition of a national research and development program which addresses agency requirements with respect to timeliness, operational utility, and consistency with agency budget plans.

The Committee is aware that Native Americans have the highest rate of substance abuse of any U.S. population. The Committee also understands that this population is traditionally underserved by the medical research community. However, a significant proportion of Native American physicians return to communities with predominately Native American populations. Therefore, the Committee has provided an additional \$2,000,000 to CTAC's Research and Development Program and directs the chief scientist to provide neuroimaging technology to an institution which can focus on conducting substance abuse research and training Native American physicians in the field of substance abuse research. The Committee requests that the chief scientist provide periodic updates on this process.

COUNTERDRUG TECHNOLOGY TRANSFER PROGRAM

The Committee fully supports the continuation of this program and, therefore, has provided \$22,000,000 for its operation in fiscal year 2002. The Committee believes that this program demonstrates the best that the Federal Government has to offer to State and local law enforcement in their efforts to combat drug related crimes. The Committee is encouraged by the positive reception this program has received by State and local law enforcement agencies as current requests for technology continue to outpace resources by over four to one. The Committee expects that CTAC will conduct further outreach to State and local agencies to educate them about the program. Finally, the Committee would encourage CTAC to work with private industry to make their developed technology available to State and local law enforcement through this program. The Committee requests that ONDCP report within 60 days after the date of enactment of the fiscal year 2002 appropriations bill on the number of requests received, promotion efforts to State and local law enforcement, and the effectiveness and interest in this program by these law enforcement communities.

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DRUG CONTROL PROGRAMS

HIGH-INTENSITY DRUG TRAFFICKING AREAS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2001 .....	\$206,046,000
Budget estimate, 2002 .....	206,350,000
Committee recommendation .....	226,350,000

The Committee recommends an appropriation of \$226,350,000, which is \$20,000,000 above the budget request. The Committee directs that funding shall be provided for the existing High Intensity Drug Trafficking Areas (HIDTA) at no less than the fiscal year 2001 level.

The HIDTA program was established by the Anti-Drug Abuse Act of 1988, as amended, and the Office of National Drug Control Policy's reauthorization, Public Law 105-277, to provide assistance to Federal, State and local law enforcement entities operating in those areas most adversely affected by drug trafficking. In allocating the HIDTA funds, the Committee expects the Director of ONDCP to ensure that the activities receiving these limited additional resources are used strictly for implementing the strategy for each HIDTA, taking into consideration local conditions and resource requirements. These funds should not be used to supplant existing support for ongoing Federal, State, or local drug control operations normally funded out of the operating budgets of each agency. The remaining funds may be transferred to Federal agencies and departments to support Federal antidrug activities.

The Committee believes that the Director should take steps to ensure that the HIDTA funds are transferred to the appropriate drug control agencies expeditiously. To ensure that the funding allocations meet the priorities outlined in the strategies, the Committee instructs the Director to submit the strategies, along with the identification of how the funds will be spent, to the Committee for review prior to the obligation of the funds. The Committee also expects to be notified if any changes are made in the spending plans presented to it during the course of the fiscal year. The Committee further instructs the Director to submit the updated 2002 strategies for each of the HIDTA's to the Committee for review and to obligate the HIDTA funds within 120 days of enactment of this act. This provision may be waived if a request is made to the Committee and has been approved in advance according to the normal reprogramming procedures. The Committee expects the Director to take actions necessary to ensure that all HIDTA funds are being used to support only those activities which are directly linked to the individual HIDTA strategies recommended by the HIDTA coordinators and which support the goals and objectives outlined in each of these strategies.

#### HIGH INTENSITY DRUG TRAFFICKING AREAS

The Committee is aware of the current interest in additional funding for existing HIDTA programs. The Committee has provided an additional \$20,000,000 for this program, and has directed that \$8,000,000 of that amount be used for the following purposes:

For the Midwest HIDTA, the Committee recommends \$1,000,000 for increasing Missouri's efforts to reduce methamphetamine production in that State and \$500,000 for the South Central Iowa Methamphetamine Lab Task Force.

The Committee has included \$1,000,000 for the Hawaii HIDTA and \$500,000 for the Milwaukee HIDTA.

For the Philadelphia/Camden HIDTA, the Committee recommends an additional \$500,000 for new communications equipment for the City of Camden Police Department's STRIKE program.

The Committee has provided \$1,000,000 for the Northwest HIDTA and \$1,000,000 for the Gulf Coast HIDTA—\$500,000 for efforts in Louisiana and \$500,000 for Alabama.

The Committee has included \$1,000,000 for the Rocky Mountain HIDTA for an Ecstasy reduction initiative.

For the Southwest Border HIDTA, the Committee has provided \$1,000,000 for New Mexico's efforts in fighting black tar heroin trafficking and \$500,000 for the Metro Intelligence Support and Technical Investigative Center (MISTIC) in Arizona.

The Committee is also aware of the interest in the designation of new HIDTA programs. For example, Arkansas continues to have a critical problem with the production, use, and distribution of methamphetamine. This can be readily seen when examining the exponential increase in the number of meth labs which have been seized—24 in 1995, 96 in 1996, 242 in 1997, 434 in 1998, and 780 in 2000. So far in 2001, 260 meth labs have been seized; at that pace, the number of labs seized could exceed 1,040 by year end.

The Committee is aware of a proposal to create a HIDTA for Charleston County and specific areas of Berkeley, Dorchester, Beaufort, and Georgetown Counties, South Carolina. The main areas to be targeted would be I-26, the I-26 interchanges with I-95, U.S. Highways 17, 52, 78, and 701 and major State Highways 7, 41, 61, 171, 642, 700, and 703. Upon receipt of their proposal, the Director of ONDCP is directed to work with Federal, State, and local law enforcement agencies within South Carolina to determine whether these areas meet the statutory criteria required for designation as a HIDTA. Further, ONDCP is encouraged to work with the State to develop and implement their innovative approach to drug interdiction.

Similarly, the Montana counties of Missoula, Cascade, and Yellowstone have become centers for the production and trafficking of methamphetamine. Because of Montana's frontier setting, law enforcement authorities at the local, county, and State levels are currently unable to effectively stem the flow of drugs through these areas. With their close proximity to several reservations, the drugs manufactured in and transiting through these counties have significant impact on Montana's American Indian population.

#### ECSTASY REDUCTION INITIATIVE

The Committee is extremely concerned about the use of Ecstasy among teenagers and young adults. The use of this dangerous drug has reached alarming proportions among junior high and high school students, and the numerous fatalities associated with Ecstasy do not appear to have had any impact on the drug's popularity. Therefore, the Committee has provided an additional \$1,000,000 to the Rocky Mountain HIDTA for an Ecstasy reduction initiative to help deal with this steadily increasing problem. In developing this pilot project, emphasis should be placed upon designated counties in Colorado.

#### COMMUNITY INVOLVEMENT IN HIDTAS

The Committee recognizes the positive impact and successes of the cooperative law enforcement arrangements of the HIDTA. As HIDTAs have matured, they have demonstrated an ability to address their HIDTA-specific problems with unique and effective solutions. Many HIDTAs have begun to reach outside of the law enforcement community to other organizations which affect the effort

to combat drugs in our communities. The Committee has seen success in the HIDTAs as they begin to incorporate the important work of those in the community itself, such as in the areas of treatment and counseling. The Committee is encouraged by this rounding out of the HIDTAs' efforts and encourages the HIDTAs to continue to further develop these relationships.

#### MIDWEST HIDTA

The Committee is concerned about the growth in importation, distribution, and manufacturing of methamphetamine over the past 3 years among the five States that make up the Midwest HIDTA. Missouri in particular has experienced an explosion of manufacturing methamphetamine by small entrepreneurial users and dealers. In 1996, the Director of ONDCP designated the Midwest HIDTA to specifically address this threat. The Committee directs the Director of ONDCP to evaluate the current situation and work with State and local law enforcement to provide adequate resources to target this threat.

#### GULF COAST HIDTA

The Committee recognizes that the Gulf Coast HIDTA covers the full spectrum of drug trafficking and abuse, trafficking modalities and types of criminal organizations. In its continued effort to combat these threats, the Gulf Coast HIDTA is seeking to expand into new areas of Louisiana, Mississippi, and Alabama. ONDCP is encouraged to work with Louisiana and other interested States to further their initiatives.

#### NEW ENGLAND HIDTA

The Committee is concerned about drug traffickers increasing use of the interstate highway system to distribute heroin and other illegal drugs from urban centers to rural areas. Of note in the New England region is the use of the I-91/I-89 corridor. Therefore, the Committee directs ONDCP to work with the State law enforcement drug control task forces to combat interstate shipment of drugs in this region, with a particular focus on Vermont.

#### PHILADELPHIA/CAMDEN HIDTA

The Committee is aware of the current coordination of the State of Delaware with the Philadelphia/Camden HIDTA. As a result of this strong relationship, the Committee directs the Director of ONDCP to evaluate the current situation to determine whether or not Delaware meets the statutory requirements to qualify for inclusion into the Philadelphia/Camden HIDTA.

#### APPALACHIA HIDTA

The Committee is concerned that the three Appalachia HIDTA States, West Virginia, Kentucky, and Tennessee, along with California and Hawaii, account for over 77 percent of the domestic production of marijuana. The three Appalachia HIDTA States are also producing some of the most potent marijuana available. For fiscal year 2000, the West Virginia National Guard, which has mounted a vigorous counterdrug program in cooperation with the Appalachia

HIDTA, estimates that the eradicated marijuana crop in West Virginia yielded plants valued at \$56,000,000. Therefore, the Committee directs ONDCP to work with State and local law enforcement officials to provide additional resources to combat this threat.

HIDTA EFFORTS TO COMBAT METHAMPHETAMINE IN RURAL AREAS

The Committee is concerned about the increasing threat posed by methamphetamine production, trafficking, and use, especially in rural, underpopulated areas. Recognizing that the Director of ONDCP designated the Midwest HIDTA in 1996 to specifically address this threat, the Committee encourages ONDCP to continue to focus available resources on combating this emerging drug threat not only in the Midwest HIDTA, but in all HIDTAs operating in traditionally underserved areas.

SPECIAL FORFEITURE FUND

Appropriations, 2001 .....	\$233,086,000
Budget estimate, 2002 .....	247,600,000
Committee recommendation .....	249,400,000

The Committee recommends an appropriation of \$249,400,000, an increase of \$16,314,000 above fiscal year 2001 levels and \$1,800,000 above the President's request. The Committee provides \$185,000,000 for the continuation of the National Youth Anti-Drug Media Campaign. The Committee expects that of this amount, \$5,000,000 will be spent on purchasing advertising time and space specifically targeted at combating the drug Ecstasy. The Committee recommendation includes no funding for the proposed Parents for a Drug-Free Future initiative. The Committee included a total of \$4,800,000 for the United States Anti-Doping Agency and \$5,000,000 for a drug testing and intervention program.

The Anti-Drug Abuse Act of 1988, as amended, and the Office of National Drug Control Policy's reauthorization, Public Law 105-277, established the Special Forfeiture Fund to be administered by the Director of ONDCP. The monies deposited in the Fund support high-priority drug control programs and may be transferred to drug control agencies or may be directly obligated by the Director of ONDCP.

NATIONAL MEDIA CAMPAIGN

The Committee has been supportive of the national media campaign and has provided consistent funding for this program. When this program was initially funded by the Congress in fiscal year 1998, it was with the understanding that within 3 years there would be demonstrable behavior changes in America's youth with relation to drug use. To date, the Congress has provided over \$748,000,000 for this program and has done so at the expense of many other important law enforcement needs. The Committee is concerned that drug use is clearly increasing in spite of the national media campaign, leading some observers to conclude it has not had a noticeable impact on drug use among America's youth.

In particular, the Committee is deeply concerned that while there might be movement in the awareness of the campaign, drugs and the problems associated with them, ONDCP has not provided

concrete evidence that the campaign itself has altered the behavior of youth in a substantial manner. The Committee understands that it is the intention of ONDCP to provide such data during Phase III of its research; however, that information will not be available to Congress until close to \$1,000,000,000 of taxpayer money has been appropriated towards this endeavor. In addition, the Committee is concerned about the methodology behind the research, and, in particular, the fact that data was not collected prior to the commencement of the campaign in order to compare it with data compiled during its lifetime. But the Committee is pleased with the data collected and the effort on behalf of the media campaign by the Partnership for a Drug-Free America. The Committee directs ONDCP to review the Partnership's research and report to the Committee on Appropriations by March 25, 2002, on steps it will take to improve ONDCP's research prior to the reauthorization of the media campaign.

#### DRUG-FREE COMMUNITIES ACT

The accelerating rate of drug use by young Americans is a major concern that must be addressed. The Committee, therefore, provides \$50,600,000 to support matching grants to drug-free communities. These funds will be used to support the establishment of local counterdrug efforts that are characterized by strong conditions for local initiatives, support, and accountability. In addition, the requirement for participating communities to match funding will help ensure the degree of commitment necessary to succeed.

#### COMMUNITY COALITION MENTORING PROGRAM

The Committee is aware that reauthorization of the Drug-Free Communities Act grant program is under consideration. It is expected that this reauthorization will include a provision to establish a new coalition mentoring program to assist communities interested in creating their own community drug prevention coalitions. The Oregon Partnership's Strengthening Community Coalitions to Prevent Substance Abuse is a comprehensive program that targets resources to underserved regions to promote best practices for developing local coalitions to help prevent substance abuse in rural areas. It is the Committee's expectation that the Oregon Partnership will apply for funds through the Drug-Free Communities Act grant program once the coalition mentoring program is authorized.

#### NATIONAL DRUG-FREE WORKPLACE

The Committee recognizes the work of the National Drug-Free Workplace Alliance to promote and assist the establishment of drug-free workplace programs and provide comprehensive drug-free workplace services to businesses. In addition, the Committee understands that the Alliance provides technical assistance and up-to-date workplace substance abuse information to communities, drug-free workplace organizations, and other similar groups through a national network of experts and professionals with drug-free workplace interests. The Committee urges ONDCP to work with the National Drug-Free Workplace Alliance as it coincides

with ONDCP's mission and encourages cooperative efforts relating to the National Clearinghouse.

#### UNITED STATES ANTI-DOPING AGENCY

The Committee provides \$4,800,000 for efforts of the United States Anti-Doping Agency (USADA) under the Special Forfeiture Fund. The Committee directs ONDCP to provide all of the \$4,800,000 directly to USADA within 30 days after enactment.

USADA was created to oversee testing, education, research, and adjudication on behalf of America's athletes participating in the Olympic, Pan American, and Paralympic Games. The Committee has provided additional funds to increase the number of "No-Advanced-Notice" tests, to increase research funding at university and research laboratories, and to expand their efforts to educate the youth of America on health issues and the ethics of competing fairly in sport. The Committee continues to be impressed with the operations of this new agency and wishes to congratulate them on the international recognition of their efforts.

#### DRUG COURT INSTITUTE

The Committee provides \$1,000,000 for the National Drug Court Institute. The Committee is aware of the extraordinary growth in drug courts across the country and the important training of new drug courts that the Institute provides. Drug courts provide an effective means to fight drug-related crime through the cooperative efforts of State and local law enforcement, the judicial system, and the public health treatment network.

#### DRUG TESTING AND INTERVENTION PROGRAM

The Committee has included an additional \$5,000,000 under the Special Forfeiture Fund for the creation and implementation of a drug testing and intervention program. The Committee believes that, should such a program be authorized, the funds should be immediately available. As currently envisioned, this program would provide grants to State and local government, State and local courts, and Indian tribes, acting directly or through agreements with other public or private entities, to support programs to develop or implement comprehensive drug testing and treatment policies and practices for criminal justice populations.

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$4,149,000
Budget estimate, 2002 .....	4,498,000
Committee recommendation .....	4,498,000

The Committee recommends \$4,498,000 for the Committee for Purchase From People Who Are Blind or Severely Disabled (CPPBSD). The Committee recommendation is equal to the budget estimate.

The CPPBSD was established by the Javits-Wagner-O'Day Act (JWOD) of 1938, as amended. Its primary objective is to use the purchasing power of the Federal Government to provide people who are blind or have other severe disabilities with employment and training that will develop and improve job skills as well as prepare them for employment options outside the JWOD program. In fiscal year 2002, the Committee's goal is to employ approximately 43,000 people who are blind or have other severe disabilities in 750 producing nonprofit agencies. The Committee's duties include promoting the program; determining which products and services are suitable for Government procurement from qualified nonprofit agencies serving people who are blind or have other severe disabilities; maintaining a procurement list of such products and services; determining the fair market price for products and services on the procurement list; and making rules and regulations necessary to carry out the purposes of the Act. In fiscal year 2002, the Committee's goal is to have sales of \$1,700,000,000.

The Committee staff's responsibilities include promoting and assessing the overall program; supervising the selection and assignment of new products and services; assisting in establishing prices; reviewing and adjusting these prices; verifying the qualifications of nonprofit agencies; and monitoring their performance.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$40,411,000
Budget estimate, 2002 .....	41,411,000
Committee recommendation .....	43,993,000

The Committee recommends an appropriation of \$43,993,000 for the Federal Election Commission. This amount is \$2,582,000 above the President's request. The Committee included \$582,000 to provide for the Administration's requested government-wide pay adjustment. An additional \$2,000,000 has also been included for improvements to State and local election systems and election admin-

istration. It is the Committee's belief that once such a program is enacted into law, the funds should be available to immediately begin this process.

The Federal Election Commission administers the disclosure of campaign finance information, enforces limitations on contributions and expenditures, supervises the public funding of Presidential elections, and performs other tasks related to Federal elections.

#### FEDERAL LABOR RELATIONS AUTHORITY

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$25,003,000
Budget estimate, 2002 .....	26,378,000
Committee recommendation .....	26,378,000

The Committee recommends an appropriation of \$26,378,000 for the Federal Labor Relations Authority. This amount is \$1,375,000 above the fiscal year 2001 level, which reflects mandatory cost increases including required pay adjustments.

The Federal Labor Relations Authority (FLRA) serves as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations statute, decides major policy issues, prescribes regulations, and disseminates information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the FLRA gives full recognition to the role of the Federal Government as an employer.

In addition, the FLRA is engaged in case-related interventions and training and facilitation of labor-management partnerships and in resolving disputes. FLRA promotes labor-management cooperation by providing training and assistance to labor organizations and agencies on resolving disputes, facilitates the creation of partnerships, and trains the parties on rights and responsibilities under the Federal Relations Labor Relations Management statute.

#### GENERAL SERVICES ADMINISTRATION

##### FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF REVENUE

##### (INCLUDING TRANSFER OF FUNDS)

The Federal Buildings Fund program consists of the following activities financed from rent charges:

*Construction and acquisition of facilities.*—Space is acquired through the construction or purchase of facilities and prospectus-level extensions to existing buildings. All costs directly attributable to site acquisition, construction, and the full range of design and construction services, and management and inspection of construction projects are funded under this activity.

*Repairs and alterations.*—Repairs and alterations of public buildings as well as associated design and construction services are funded under this activity. Protection of the Government's investment, health and safety of building occupants, transfer of agencies from leased space, and cost effectiveness are the principal criteria used in establishing priorities. Primary consideration is given to re-

pairs to prevent deterioration and damage to buildings, their support systems, and operating equipment. This activity also provides for conversion of existing facilities and non-prospectus extensions.

*Installation acquisition payments.*—Payments are made for liabilities incurred under purchase contract authority and lease purchase arrangements. The periodic payments cover principal, interest, and other requirements.

*Rental of space.*—Space is acquired through the leasing of buildings including space occupied by Federal agencies in U.S. Postal Service facilities, 153 million rentable square feet in fiscal year 2001, and 155 million rentable square feet in fiscal year 2002.

*Building operations.*—Services are provided for Government-owned and leased facilities, including cleaning, utilities and fuel, protection, maintenance, miscellaneous services (such as moving, evaluation of new materials and equipment, and field supervision), and general management and administration of all real property related programs including salaries and benefits paid from the Federal Buildings Fund.

*Other programs.*—When requested by Federal agencies, the Public Buildings Service provides building services such as tenant alterations, cleaning and other operations, and protection services which are in excess of those services provided under the commercial rental charge. For presentation purposes, the balances of the Unconditional Gifts of Real, Personal, or Other Property trust fund have been combined with the Federal Buildings Fund.

#### CONSTRUCTION AND ACQUISITION

Limitation on availability, 2001 .....	\$477,676,000
Limitation on availability, 2002 .....	386,289,000
Committee recommendation .....	477,544,000

The Committee recommends \$753,944,000 for the construction and acquisition account. Of this amount, \$574,458,000 is for courthouse projects, including \$276,400,000 in advance appropriations provided in fiscal year 2001. The Committee recommendation is \$91,255,000 above the President's request.

#### GEOTHERMAL HEAT PUMPS

Geothermal heat pumps use the constant temperature of the subsurface earth to provide an energy-efficient and environmentally-clean means to heat and cool buildings, promoting energy conservation and reducing energy demand. As the Federal Government is looking for innovative methods to achieve nationwide energy efficiencies, the Committee strongly supports the purposes outlined in the July, 1999 Memorandum of Understanding (MOU) between GSA and the Geothermal Heat Pump Consortium and urges GSA to fully and creatively explore ways to include this technology in new construction projects. The Committee directs GSA to report to the Committee no later than April 30, 2002, on its progress on implementing the MOU.

#### COURTHOUSE CONSTRUCTION

The Committee encourages the General Services Administration (GSA), the administration, and the judiciary to continue to work co-

operatively to develop a single comprehensive plan upon which courthouse construction will be based. The Committee continues to believe that a model should incorporate utilization rates, courtroom sharing, and safety considerations. The use of cost savings measures and careful planning will result in a program that can be consistently supported. The Committee notes, however, that it has been extremely supportive of addressing the courthouse construction backlog. The Committee would remind the Administrative Office of the U.S. Courts (AOC) and other organizations that in fiscal year 2001, as well as in this bill, the Committee has provided funding above each Administration's request for additional courthouse projects based on the jointly agreed to priority list. The Committee has adhered to the priority list and reminds these groups that the Congress is constrained by overall budget resolutions and spending caps from accommodating every request.

#### COURTROOM SHARING

The Committee is aware of conflicting information regarding the issue of courtroom sharing. The Committee is concerned that in spite of the strict budgetary pressures facing the Federal Government, AOC fails to pursue a policy of fiscal restraint and approaches the Congress for increases in courthouse construction funding above the Administration's request. The Congress and the Administration have worked diligently to reign in court construction costs and the Committee will continue to pursue all avenues with respect to cost containment with or without the support of the Courts.

The Committee notes that the General Accounting Office (GAO), in a December 2000 report to the Congress on this issue, analyzed the data used in a courtroom sharing study commissioned by the Courts. That study criticized a 1997 GAO report on the same issue. GAO noted that the Courts did not agree with its recommendations, yet also commented that the AOC "did not provide any data, analysis, or rationale that would give us [GAO] an adequate basis for changing or dropping" the recommendations. The Committee concurs with GAO's concerns and urges the AOC to provide the Committee with persuasive courtroom use data and analysis, along with its views, to justify the number of courtrooms being requested in future courtroom construction requests.

#### BILOXI-GULFPORT, MISSISSIPPI COURTHOUSE

The Committee provided funding for the construction of the Biloxi-Gulfport, Mississippi courthouse in the fiscal year 2001 Act. However, because of escalating construction costs, additional funds are necessary. Therefore, the Committee has included an additional \$3,000,000 for this project.

#### MIAMI, FLORIDA COURTHOUSE

The Committee also provided funding for the Miami, Florida courthouse in the fiscal year 2001 Act. Again, escalating construction costs have resulted in the need for increased funds. Therefore, the Committee has included an additional \$15,282,000 for this project.

## SALT LAKE CITY, UTAH COURTHOUSE

The Committee understands the need for the construction of a new courthouse in Salt Lake City, Utah. At the same time, the Committee recognizes the value of preserving significant historic buildings such as the Moss Courthouse and the Odd Fellows Hall. Therefore, the Committee has provided an additional \$5,000,000 to help purchase land and facilitate the moving of the Odd Fellows Hall which is currently located on the preferred site. The Committee is concerned about the slow progress on the resolution of issues surrounding the site for the new courthouse and encourages the various groups to work closely with GSA to resolve any remaining issues.

## PORT OF ENTRY INFRASTRUCTURE

The Committee is pleased to have received the Port of Entry Infrastructure Assessment Study completed by Customs, INS, and GSA. That study was requested as part of the Treasury Appropriations Act in fiscal year 2000. The Study noted a staggering backlog of infrastructure needs at our Nation's border crossings. It identified 822 infrastructure requirements at an estimated gross cost of \$784,000,000. Although the North American Free Trade Agreement has enabled an increase in trade between the United States, Mexico, and Canada of approximately 75 percent, the capacities and capabilities of our Ports of Entry have not kept pace. The Committee notes that the last major funding for border infrastructure needs was in the early 1990s. The previous Administration only responded to this backlog in a piecemeal, ad hoc fashion. The Committee also notes with disappointment, and is concerned that, neither the President's budget request nor the Budget Resolution for fiscal year 2002 provided resources to address the serious degradation of our Nation's border infrastructure. The Committee therefore directs GSA, in conjunction with OMB, Customs, and INS, to develop a multi-year plan to address this growing backlog, starting with its fiscal year 2003 budget submission. GSA should consider creating a priority list of projects, in concert with the affected agencies. The Committee recommends using as a model the courthouse construction plan developed annually by the AOC. Additionally, the Committee anticipates that future budgets will request sufficient funding to begin to substantively and aggressively address the current inadequacies of our crumbling border infrastructure.

## REPAIRS AND ALTERATIONS

Limitation on availability, 2001 .....	\$681,613,000
Limitation on availability, 2002 .....	826,676,000
Committee recommendation .....	844,880,000

The Committee recommends new obligational authority of \$844,880,000 for repairs and alterations in fiscal year 2002. This amount is \$18,204,000 above the President's request.

Under this activity, the General Services Administration (GSA) executes its responsibility for repairs and alterations (R&A) of both Government-owned and leased facilities under the control of GSA. The major goal of this activity is to provide commercially equivalent space to tenant agencies. Safety, quality, and operating effi-

ciency of facilities are given primary consideration in carrying out this responsibility. A major portion of the fiscal year 2002 program is devoted to nondiscretionary work necessary to meet this goal and keep the buildings in an occupiable condition.

R&A workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and building managers. The work identified through these inspections is programmed in order of priority into the repairs and alterations construction automated tracking system (RACATS) and incorporated into a 5-year plan for accomplishment, based upon funding availability, urgency, and the volume of R&A work that GSA has the capability to execute annually. Beginning in fiscal year 1995, design and construction services activities associated with the repair and alteration projects are funded in this account.

The R&A program, for purposes of funds control, is divided into two types of projects—line item and nonline item. The following is a definition of each category of projects:

*Line item projects.*—Line item projects are those larger projects for which a prospectus is required under the provisions of the Public Buildings Act of 1959. Generally, line item projects are similar to construction projects in the scope of work involved and the multiyear timeframe for project completion. Line item projects are listed individually in GSA's appropriations acts and the obligational authority for each project is limited to the amount shown therein.

*Nonline item projects.*—Projects included in this category are generally short term in nature and funds can normally be obligated within a 1-year period. This category also includes projects which are recurring in nature, such as cyclic painting and the minor repair of defective building systems; for example, mechanical, plumbing, electrical, fire safety, and elevator system components.

#### REPAIRS AND ALTERATIONS BACKLOG

The Committee is aware of the recent GAO audit of GSA repairs and alterations efforts on Federal facilities. The Committee has included within this appropriation funds to meet the needs of 25 major projects. The Committee urges GSA to continue to work diligently to maintain the integrity of the Federal Government's properties and assets.

#### NATIONAL TRACING CENTER

The Committee continues to urge GSA to work with the Bureau of Alcohol, Tobacco and Firearms to provide the necessary expanded facilities to meet the chronic space needs at the National Tracing Center in Martinsburg, West Virginia.

#### MONTGOMERY, ALABAMA FEDERAL BUILDING AND COURTHOUSE

The necessary renovations of the Frank M. Johnson, Jr. Federal Building and United States Courthouse in Montgomery, Alabama have been delayed for a variety of reasons. Because of this delay, the funding previously provided is inadequate. In order to get this project back on track, the Committee has provided \$4,000,000 in

the repairs and restoration account to deal with this shortfall and get this project moving again.

#### KANSAS CITY, MISSOURI FEDERAL COURTHOUSE

The U.S. District Court and court-related agencies vacated the Federal Building at 811 Grand in Kansas City, Missouri in September 1998 and relocated to a new facility. The old courthouse, in a prime downtown location, is currently vacant and in need of renovations. A project was identified and design funding was provided. However, the cost estimates have been revised to take into account a recent seismic study which show the need for structural improvements to address the progressive collapse. Therefore, the Committee has included an additional \$1,604,000 in the repairs and restoration account to address these additional needs.

#### STRUCTURAL RETROFIT TECHNOLOGIES

Terrorist attacks against U.S. Government assets on U.S. soil is no longer just a possibility. A terrorist incident is unpredictable both with respect to timing and the nature of an attack. GSA and other Federal property owners and managers must insure that both existing and new structures are capable of absorbing, deflecting, and resisting blast effects. Current standards for new construction allow architects and engineers to incorporate blast resistance capabilities at modest increases over routine construction costs. However, standards for existing buildings are less precise because these buildings vary by design, construction, age, and materials.

Innovative retrofit solutions for such structures are relatively new and, as a result, there may be a reluctance within certain agencies to employ such systems. A major hurdle to using innovative retrofit solutions appears to be the Government's reliance on a limited number of consulting design and engineering firms which are themselves reluctant to specify the use of new retrofit technologies. As a result, the Federal Government may be limited in its ability to acquire cost-effective solutions.

Therefore, the Committee directs that GSA provide detailed information on the criteria used to determine the eligibility of consulting design and engineering firms for Federal blast mitigation procurements, and the number of firms which meet those criteria. The Committee also directs that GSA conduct a study of available innovative and cost-effective structural retrofit technologies for use on existing level four and five buildings, including advanced composite materials, innovative connections technologies, and integral barrier technologies that can be installed quickly and at costs equal to or below that for conventional retrofit solutions. Further, the Committee directs that GSA report to the Committee not later than 120 days after passage of this bill on the results of this study, as well as steps they plan to take to make sure that the Federal Government is able to take advantage of these cost-effective solutions.

#### INSTALLMENT ACQUISITION PAYMENTS

Limitation on availability, 2001 .....	\$185,369,000
Limitation on availability, 2002 .....	186,427,000
Committee recommendation .....	186,427,000

The Committee recommends a limitation of \$186,427,000 for installment acquisition payments. The Committee recommendation equals the budget estimate.

The Public Buildings Amendments of 1972 enables GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. The purchase contracts require the Government to make periodic payments on these facilities over varying periods until title is transferred to the Government. This activity provides for the payment of principal, interest, taxes, and other required obligations related to facilities acquired pursuant to the Public Buildings Amendments of 1972 (40 U.S.C. 602a).

#### RENTAL OF SPACE

Limitation on availability, 2001 .....	\$2,943,854,000
Limitation on availability, 2002 .....	2,959,550,000
Committee recommendation .....	2,959,550,000

The Committee recommends a limitation of \$2,959,550,000 for rental of space. The Committee recommendation is equal to the budget estimate.

GSA is responsible for leasing general purpose space and land incident thereto for Federal agencies, except cases where GSA has delegated its leasing authority (for example, the Department of Veterans Affairs, as well as the Departments of Agriculture, Commerce, and Defense). GSA's policy is to lease privately owned buildings and land only when: (1) Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; (2) leasing proves to be more efficient than the construction or alteration of a Federal building; (3) construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or (4) completion of a new Federal building within a reasonable time cannot be assured.

#### BUILDING OPERATIONS

Limitation on availability, 2001 .....	\$1,624,711,000
Limitation on availability, 2002 .....	1,748,949,000
Committee recommendation .....	1,748,949,000

The Committee recommends a limitation of \$1,748,949,000 for building operations. The Committee recommendation is equal to the budget estimate.

This activity provides for the operation of all Government-owned facilities under the jurisdiction of GSA and building services in GSA-leased space where the terms of the lease do not require the lessor to furnish such services. Services included in building operations are cleaning, protection, maintenance, payments for utilities and fuel, grounds maintenance, and elevator operations. Other related supporting services include various real property management and staff support activities such as space acquisition and assignment; the moving of Federal agencies as a result of space alterations in order to provide better space utilization in existing buildings; onsite inspection of building services and operations accomplished by private contractors; and various highly specialized contract administration support functions.

The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of rent. Due to considerations unique to their operation, GSA also provides varying levels of above-standard services in agency headquarter facilities, including those occupied by the Executive Office of the President, such as the east and west wings of the White House.

POLICY AND OPERATIONS

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$137,406,000
Budget estimate, 2002 .....	138,499,000
Committee recommendation .....	145,749,000

The Committee recommends an appropriation of \$145,749,000 for salaries and expenses for the policy and operations of the General Services Administration. This amount is \$8,343,000 above fiscal year 2001 levels and \$7,250,000 above the President's request.

*Policy.*—Provides for Government-wide policy, evaluation, and asset management functions associated with real and personal property, supplies, information technology, acquisition support, transportation and travel management, Federal Procurement Data Center, Regulatory Information Service Center, the Catalog of Federal Domestic Assistance, and the Committee Management Secretariat. The Office of Government-wide Policy, working cooperatively with other agencies, provides the leadership needed to develop and evaluate the implementation of policies designed to achieve the most cost-effective solutions for the delivery of administrative services and sound workplace practices, while reducing regulations and empowering employees.

*Operations.*—Provides for the personal property utilization and donation activities of the Federal Supply Service and Public Buildings Service, as well as agency-wide management and administration. These programs include utilization of real and personal property by Federal agencies and the transfer among agencies of excess real and personal property; disposal of surplus real property by sale, exchange, lease, permit, assignment, or transfer, as well as the protection and maintenance of excess and surplus property, necessary environmental and cultural analyses, reuse planning, and real property support of Congressional District and Senate State offices, and Critical Infrastructure Protection.

CHILD CARE CENTERS

The Committee recommends that funds provided to the Office of Policy and Operations continue to be used to issue and enforce regulations requiring any entity operating a child care center in a facility owned or leased by an executive agency to (1) comply with applicable State and local licensing requirements related to the provision of child care and (2) comply with center-based accreditation standards specified by the Administrator, if such a regulatory program is authorized.

VIRTUAL ARCHIVE STORAGE TERMINAL

The Committee recognizes the need for many agencies such as the National Archives, U.S. Department of Agriculture, and the

U.S. Geological Survey to capture and archive domain specific electronic data. As such, the Committee provided funds in fiscal year 2001 to North Dakota State University to continue development of an on-line, multi-domain archive to combine data from many domains and provide tools to fuse, mine and extract information important to the Upper Great Plains. The Committee recognizes the importance of this retrieval system and recommends continued funding of \$1,000,000.

#### COMPUTERS TO SCHOOLS PROGRAM

The Committee is aware that Indian tribal colleges and Alaska Native and Native Hawaiian serving institutions are being asked to undertake an increasing number of activities in Native communities related to education, employment and other training as part of the ongoing “welfare to work” transition mandated by the 1996 welfare reform law. To complement recent private sector donations of computers and related equipment to Indian tribes and Alaska Native and Native Hawaiian serving institutions, as part of its existing “Computers to Schools” program, the General Services Administration (GSA) is encouraged to work with the 31 Indian tribal colleges and Alaska Native and Native Hawaiian serving institutions to provide assistance to them in developing and upgrading the colleges’ electronic capabilities. As part of this effort, GSA should utilize the 31 tribal colleges and Alaska Native and Native Hawaiian serving institutions as a discrete evaluation point as it works to meet these equipment needs. GSA’s technical assistance will further enable the tribal colleges and Alaska Native and Native Hawaiian serving institutions to provide a higher quality of education to their students.

#### DIGITAL LEARNING TECHNOLOGIES

The Committee has provided \$2,500,000 from within existing resources to continue the development, demonstration, and research of the digital medical education project in connection with the Native American Digital TeleHealth Project and the Upper Great Plains Native American Telehealth Program at the University of North Dakota. These funds will be utilized to further develop the hardware and software capabilities, network infrastructures, and other activities that will, through the use of telecommunications technologies, overcome distance and provide a series of health-related services, education and research activities for American Indian and Alaska Native communities living in remote areas or on reservations. The Committee notes that the University of North Dakota leads the nation in the number of Native American physicians.

#### TELECOMMUTING CENTERS

The Committee encourages GSA to continue to promote telecommuting centers within the Federal Government in the Washington D.C. metro area as an effective means to provide an alternative workplace.

## E-COMMERCE

The Committee recognizes GSA's progress in the use of Internet technology for electronic commerce and urges that further steps be taken. Enhancements to the Federal Supply System should be aggressively pursued to keep pace with commercially available technologies, such as electronic marketplaces and private and/or public exchanges. The Committee further recommends that GSA pursue additional eBusiness initiatives to provide faster-better-cheaper means for both the "Government to acquire" and "suppliers to offer" goods and services in a completely paperless, web based, desktop-to-desktop environment. The Committee encourages GSA to undertake these initiatives that will result in improved Government performance through streamlined decision-making with the seamless exchange of financial information.

## FEDERAL OFFICE BUILDING IN COLORADO SPRINGS

The Federal building located at 1520 Willamette Avenue in Colorado Springs, Colorado, is owned by GSA and is currently leased to the U.S. Air Force Space Command. It is the Committee's understanding that Space Command is moving ahead with options to vacate the facility. In the event that Space Command does not renew its lease and the facility becomes vacant and is deemed surplus, the Committee urges GSA to strongly consider the U.S. Olympic Committee's (USOC) need for additional space and to give priority to the USOC's request to gain title or acquire the property.

## SOCIAL SECURITY ADMINISTRATION/OFFICE OF HEARINGS AND APPEALS

The Committee is concerned about the adequacy of the security system at the new Social Security Administration Office of Hearings and Appeals in Baltimore, Maryland located in the 900 block of North Howard Street. The Committee encourages SSA to work with GSA to review the advisability of providing a walk-through magnetometer and portable hand-held detection wands at the Baltimore Office of Hearings and Appeals.

## ADMINISTRATIVE AND LOGISTICAL SUPPORT

GSA has in the past provided administrative and logistical support to the Olympics, Pan-American Games, and other international events. GSA performs these duties under authorities of the Department of the Army on a reimbursable basis. The Committee encourages GSA to assist the Salt Lake Organizing Committee for the Winter Olympic and Paralympic Games in 2002.

## ENVIRONMENTALLY PREFERABLE PRODUCTS

The Committee urges GSA to work to remove barriers and establish needed definitions and standards to allow environmentally preferable products to be widely purchased by the Federal Government and its grantees. GSA should set long term goals for the purchase of such products in coordination with the Environmental Protection Agency, the U.S. Department of Agriculture, and other agencies. Priorities should be set based on estimated environmental

benefit, likely market size, and use of renewable and agri-based resources.

The Federal Supply Service should identify acquisition regulations that needlessly delay the purchase of environmentally preferable products. By December 1, 2001, GSA should make recommendations to the Office of Management and Budget concerning logical changes to the Federal Acquisition Regulations to include language emphasizing the purchase of environmentally preferable products and the removal of language deterring their purchase. The Federal Supply Service shall identify environmentally preferable products available for sale through its catalogues and electronic distribution systems.

#### SOCIAL SECURITY ADMINISTRATION OUTREACH

The Committee is aware that GSA has been engaged in a dialogue with the Social Security Administration about how it can provide improved outreach and information on benefits and eligibility for benefits to members of Indian tribes across the country. One avenue GSA has discussed has been to work through an established network such as that which exists with the Indian tribal colleges. The Committee is encouraged that GSA is pursuing this dialogue and directs that GSA establish a pilot project with one or more tribal college from within existing funds to provide enhanced information to beneficiaries in Indian country.

#### GOVERNMENT SERVICES RURAL OUTREACH INITIATIVE

The Committee is aware of an initiative that would address the needs of citizens located in rural America to more easily and efficiently access and transact business with Government agencies. The Committee understands that citizens located in rural areas of the United States, particularly in states with a growing percentage of elderly population and also Native Americans who live on reservations in remote locations, do not have access to front-line services from Government agencies. The Committee supports the Government Services Rural Outreach Initiative, which will conduct surveys to determine the types of services required by these rural residents, develop information technology and associated software to deliver Government services to this population, train personnel to implement the initiative, and develop awareness of the availability of the services through marketing and advertising. The Committee has provided \$1,000,000 for this pilot project to be established at the University of North Dakota, a leading institution in information systems, entrepreneurship programs, and programs that serve Native Americans.

#### BUSES LEASED TO BIA SCHOOLS

The Committee has also included a provision which places a 1-year moratorium on the increase in rates for school buses leased from the GSA by federally funded Bureau of Indian Affairs (BIA) schools and dormitories. Unfortunately, the BIA budget for student transportation is not adequate to cover the increase in vehicle rental rates and per mile rates that went into effect on May 1, 2001. In fiscal year 2001, the BIA-funded transportation reimbursement

rate is only \$2.30 per mile, far short of the national average of \$3.22 per mile for public schools. When BIA-funded schools cannot meet their rising transportation expenses, they are forced to make-up the shortfall in funding through cuts in their classroom instruction budgets. This provision will help to ensure that the classroom instruction budgets at BIA-funded schools will be used to educate the 50,000 Native American students on or near Indian reservations, not to supplement higher transportation costs.

#### DWIGHT D. EISENHOWER MEMORIAL COMMISSION

The Dwight D. Eisenhower Memorial Commission was established to create an appropriate permanent memorial to perpetuate the memory and contributions of Dwight D. Eisenhower, the Supreme Commander of the Allied Forces in Europe during World War II and 34th President of the United States. The Committee has provided \$1,750,000 during fiscal year 2002 for this purpose, and directs GSA to provide those funds within 90 days of enactment of this Act.

#### AUTOMATED EXTERNAL DEFIBRILATORS (AED)

The Committee is concerned that Federal agencies come into compliance with the Cardiac Arrest Survival Act of 2000. The Committee notes that the Department of Justice (DOJ) has taken steps to begin implementing this program within DOJ buildings, and other agencies have begun making their plans as well. In cooperation with the Department of Health and Human Services, GSA developed guidelines for public access to defibrillation (PAD) programs in Federal facilities. These guidelines were approved on May 23, 2001. The use of automated external defibrillators (AEDs) has proven to be very effective in saving lives. Because the use of these machines within minutes of cardiac arrest is key to effectively saving lives, it is important that the installation of these devices be accompanied by a training program in order to maximize their effectiveness.

The Committee directs GSA to develop a PAD demonstration/pilot project to equip various buildings under its jurisdiction across the country with AED devices following its May 23, 2001 guidelines. The pilot project should be implemented within the guidelines and should include the following:

1. Support of the program by agency leadership.
2. A thorough site survey of each facility to determine the proper placement of the devices.
3. A complete and ongoing personnel training program to properly operate the equipment, to include cardiopulmonary resuscitation (CPR) and the proper use of the AED.
4. Development and regular review of PAD operational protocols, including cooperation with local emergency medical services.
5. Maintenance of hardware and support equipment on a regular basis and after each use.
6. Development of quality assurance and data information management plans.

The Committee has provided \$2,000,000 within existing funds to initiate this project. The Committee directs GSA to provide a report

no later than April 1, 2002 on the steps it has taken to meet the goals listed above.

#### BATON ROUGE PARK

The Committee directs GSA to submit a report to the Committee by November 30, 2001 which provides the relevant historical facts of the Baton Rouge downtown park site, which outlines GSA's and BREC's positions on the disposition of the park, and addresses GSA's understanding of any questions involving the status of the title to the former park site.

#### ALBUQUERQUE, NEW MEXICO SSA OFFICE

The Committee expects GSA to utilize available funds to relocate the memorial stone and its 4' by 4' base and to transplant the tree constituting the memorial to the victims of the Oklahoma City bombing from the current location of the Social Security Administration office in Albuquerque, New Mexico, to its new location in Albuquerque.

#### OFFICE OF INSPECTOR GENERAL

Appropriations, 2001 .....	\$34,444,000
Budget estimate, 2002 .....	36,025,000
Committee recommendation .....	36,025,000

The Committee recommends an appropriation of \$36,025,000 for the Office of Inspector General. This amount is equal to the President's request.

This appropriation provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies within the General Services Administration (GSA), which create conditions for existing or potential instances of fraud, waste and mismanagement. This audit function provides internal audit and contract audit services. Contract audits provide professional advice to GSA contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of GSA operations and programs, test internal control systems, and develop information to improve operating efficiencies and enhance customer services. The investigative function provides for the detection and investigation of improper and illegal activities involving GSA programs, personnel, and operations.

#### ELECTRONIC GOVERNMENT (E-GOV) FUND

Appropriations, 2001 .....	\$0
Budget estimate, 2002 .....	20,000,000
Committee recommendation .....	5,000,000

The Committee has agreed with the Administration's request to create a new account to support interagency electronic government or "e-gov" initiatives, and has recommended an appropriation of \$5,000,000, to remain available through fiscal year 2004. This will allow the Administration to begin this effort to develop and implement innovative uses of the Internet and other electronic media to provide individuals, businesses, and other Government agencies with simpler and more timely access to Federal information, bene-

fits, services, and business opportunities. It is hoped that the resulting initiative will allow agencies to provide the public with optional use and acceptance of electronic information, services, and signatures by October 2003 as required under the Government Paperwork Elimination Act.

Proposals for funding must meet capital planning guidelines and include adequate documentation to demonstrate a sound business case, attention to security and privacy, and a way to measure performance against planned results. The Office of Management and Budget would control the allocation of the fund and direct its use for information systems projects and affect multiple agencies and offer the greatest improvements in access and service.

#### ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriations, 2001 .....	\$2,511,000
Budget estimate, 2002 .....	3,552,000
Committee recommendation .....	3,376,000

The Committee recommends \$3,376,000 for allowances and office staff for former Presidents. This reflects a decrease in costs associated with former President Clinton's office space.

This appropriation provides support consisting of pensions, office staffs, and related expenses for former Presidents Gerald R. Ford, Jimmy Carter, Ronald Reagan, George Bush, and William Jefferson Clinton, and for pension and postal franking privileges for the widow of former President Lyndon B. Johnson.

Below is listed a detailed breakdown of the fiscal year 2002 funding:

#### GENERAL SERVICES ADMINISTRATION—ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

[In thousands of dollars]

	Fiscal year 2002 request—former Presidents					Widows	Total
	Ford	Carter	Reagan	Bush	Clinton		
Personnel Compensation .....	96	96	96	96	150		534
Personnel Benefits .....	24	6	24	35	60		149
Benefits for Former Personnel: Pensions .....	166	166	166	166	166	20	850
Travel .....	50	2	16	57	57		182
Rental Payments to GSA .....	110	102	357	169	354		1,092
Communications, Utilities and Miscellaneous charges:							
Telephone .....	21	25	15	14	28		103
Postage .....	6	20	10	14	22	2	74
Printing .....		5	12	12	15		44
Other Services .....	11	71	15	13	80		190
Supplies & Materials .....	9	6	20	11	24		70
Equipment .....	4	9	3	36	36		88
Total Obligations .....	497	508	734	623	992	22	3,376

#### GSA GENERAL PROVISIONS

The Committee has recommended the inclusion of the following general provisions:

Section 401 continues a provision which authorizes GSA to credit accounts with certain funds received from Government corporations.

Section 402 continues a provision which authorizes GSA to use funds for the hire of passenger motor vehicles.

Section 403 continues a provision which authorizes GSA to transfer funds within the Federal buildings fund for meeting program requirements.

Section 404 continues a provision which limits funding for courthouse construction which does not meet certain standards of a capital improvement plan.

Section 405 continues a provision which provides that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate.

Section 406 continues a provision which allows pilot information technology projects to be repaid from the information technology fund.

Section 407 continues a provision which authorizes GSA to pay claims up to \$250,000 from construction projects and acquisition of buildings.

Section 408 is a new provision which allows GSA to continue to offer voluntary separation incentives through September 30, 2002.

Section 409 is a new provision directing GSA to maintain the vehicle rental rates and per mile rates charged for buses leased by schools and dormitories funded by the Bureau of Indian Affairs.

Section 410 is a new provision designating the Federal building and courthouse located at 100 1st Street, SW, Minot, North Dakota as the "Judge Bruce M. Van Sickle Federal Building and United States Courthouse."

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$29,372,000
Budget estimate, 2002 .....	30,375,000
Committee recommendation .....	30,375,000

The Committee recommends an appropriation of \$30,375,000 for the Merit Systems Protection Board (MSPB).

MSPB assists Federal agencies in running a merit-based civil service system. This is accomplished on a case-by-case basis through hearing and deciding employee appeals, and on a systemic basis by reviewing significant actions and regulations of the Office of Personnel Management (OPM) and conducting studies of the civil service and other merit systems. These actions are designed to assure that personnel actions taken against employees are processed within the law, and that actions taken by OPM and other agencies support and enhance Federal merit principles.

LIMITATION

(TRANSFER OF TRUST FUNDS)

Appropriations, 2001 .....	\$2,424,000
Budget estimate, 2002 .....	2,520,000
Committee recommendation .....	2,520,000

The Committee has recommended a limitation of \$2,520,000 on the amount to be transferred from the civil service retirement and disability fund to the Board to cover administrative expenses to adjudicate retirement appeals cases. This amount equals the budget request.

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

FEDERAL PAYMENT TO MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

Appropriations, 2001 .....	\$1,996,000
Budget estimate, 2002 .....	1,746,000
Committee recommendation .....	

The Committee recommends no appropriation for this account, a decrease of \$1,996,000 below the fiscal year 2001 enacted level and a decrease of \$1,746,000 below the President's request. Funding for activities associated with this account is provided in a new account, Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund.

NATIVE NATIONS INSTITUTE

Appropriations, 2001 .....	
Budget estimate, 2002 .....	\$250,000
Committee recommendation .....	

The Committee recommends no appropriation for the Native Nations Institute, a decrease of \$250,000 below the President's request. The potential for funding activities associated with this proposed account has been made permissible by transfer from a new account, Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund.

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY TRUST FUND

Appropriations, 2001 .....	
Budget estimate, 2002 .....	
Committee recommendation .....	\$1,996,000

The Committee establishes a new appropriation in lieu of the Federal Payment to Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation account and the proposed Native Nations Institute account. The Committee recommends an appropriation of \$1,996,000 for these activities of the Morris K. Udall Foundation. The Committee includes language to allow up to 60 percent of the appropriation to be used for the expenses of the Native Nations Institute. The Committee also includes language requiring the Foundation to report to the Committee on the amount of funding, if any, transferred from the Trust Fund for the Native Nations Institute, and directs that this report include an itemization of planned Native Nations Institute expenditures for fiscal year 2002. The Committee further directs the Foundation to describe as part of the report its justification for such a transfer. Future budget justifications submitted to Congress regarding this effort are to contain detailed information on the actual

expenditures of past years as well as detailed information on planned expenditures for the current and budget years.

Public Law 102–259 established the Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund. Federal payments to that fund are invested in Treasury securities. Interest earnings from the investments are used to carry out the activities of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation. The Foundation awards scholarships, fellowships, and grants and funds activities of the Udall Center for Studies in Public Policy.

Public Law 106–568 (section 817) established the Native Nations Institute as part of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation. The purpose of the Native Nations Institute is to provide management and leadership training to Native American tribal leaders.

#### MORRIS K. UDALL ENVIRONMENTAL DISPUTE RESOLUTION FUND

Appropriations, 2001 .....	\$1,248,000
Budget estimate, 2002 .....	1,309,000
Committee recommendation .....	1,309,000

In 1998, Public Law 105–156 established the U.S. Institute for Environmental Conflict Resolution as part of the Morris K. Udall Foundation. The Institute is designed to conduct Environmental Conflict Resolution (ECR) and training, and provides assessment, mediation, and other related services primarily to Federal agencies in connection with a dispute or conflict related to the environment, public lands, or natural resources. Contracting sponsors or parties pay fees into the Environmental Dispute Resolution Fund for environmental dispute resolution services. In fiscal year 1999, its initial year of operation, the Institute began a project with the Ninth Circuit Court of Appeals to demonstrate ECR processes in Federal trial courts.

#### NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

##### OPERATING EXPENSES

Appropriations, 2001 .....	\$208,946,000
Budget estimate, 2002 .....	244,247,000
Committee recommendation .....	244,247,000

The Committee recommends an appropriation of \$244,247,000 for Operating Expenses of the National Archives and Records Administration (NARA). This amount is equal to the President's request.

NARA provides for basic operations dealing with management of the Government's archives and records, operation of Presidential Libraries, and for the review for declassification of classified security information.

*Records services.*—This activity provides for selecting, preserving, describing, and making available to the general public, scholars, and Federal agencies the permanently valuable historical records of the Federal Government; the historical materials and Presidential records in Presidential Libraries; for preparing related publications and exhibit programs; and for conducting the appraisal of all Federal records.

Through the records declassification program, historically valuable information in the records of the Federal Government and in donated historical materials are made available to the public by declassifying as much information as possible without endangering the national security.

This activity also provides oversight for the information security program established by Executive Order 12958 and reports annually to the President on the status of that program. It is also responsible for policy oversight for the National Industrial Security Program established under Executive Order 12829.

NARA, in research and development collaboration with national and international partners, is building an Electronic Records Archives (ERA) that will ensure the preservation of, and access to, Government electronic records. The pace of technological progress makes formats in which the records are stored obsolete within a few years, threatening to make them inaccessible even if they are preserved intact. ERA will preserve electronic records, regardless of the original format, retain them indefinitely, and enable requesters to access them on computer systems now and in the future.

*Archives related services.*—This activity provides for the publication of the Federal Register the Code of Federal Regulations, the U.S. Statutes-at-Large, and Presidential documents, and for a program to improve the quality of regulations and the public’s access to them. It also includes the administration and reference services portion for the National Historical Publications and Records Commission. This Commission makes grants nationwide to preserve and publish records that document American history.

*Archives II Facility.*—Provides for construction and related services of the new archival facility which was opened to the public in 1993. Costs of construction are financed by \$302,000,000 of federally guaranteed debt issued in 1989. Since 1994 and continuing in 2002, the Archives seeks appropriations for the annual payments for interest and redemption of debt to be made under the contract for construction and related services.

VETERAN’S RECORDS PROCESSING

Although the Committee appreciates recent efforts to improve processes at the National Personnel Records Center (NPRC), the Committee is greatly disappointed that, according to a recent GAO report, the backlog of veterans’ requests for their service records is long and growing, and the NPRC appears to have no clear plan for eliminating this backlog. Recognizing the importance to our Nation’s veterans of access to their personnel records, the Committee requests a report from NARA with the fiscal year 2003 budget submission on how it plans to eliminate delays in responding to requests at the NPRC, including timeframes, milestones, and an estimate of necessary staffing and production levels and resources.

ARCHIVES FACILITIES REPAIRS AND RESTORATION

Appropriations, 2001 .....	\$101,536,000
Budget estimate, 2002 .....	10,643,000
Committee recommendation .....	41,143,000

The Committee recommends an appropriation of \$41,143,000. Included in this amount is \$30,500,000 for construction of the South-

east Regional Archives Facility in Atlanta, Georgia, for which the Congress provided initial funds in Public Law 106-554.

This account provides for the repair, alteration, and improvement of the Archives facilities and Presidential libraries nationwide, and for providing adequate storage for archival holdings nationwide. It will better enable the National Archives to maintain its facilities in proper condition for public visitors, researchers, and employees in NARA facilities, and also maintain the structural integrity of the buildings.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION  
GRANTS PROGRAM

Appropriations, 2001 .....	\$6,436,000
Budget estimate, 2002 .....	4,436,000
Committee recommendation .....	6,436,000

The Committee recommends an appropriation of \$6,436,000. This amount is \$2,000,000 above the budget request.

The National Historical Publications and Records Commission (NHPRC) provides grants nationwide to preserve and publish records that document American history. Administered within the National Archives, which preserves Federal records, NHPRC helps State, local, and private institutions preserve non-Federal records, helps publish the papers of major figures in American history, and helps archivists and records managers improve their techniques, training, and ability to serve a range of information users.

*Records Center Revolving Fund.*—The NARA Records Center Revolving Fund provides low cost services, on a standard price basis, to Federal agency customers for quality storage and accession, reference, refile, and disposal services for records stored in service centers.

*National Archives Gift Fund.*—The National Archives Trust Fund Board may solicit and accept gifts or bequests of money, securities, or other personal property, for the benefit of or in connection with the national archival and records activities administered by the National Archives and Records Administration (44 U.S.C. 2305).

In accordance with 44 U.S.C. 2112, the Bush Presidential Library received a \$4,000,000 endowment from the Bush Library Foundation. The money was deposited in the gift fund and invested in accordance with established National Archives Trust and Gift Fund procedures. Income earned on the investment will be used to offset a portion of the Library's operation and maintenance costs.

*National Archives Trust Fund.*—The Archivist of the United States furnishes, for a fee, copies of unrestricted records in the custody of the National Archives (44 U.S.C. 2116). Proceeds from the sale of copies of microfilm publications, reproductions, special works, and other publications, as well as admission fees to Presidential Library museum rooms, are deposited in this fund (44 U.S.C. 2112, 2307).

JOHN ADAMS AND CALVIN COOLIDGE PAPERS

The Committee is aware of the interest of the Boston Public Library in preserving and making accessible its holdings of the pa-

pers of John Adams, and of the Forbes its holdings of Library of Northampton, MA in preserving and making accessible the papers of Calvin Coolidge. The Committee notes that this is the purpose for which NHPRC grant program was begun and encourages the Commission to work with the officials of these institutions to develop competitive grant proposals.

STATEHOOD INITIATIVE

Communities in Hawaii and Alaska are preparing to celebrate the 50th anniversary of Alaska and Hawaii Statehood. Within the funds provided, the Committee recommends that the NHPRC work closely with the University of Hawaii and the University of Alaska to develop a proposal for cataloging the historic records relating to Statehood in preparation for the Statehood celebrations.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$9,663,000
Budget estimate, 2002 .....	10,060,000
Committee recommendation .....	10,060,000

The Committee recommends an appropriation of \$10,060,000 for salaries and expenses of the Office of Government Ethics (OGE) in fiscal year 2002. This amount is equal to the President's request.

OGE is charged by law to provide overall direction of Executive Branch policies designed to prevent conflicts of interest and insure high ethical standards. OGE carries out these responsibilities by developing rules and regulations pertaining to conflicts of interest, post employment restrictions, standards of conduct, and public and confidential financial disclosure in the Executive Branch; by monitoring compliance with the public and confidential disclosure requirements of the Ethics Reform Act of 1978 and the Ethics Reform Act of 1989 to determine possible violations of applicable laws or regulations and recommending appropriate corrective action; by consulting with and assisting various officials in evaluating the effectiveness of applicable laws and the resolution of individual problems; and by preparing formal advisory opinions, informal letter opinions, policy memoranda, and Federal Register entries on how to interpret and comply with the requirements on conflicts of interest, post employment, standards of conduct, and financial disclosure.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

Appropriations, 2001 .....	\$93,888,000
Budget estimate, 2002 .....	99,036,000
Committee recommendation .....	99,036,000

The Committee recommends an appropriation of \$99,036,000 for the salaries and expenses of the Office of Personnel Management (OPM). This amount is equal to the budget request.

OPM is responsible for personnel management functions which include the following activities:

*Merit systems oversight and effectiveness.*—Includes evaluating human resources management in Federal agencies through various methods including on-site reviews and special studies; administering classification appeals, Fair Labor Standards Act, and Intergovernmental Personnel programs to ensure that agencies adhere to the statutory requirements; helping agencies develop merit-based human resources management accountability; assessing the effectiveness of Government-wide human resources management policies and programs, and serving as a clearinghouse for best practices; testing and evaluating innovative human resources management practices and systems, including demonstration projects; providing readily accessible statistics on the Federal workforce; and administering parts of the Voting Rights Act of 1965.

*Employment service.*—Provides leadership and manages the merit-based employment system for the Federal Government. In partnership with agencies, the Service provides a high-quality, diverse workforce through a mix of policy direction, technical assistance, and reimbursable services. These operations are carried out through a network of Service Centers throughout the country.

*Retirement and Insurance.*—This activity encompasses administration of earned employee benefits for Federal employees, retired Federal employees, and their families. These programs include the Civil Service Retirement System, the Federal Employees' Retirement System, the Federal Employees Group Life Insurance Program, and the Federal Employees and Retired Employees Health Benefits Programs. In addition, this activity includes OPM's efforts to stay abreast of, and respond to, developments in non-Federal fringe benefits practices.

*Workforce compensation and performance.*—This activity includes developing and implementing pay and leave administration policy and evaluating the effectiveness of alternative compensation systems; developing classification policies and systems, and designing flexible alternatives to current systems; and developing Government-wide policy concerning employee performance management.

*Investigations.*—Focuses on assuring applicant and appointee fitness and suitability, and oversight of the investigative contract company.

*Workforce relations.*—This activity includes developing and administering policies, regulations and guidelines on employee relations, including adverse and performance-based actions and violence in the workplace; facilitating and supporting Federal work and family programs; providing leadership and policy guidance in support of agency human resources development programs and training technology initiatives; and providing guidance and assistance to Federal agencies in labor-management relations and partnerships.

*Executive resources.*—Provides Government-wide program leadership, policy direction, and technical assistance on all aspects of the Senior Executive Service personnel system and comparable executive systems.

*Executive and other services.*—Includes executive direction, policy development, legal advice and representation, public affairs, legislative activities, financial management, and the operating expenses of the President's Commission on White House Fellows.

*Reimbursable programs.*—OPM performs reimbursable work at the request of other agencies. OPM also provides administrative, information resources management, and executive service to other OPM accounts on a reimbursable basis.

#### VOTING RIGHTS ACT

The Committee continues to include a provision requested by the administration to allow Federal employees acting as Voting Rights Act observers to receive per diem at their permanent duty station. This provision makes it feasible for these observers to work in local areas and allow the Government to discontinue the practice of recruiting observers from distant locations and assuming the per diem, as well as travel costs.

#### CHILD CARE ASSISTANCE

The Committee recommends that the pilot project permitting Executive agencies to use their appropriated funds to help subsidize child care expenses for their lower paid employees be made permanent.

The Committee remains concerned that child care expenses are often the second or third largest monthly expense Federal employees face. Additionally, many lower paid Federal workers are unable to afford quality child care. As private industry has increasingly used subsidized child care for its employees as an effective productivity enhancement, retention and recruiting tool, the Committee believes the Federal Government must continue its commitment to do the same.

#### EASTERN MANAGEMENT DEVELOPMENT CENTER

OPM's agreement for operation of the Eastern Management Development Center states that OPM will "aggressively pursue programs that will increase attendance to the original levels set for the solicitation." In light of the lower than anticipated attendance levels experienced since opening this complex, the Committee believes that the meaning of "aggressively pursue" should be construed as ensuring that all appropriate and suitable efforts will be undertaken to achieve the target participation levels at the Center. Not only does the Committee encourage OPM to enhance its efforts to increase use of this facility, but it also expects OPM to consider adjustments to the existing lease rates and the costs of food and lodging in the context of responsible, good-faith negotiations, as appropriate, should the aggressive efforts described above not achieve the targeted participation rates. The Committee recognizes that the participants at the Center are, generally, employees of the executive departments and agencies, and that OPM's ability to meet target participation rates is dependent on the ability and resources of those departments and agencies to assign participants. The Committee requests that OPM provide a report no later than March 15, 2002.

## LIMITATION

## (TRANSFER OF TRUST FUNDS)

Limitation, 2001 .....	\$161,762,000
Budget estimate, 2002 .....	115,928,000
Committee recommendation .....	115,928,000

The Committee recommends a limitation of \$115,928,000.

These funds will be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs.

## RETIREMENT SYSTEMS MODERNIZATION

Over the past several years, the Federal Government has expended hundreds of millions of dollars on automation hardware and software without significant planning and architectural design. The General Accounting Office (GAO) has documented problems with design and systems procurement on countless occasions. The Committee is supportive of providing the technology necessary to modernize the Federal employee retirement system, but is concerned given past history with other Federal agencies. The Committee recommends that OPM reach out to GAO for guidance and support on this initiative and encourages the establishment of a relationship for the duration of this project. The Committee expects to be informed regularly by OPM and GAO on the progress of this IT modernization project.

## OFFICE OF INSPECTOR GENERAL

## SALARIES AND EXPENSES

Appropriations, 2001 .....	\$1,357,000
Budget estimate, 2002 .....	1,398,000
Committee recommendation .....	1,398,000

The Committee recommends an appropriation of \$1,398,000 for salaries and expenses of the Office of Inspector General in fiscal year 2002. This amount is equal to the President's request.

The Office of Inspector General is charged with establishing policies for conducting and coordinating efforts which promote economy, efficiency, and integrity in the Office of Personnel Management's activities which prevent and detect fraud, waste, and mismanagement in the agency's programs. Contract audits provide professional advice to agency contracting officials on accounting and financial matters regarding the negotiation, award, administration, repricing, and settlement of contracts. Internal agency audits review and evaluate all facets of agency operations, including financial statements. Evaluation and inspection services provide detailed technical evaluations of agency operations. Insurance audits review the operations of health and life insurance carriers, health care providers, and insurance subscribers. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. Administrative sanctions debar from participation in the health insurance program those health care providers whose conduct may pose a threat to the financial integrity of the program itself or to the well-being of insurance program enrollees.

## (LIMITATION ON TRANSFER FROM TRUST FUNDS)

Limitation, 2001 .....	\$9,704,000
Budget estimate, 2002 .....	10,016,000
Committee recommendation .....	10,016,000

The Committee recommends a limitation on transfers from the trust funds in support of the Office of Inspector General activities totaling \$10,016,000 for fiscal year 2002, as requested.

## GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Appropriations, 2001 .....	\$5,427,166,000
Budget estimate, 2002 .....	6,145,000,000
Committee recommendation .....	6,145,000,000

The Committee recommends an appropriation of \$6,145,000,000 for Government payments for annuitants, employees health benefits. The Committee recommendation equals the budget estimate.

This appropriation covers the Government's share of the cost of health insurance for annuitants covered by the Federal Employees Health Benefits Program and the Retired Federal Employees Health Benefits Act of 1960, as well as administrative expenses incurred by OPM for these programs.

## GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

Appropriations, 2001 .....	\$35,000,000
Budget estimate, 2002 .....	33,000,000
Committee recommendation .....	33,000,000

The Committee recommends an appropriation of \$33,000,000 for the Government payment for annuitants, employee life insurance. This amount equals the budget request.

Public Law 96-427, the Federal Employees' Group Life Insurance Act of 1980 requires that all employees under the age of 65 who separate from the Federal Government for purposes of retirement on or after January 1, 1990, continue to make contributions toward their basic life insurance coverage after retirement until they reach the age of 65. These retirees will contribute two-thirds of the cost of the basic life insurance premium, identical to the amount contributed by active Federal employees for basic life insurance coverage. As with the active Federal employees, the Government is required to contribute one-third of the cost of the premium for basic coverage. OPM, acting as the payroll office on behalf of Federal retirees, has requested, and the Committee has provided, the funding necessary to make the required Government contribution associated with annuitants' postretirement life insurance coverage.

## PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 2001 .....	\$8,940,051,000
Budget estimate, 2002 .....	9,229,000,000
Committee recommendation .....	9,229,000,000

The Committee recommends an appropriation of \$9,229,000,000 for payment to the civil service retirement and disability fund. The Committee recommendation equals the budget estimate.

The civil service retirement and disability fund was established in 1920 to administer the financing and payment of annuities to retired Federal employees and their survivors. The fund covers the operation of the Civil Service Retirement System and the Federal Employees' Retirement System.

This appropriation provides for the Government's share of retirement costs, transfers of interest on the unfunded liability and annuity disbursements attributable to military service, and survivor annuities to eligible former spouses of some annuitants who did not elect survivor coverage.

#### OFFICE OF SPECIAL COUNSEL

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$11,122,000
Budget estimate, 2002 .....	11,784,000
Committee recommendation .....	11,784,000

The Committee recommends an appropriation of \$11,784,000 for the Office of Special Counsel (OSC). This amount is equal to the President's request.

OSC investigates Federal employee allegations of prohibited personnel practices and, when appropriate, prosecutes cases before the Merit Systems Protection Board and enforces the Hatch Act. OSC also provides a channel for whistleblowing by Federal employees, and may transmit whistleblowing allegations to the agency head concerned and require an agency investigation and a report to Congress and the President when appropriate.

#### U.S. TAX COURT

##### SALARIES AND EXPENSES

Appropriations, 2001 .....	\$37,224,000
Budget estimate, 2002 .....	37,305,000
Committee recommendation .....	37,305,000

The Committee recommends an appropriation of \$37,305,000 for the U.S. Tax Court. This amount is equal to the President's request.

The U.S. Tax Court is an independent judicial body in the legislative branch under article I of the Constitution of the United States. The court is composed of a chief judge and 18 judges. Decisions by the court are reviewable by the U.S. Courts of Appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases, and by special trial judges, who hear small tax cases and certain regular cases assigned to them by the chief judge.

The court conducts trial sessions throughout the United States, including Hawaii and Alaska. The matters over which the Court has jurisdiction are set forth in various sections of title 26 of the United States Code.

*Tax Court Independent Counsel Fund.*—This fund is established pursuant to 26 U.S.C. 7475. The fund is used by the Tax Court to employ independent counsel to pursue disciplinary matters involving practitioners admitted to practice before the Court.

*Tax Court Judges Survivors Annuity Fund.*—This fund established pursuant to 26 U.S.C. 7448, is used to pay survivorship benefits to eligible surviving spouses and dependent children of deceased judges of the U.S. Tax Court. Participating judges pay 3.5 percent of their salaries or retired pay into the fund to cover creditable service for which payment is required. Additional funds, as are needed, are provided through the annual appropriation to the U.S. Tax Court.

## STATEMENT CONCERNING GENERAL PROVISIONS

Traditionally, the Treasury and General Government appropriation bill has included general provisions which govern both the activities of the agencies covered by the bill, and, in some cases, activities of agencies, programs, and general government activities that are not covered by the bill. Those general provisions that are Governmentwide in scope are contained in title VI of this bill.

The bill contains a number of general provisions that have been carried in this bill for years and which are routine in nature and scope. General provisions in the bill are explained under this section of the report. Those general provisions that deal with a single agency only are shown immediately following that particular agency's or department's appropriation accounts in the bill. Those general provisions that address activities or directives affecting all of the agencies covered in this bill are contained in title V of the bill.

## TITLE V—GENERAL PROVISIONS

### THIS ACT

Section 501 continues a provision which limits the use of appropriated funds to the current fiscal year.

Section 502 continues a provision regarding consultant services.

Section 503 continues a provision which prohibits the use of funds to engage in activities which would prohibit in the enforcement of section 307 of the 1930 Tariff Act.

Section 504 continues a provision which prohibits the transfer of control over the Federal Law Enforcement Training Center.

Section 505 continues the provision concerning the employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 506 continues a provision which requires compliance with the Buy American Act.

Section 507 continues a provision which states the sense of Congress regarding notice and purchase of American-made products.

Section 508 continues a provision which prohibits an individual from eligibility for Government contracts if a court determines that individual has intentionally fraudulently affixed a “Made in America” label to any product non-American made.

Section 509 continues a provision which provides up to 50 percent of unobligated balances may remain available for authorized purposes in compliance with reprogramming guidelines.

Section 510 continues a provision which prohibits the Executive Office of the President from using appropriated funds to request FBI background investigation reports.

Section 511 continues a provision that cost accounting standards under the Federal Procurement Policy Act shall not apply to the Federal Employees Health Benefits program.

Section 512 continues a provision permitting OPM to utilize certain funds to resolve litigation and implement settlement agreements regarding the non-foreign area cost-of-living allowance program.

Section 513 requires the Director of the Office of Management and Budget to submit to Congress a comprehensive review of whether the goals of the Paperwork Reduction Act are being achieved, and whether additional procedures are necessary to achieve the purpose of the law.

Section 514 continues and modifies a provision prohibiting the use of funds to monitor personal information relating to the use of Federal Internet sites.

TITLE VI—GENERAL PROVISIONS, DEPARTMENTS,  
AGENCIES, AND CORPORATIONS

The Committee has recommended the inclusion of the following general provisions:

Section 601 continues a provision authorizing agencies to pay travel costs of the families of Federal employees on foreign duty to return to the United States in the event of death or a life threatening illness of an employee.

Section 602 continues a provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 603 continues a provision regarding price limitations on vehicles to be purchased by the Federal Government.

Section 604 continues a provision allowing funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 605 continues a provision prohibiting the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental United States.

Section 606 continues a provision ensuring that agencies will have authority to pay the General Services Administration bills for space renovation and other services.

Section 607 continues a provision allowing agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 608 continues a provision providing that funds may be used to pay rent and other service costs in the District of Columbia.

Section 609 continues a provision prohibiting the use of appropriated funds to pay the salary of any nominee after the Senate voted not to approve the nomination.

Section 610 continues a provision precluding interagency financing of groups absent prior statutory approval.

Section 611 continues a provision authorizing the Postal Service to employ guards.

Section 612 continues a provision prohibiting the use of appropriated funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 613 continues a provision limiting the pay increases of certain prevailing rate employees.

Section 614 continues a provision limiting the amount that can be used for redecoration of offices under certain circumstances.

Section 615 continues provision prohibiting the expenditure of appropriated funds for the acquisition of additional law enforcement training facilities without the advance approval of the Committees on Appropriations and allowing the Federal Law Enforcement Training Center to obtain temporary use of additional facili-

ties for training which cannot be accommodated in existing Center facilities.

Section 616 continues a provision permitting interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 617 continues a provision requiring agencies to certify that a schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 618 continues a provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment.

Section 619 continues a provision which prohibits the U.S. Customs Service from allowing the importation of products produced by forced or indentured child labor.

Section 620 continues a provision which prohibits the use of funds to prevent Federal employees from communicating with Congress or to take disciplinary or personnel actions against employees for such communication.

Section 621 continues a provision which prohibits training not directly related to the performance of official duties.

Section 622 continues a provision prohibiting the expenditure of funds for the implementation of agreements in certain nondisclosure policies unless certain provisions are included in the policies.

Section 623 continues a provision which prohibits use of appropriated funds for publicity or propaganda designed to support or defeat legislation pending before Congress.

Section 624 continues a provision which prohibits use of appropriated funds by an agency to provide Federal employees home address to labor organizations.

Section 625 continues a provision which prohibits the use of appropriated funds to provide nonpublic information such as mailing or telephone lists to any person or organization outside of the Government.

Section 626 continues a provision which prohibits the use of appropriated funds for publicity or propaganda purposes within the United States not authorized by Congress.

Section 627 continues a provision directing agencies employees to use official time in an honest effort to perform official duties.

Section 628 makes technical modifications and continues a provision regarding contraceptive coverage under the Federal Employees Health Benefits Plan.

Section 629 continues a provision authorizing the use of fiscal year 2002 funds to finance an appropriate share of the Joint Financial Management Improvement Program.

Section 630 continues a provision authorizing agencies to transfer funds to the Policy and Operations account of GSA to finance an appropriate share of the Joint Financial Management Improvement Program.

Section 631 modifies and continues a provision authorizing Federal agencies to provide child care in Federal facilities, and to provide assistance of lower-income Federal employees using such services.

Section 632 continues a provision authorizing breastfeeding at any location in a Federal building or on Federal property.

Section 633 continues a provision which permits interagency funding of the National Science and Technology Council.

Section 634 continues a provision requiring identification of the Federal agencies providing Federal funds and the amount provided for all proposals, solicitations, grant applications, forms, notifications, press releases, or other publications related to the distribution of funding to a State.

Section 635 is a new provision which extends the authorization for franchise fund pilots for 1 year.

Section 636 is a new provision which allows the Secretary of the Navy to accept gifts of consumable items, or funds for them, for use at official functions at the Vice President's official residence.

Section 637 is a new provision to clarify that title 5 authorities are available to civilian personnel within the Executive Office of the President.

Section 638 is a new provision which clarifies that the Department of the Navy will provide and pay for utilities for the official residence of the Vice President without reimbursement.

Section 639 is a new provision which clarifies that the United States Anti-Doping Agency is the official anti-doping agency for Olympic, Pan American, and Paralympic sport in the United States.

Section 640 is a new provision clarifying the status of certain employees of the United States-China Security Review Commission.

Section 641 is a new provision regarding Federal employee pay adjustments.

Section 642 is a new provision directing departments and agencies to comply with the Rural Development Act of 1972 (RDA). The RDA directed "the heads of all executive departments and agencies of the Government to establish and maintain departmental policies and procedures giving first priority to the location of new offices and other facilities in rural areas." The Committee is aware that reports by the General Accounting Office continue to show that most executive branch departments and agencies do not have policies and procedures required by the RDA. As a result, the Committee directs those departments and agencies subject to the RDA to report, within 6 months of enactment of this Act, on the policies and procedures they have adopted to comply with the RDA requirements.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE  
STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill “which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.”

The Committee recommends the following appropriations which lack authorization:

Department of the Treasury:

Departmental Offices:

Salaries and expenses, \$187,322,000

Department-wide Systems and Capital Investments Program, \$69,028,000

Treasury Building and annex, repair and restoration, \$32,932,000

Financial Crimes Enforcement Network, salaries and expenses, \$45,702,000

Federal Law Enforcement Training Center:

Salaries and expenses, \$106,317,000

Acquisition, construction, improvements, and related expenses, \$33,434,000

Financial Management Service, salaries and expenses, \$212,316,000

Bureau of Alcohol, Tobacco and Firearms:

Salaries and expenses, \$82,421,000

U.S. Customs Service:

Salaries and expenses, \$2,022,453,000

Operation and maintenance, air and marine interdiction programs, \$172,637,000

Automation modernization, \$357,832,000

Internal Revenue Service:

Processing, assistance, and management, \$3,786,347,000

Tax law enforcement, \$3,535,198,000

Information systems, \$1,563,249,000

Executive Office of the President:

The White House Office, salaries and expenses, \$54,165,000

Executive Residence at the White House, operating expenses, \$11,914,000

Special Assistance to the President, salaries and expenses, \$3,896,000

Council of Economic Advisers, salaries and expenses, \$4,192,000

National Security Council, salaries and expenses, \$7,447,000

Office of Administration, salaries and expenses,  
\$46,032,000  
Office of Management and Budget, salaries and ex-  
penses, \$70,519,000  
Office of National Drug Control Policy, salaries and ex-  
penses, \$25,096,000  
Counterdrug Technology Assessment Center, salaries and ex-  
penses, \$22,000,000  
Counternarcotics research and development projects,  
\$20,000,000  
High-intensity drug trafficking areas, \$226,350,000  
Federal Election Commission, salaries and expenses,  
\$43,993,000  
Federal Labor Relations Authority, salaries and expenses,  
\$26,378,000  
General Services Administration, Federal buildings fund,  
limitations on availability of revenue:  
Repairs and alterations, \$844,880,000  
Nationwide: Basic repairs and alterations, \$370,000,000  
Policy and operations, salaries and expenses, \$145,749,000  
National Historical Publications and Records Commission,  
\$6,436,000  
Office of Government Ethics, salaries and expenses,  
\$10,060,000  
U.S. Tax Court, salaries and expenses, \$37,305,000

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI, OF THE  
STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the Committee ordered reported, en bloc, H.R. 2506, the Foreign Operations, Export Financing, and Related Programs appropriations bill, 2002, and S. 1398, an original Treasury and General Government appropriations bill, 2002, each subject to amendment and each subject to its budget allocations, by a recorded vote of 29–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kohl	
Mrs. Murray	
Mr. Dorgan	
Mrs. Feinstein	
Mr. Durbin	
Mr. Johnson	
Mrs. Landrieu	
Mr. Reed	
Mr. Stevens	
Mr. Cochran	

Mr. Specter  
 Mr. Domenici  
 Mr. Bond  
 Mr. McConnell  
 Mr. Burns  
 Mr. Shelby  
 Mr. Gregg  
 Mr. Bennett  
 Mr. Campbell  
 Mr. Craig  
 Mrs. Hutchison  
 Mr. DeWine

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE  
 STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

**TITLE 3—THE PRESIDENT**

\* \* \* \* \*

**CHAPTER 2—OFFICE AND COMPENSATION OF  
 PRESIDENT**

\* \* \* \* \*

**§ 111. Expense allowance of Vice President**

\* \* \* \* \*

AMENDMENTS

\* \* \* \* \*

OFFICIAL TEMPORARY RESIDENCE OF THE VICE PRESIDENT

\* \* \* \* \*

“SEC. 3. The Secretary of the Navy shall, subject to the supervision and control of the Vice President, provide for the military staffing, *utilities (including electrical) for*, and the care and maintenance of the grounds of the temporary official residence of the Vice President and, subject to reimbursement therefor out of funds appropriated for such purposes, provide for the civilian staffing, care,

maintenance, repair, improvement, alteration, and furnishing of such residence.

\* \* \* \* \*

“SEC. 6. The Secretary of the Navy is authorized and directed, with the approval of the Vice President, to accept donations of money or property for the furnishing of or making improvements in or about, *or for use at official functions in or about*, the temporary official residence of the Vice President, all such donations to become the property of the United States and to be accounted for as such.

\* \* \* \* \*

**GOVERNMENT MANAGEMENT REFORM ACT OF 1994,  
PUBLIC LAW 103-356**

\* \* \* \* \*

**TITLE IV—FINANCIAL MANAGEMENT**

\* \* \* \* \*

**SEC. 403. FRANCHISE FUND PILOT PROGRAMS.**

(a) \* \* \*

\* \* \* \* \*

(f) TERMINATION.—The provisions of this section shall expire on [October 1, 2001] *October 1, 2002*.

\* \* \* \* \*

**OMNIBUS CONSOLIDATED AND EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT, 1999, PUBLIC LAW 105-277**

\* \* \* \* \*

SEC. 102. Section 122 of Public Law 105-119 (5 U.S.C. 3104 note) is amended—

(1) by amending subsection (g) to read as follows:

“(g)(1) Notwithstanding any other provision of law and subject to paragraph (2), the Secretary of the Treasury is authorized to establish, for a period of [three years] *four years* from date of enactment of this provision, a personnel management demonstration project providing for the compensation and performance management of not more than a combined total of 950 employees who fill critical scientific, technical, engineering, intelligence analyst, language translator, and medical positions in the Bureau of Alcohol, Tobacco and Firearms[, the United States Customs Service, and the United States Secret Service].

\* \* \* \* \*

**NATIONAL DEFENSE AUTHORIZATION, FISCAL YEAR 2001, PUBLIC LAW 106-398**

\* \* \* \* \*

**APPENDIX—H.R. 5408**

**SECTION 1. SHORT TITLE; FINDINGS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001”.

\* \* \* \* \*

**TITLE XII—MATTERS RELATING TO OTHER NATIONS**

\* \* \* \* \*

**Subtitle D—Other Matters**

\* \* \* \* \*

**SEC. 1238. UNITED STATES-CHINA SECURITY REVIEW COMMISSION.**

(a) **PURPOSES.**—\* \* \*

\* \* \* \* \*

(e) **COMMISSION PERSONNEL MATTERS.**—

\* \* \* \* \*

(3) **STAFF.**—An executive director and other additional personnel for the United States-China Security Review Commission shall be appointed, compensated, and terminated in the same manner provided for the appointment, compensation, and termination of the executive director and other personnel of the Trade Deficit Review Commission under section 127(g)(3) and section 127(g)(6) of the Trade Deficit Review Commission Act. *The executive director and any personnel who are employees of the United States-China Security Review Commission shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, and 90 of that title.*

\* \* \* \* \*

**CONSOLIDATED APPROPRIATIONS ACT, 2001, PUBLIC LAW 106-554**

\* \* \* \* \*

**APPENDIX C—H.R. 5658**

**TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2001**

\* \* \* \* \*

**TITLE IV—INDEPENDENT AGENCIES**

\* \* \* \* \*

**GENERAL SERVICES ADMINISTRATION**

\* \* \* \* \*

**GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS**

\* \* \* \* \*

SEC. 408. Section 411 of Public Law 106–58 is amended by striking “April 30, 2001” each place it appears and inserting “[April 30, 2002] September 30, 2002”.

\* \* \* \* \*

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 2002: Subcommittee on Treasury and General Government:				
General purpose, non-defense discretionary .....	16,972	17,118	NA	NA
General purpose .....	NA	NA	16,183	16,183
Mandatory .....	15,478	15,690	15,475	<sup>1</sup> 15,688
Projection of outlays associated with the recommendation:				
2002 .....				<sup>2</sup> 27,863
2003 .....				2,859
2004 .....				736
2005 .....				323
2006 and future year .....				183
Financial assistance to State and local governments for 2002 .....	NA	226	NA	57

<sup>1</sup> Includes outlays from prior-year budget authority.

<sup>2</sup> Excludes outlays from prior-year budget authority.

NA: Not applicable.

Note.—Consistent with the funding recommended in the bill for earned income tax credit compliance and in accordance with section 314(b)(5) of the Congressional Budget Act of 1974, as amended, the Committee anticipates that the Budget Committee will file a revised section 302(a) allocation for the Committee on Appropriations reflecting an upward adjustment of \$146,000,000 in budget authority and \$143,000,000 in outlays.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2001 appropriation	Budget estimate
TITLE I—DEPARTMENT OF THE TREASURY					
Departmental Offices .....	222,337	181,768	187,322	- 35,015	+ 5,554
Department-wide systems and capital investments programs .....	62,150	70,828	69,028	+ 6,878	- 1,800
Office of Inspector General .....	32,827	35,150	35,150	+ 2,323	.....
Treasury Inspector General for Tax Administration .....	118,166	122,342	123,799	+ 5,633	+ 1,457
Treasury Building and Annex Repair and Restoration .....	30,932	32,932	32,932	+ 2,000	.....
Expanded Access to Financial Services .....	9,978	.....	.....	- 9,978	.....
Rescission .....	.....	.....	- 8,000	- 8,000	- 8,000
Financial Crimes Enforcement Network .....	37,493	45,155	45,702	+ 8,209	+ 547
Counterterrorism Fund .....	54,879	44,879	44,879	- 10,000	.....
Federal Law Enforcement Training Center:					
Salaries and Expenses .....	99,264	100,707	106,317	+ 7,053	+ 5,610
Acquisition, Construction, Improvements, and Related Expenses .....	54,086	21,895	33,434	- 20,652	+ 11,539
Total .....	153,350	122,602	139,751	- 13,599	+ 17,149
Interagency Law Enforcement: Interagency crime and drug enforcement .....	103,248	106,487	106,965	+ 3,717	+ 478
Financial Management Service .....	255,972	211,594	212,316	- 43,656	+ 722
Bureau of Alcohol, Tobacco and Firearms .....	771,143	803,521	821,421	+ 50,278	+ 17,900
United States Customs Service:					
Salaries and Expenses .....	1,878,557	1,961,764	2,022,453	+ 143,896	+ 60,689
Harbor Maintenance Fee Collection .....	2,993	2,993	3,000	+ 7	+ 7
Operation, Maintenance and Procurement, Air and Marine Interdiction Programs .....	132,934	162,637	172,637	+ 39,703	+ 10,000
Miscellaneous appropriations (Public Law 106-554) .....	6,985	.....	.....	- 6,985	.....

Automation modernization:					
Automated Commercial System .....	122,442	122,432	122,432	- 10	.....
International Trade Data System .....	5,389	5,400	5,400	+ 11	.....
Automated Commercial Environment .....	130,000	130,000	230,000	+ 100,000	+ 100,000
Subtotal .....	257,831	257,832	357,832	+ 100,001	+ 100,000
Customs Services at Small Airports (to be derived from fees collected) .....	1,993	3,000	3,000	+ 1,007	.....
Offsetting receipts .....	- 2,000	- 3,000	- 3,000	- 1,000	.....
Total .....	2,279,293	2,385,226	2,555,922	+ 276,629	+ 170,696
Bureau of the Public Debt .....	182,699	185,370	187,318	+ 4,619	+ 1,948
Payment of government losses in shipment .....	1,000	1,000	1,000	.....	.....
Internal Revenue Service:					
Processing, Assistance, and Management .....	3,643,166	3,783,347	3,786,347	+ 143,181	+ 3,000
Tax Law Enforcement .....	3,366,380	3,533,198	3,535,198	+ 168,818	+ 2,000
Earned Income Tax Credit Compliance Initiative .....	144,681	146,000	146,000	+ 1,319	.....
Information Systems .....	1,522,416	1,563,249	1,563,249	+ 40,833	.....
Business systems modernization .....	71,593	396,593	419,593	+ 348,000	+ 23,000
Staffing tax administration for balance and equity .....	140,690	.....	.....	- 140,690	.....
Total .....	8,888,926	9,422,387	9,450,387	+ 561,461	+ 28,000
United States Secret Service:					
Salaries and Expenses .....	824,885	857,117	899,615	+ 74,730	+ 42,498
Acquisition, Construction, Improvements, and Related Expenses .....	8,921	3,352	3,352	- 5,569	.....
Total .....	833,806	860,469	902,967	+ 69,161	+ 42,498
Total, title I, Department of the Treasury .....	14,038,199	14,631,710	14,908,859	+ 870,660	+ 277,149
Appropriations .....	(14,038,199)	(14,631,710)	(14,916,859)	(+ 878,660)	(+ 285,149)
Rescissions .....	.....	.....	(- 8,000)	(- 8,000)	(- 8,000)
Emergency funding .....	.....	.....	.....	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2001 appropriation	Budget estimate
TITLE II—POSTAL SERVICE					
Payment to the Postal Service Fund .....	28,936	76,619	76,619	+ 47,683	.....
Advance appropriation, fiscal year 2002 .....	66,952	67,093	67,093	+ 141	.....
Advance appropriation, fiscal year 2003 .....	.....	.....	.....	.....	.....
Total .....	95,888	143,712	143,712	+ 47,824	.....
TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT					
Compensation of the President and the White House Office:					
Compensation of the President .....	390	450	450	+ 60	.....
Salaries and Expenses .....	53,171	54,165	54,165	+ 994	.....
Executive Residence at the White House:					
Operating Expenses .....	10,876	11,914	11,914	+ 1,038	.....
White House Repair and Restoration .....	966	8,625	8,625	+ 7,659	.....
Special Assistance to the President and the Official Residence of the Vice President:					
Salaries and Expenses .....	3,665	3,896	3,896	+ 231	.....
Operating expenses .....	353	314	314	- 39	.....
Council of Economic Advisers .....	4,101	4,192	4,192	+ 91	.....
Office of Policy Development .....	4,023	4,119	4,119	+ 96	.....
National Security Council .....	7,149	7,447	7,447	+ 298	.....
Office of Administration .....	43,641	46,032	46,032	+ 2,391	.....
Office of Management and Budget .....	68,635	70,521	70,519	+ 1,884	- 2

Office of National Drug Control Policy:					
Salaries and expenses .....	24,705	25,100	25,096	+ 391	- 4
Counterdrug Technology Assessment Center .....	35,974	40,000	42,000	+ 6,026	+ 2,000
Total .....	60,679	65,100	67,096	+ 6,417	+ 1,996
Federal Drug Control Programs:					
High Intensity Drug Trafficking Areas Program .....	206,046	206,350	226,350	+ 20,304	+ 20,000
Special Forfeiture Fund .....	233,086	247,600	249,400	+ 16,314	+ 1,800
Unanticipated Needs .....	998	1,000	1,000	+ 2	
Elections Commission of the Commonwealth of Puerto Rico .....	2,494			- 2,494	
Total, title III, Executive Office of the President and Funds Appropriated to the President .....	700,273	731,725	755,519	+ 55,246	+ 23,794
TITLE IV—INDEPENDENT AGENCIES					
Committee for Purchase From People Who Are Blind or Severely Disabled .....	4,149	4,498	4,498	+ 349	
Federal Election Commission .....	40,411	41,411	43,993	+ 3,582	+ 2,582
Federal Labor Relations Authority .....	25,003	26,378	26,378	+ 1,375	
General Services Administration:					
Federal Buildings Fund:					
Appropriations .....	476,523	276,400	276,400	- 200,123	
Advance appropriation, fiscal years 2002–2004 .....	(276,400)			(- 276,400)	
Limitations on availability of revenue:					
Construction and acquisition of facilities .....	(477,676)	(386,289)	(477,544)	(- 132)	(+ 91,255)
Repairs and alterations .....	(681,613)	(826,676)	(844,880)	(+ 163,267)	(+ 18,204)
Installment acquisition payments .....	(185,369)	(186,427)	(186,427)	(+ 1,058)	
Rental of space .....	(2,943,854)	(2,959,550)	(2,959,550)	(+ 15,696)	
Building Operations .....	(1,624,771)	(1,748,949)	(1,748,949)	(+ 124,178)	
Subtotal .....	(5,913,283)	(6,107,891)	(6,217,350)	(+ 304,067)	(+ 109,459)
Repayment of Debt .....	(70,595)	(72,000)	(72,000)	(+ 1,405)	
Total, Federal Buildings Fund .....	476,523	276,400	276,400	- 200,123	
(Limitations) .....	(5,983,878)	(6,179,891)	(6,289,350)	(+ 305,472)	(+ 109,459)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2001 appropriation	Budget estimate
Policy and Operations .....	137,406	138,499	145,749	+ 8,343	+ 7,250
Office of Inspector General .....	34,444	36,025	36,025	+ 1,581	.....
Electronic Government (E-Gov) Fund .....	.....	20,000	5,000	+ 5,000	- 15,000
Allowances and Office Staff for Former Presidents .....	2,511	3,552	3,376	+ 865	- 176
Expenses, Presidential transition .....	7,084	.....	.....	- 7,084	.....
<b>Total, General Services Administration .....</b>	<b>657,968</b>	<b>474,476</b>	<b>466,550</b>	<b>- 191,418</b>	<b>- 7,926</b>
<b>Merit Systems Protection Board:</b>					
Salaries and Expenses .....	29,372	30,375	30,375	+ 1,003	.....
Limitation on administrative expenses .....	2,424	2,520	2,520	+ 96	.....
Federal payment to Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation .....	1,996	1,746	1,996	.....	+ 250
Native Nations Institute .....	.....	250	.....	.....	- 250
Environmental Dispute Resolution Fund .....	1,248	1,309	1,309	+ 61	.....
<b>National Archives and Records Administration:</b>					
Operating expenses .....	208,946	244,247	244,247	+ 35,301	.....
Reduction of debt .....	- 6,084	- 6,612	- 6,612	- 528	.....
Repairs and Restoration .....	101,536	10,643	41,143	- 60,393	+ 30,500
National Historical Publications and Records Commission: Grants program .....	6,436	4,436	6,436	.....	+ 2,000
<b>Total .....</b>	<b>310,834</b>	<b>252,714</b>	<b>285,214</b>	<b>- 25,620</b>	<b>+ 32,500</b>
Office of Government Ethics .....	9,663	10,060	10,060	+ 397	.....
<b>Office of Personnel Management:</b>					
Salaries and Expenses .....	93,888	99,036	99,036	+ 5,148	.....

Limitation on administrative expenses .....	101,762	115,928	115,928	+ 14,166	.....
Office of Inspector General .....	1,357	1,398	1,398	+ 41	.....
Limitation on administrative expenses .....	9,724	10,016	10,016	+ 292	.....
Government Payment for Annuitants, Employees Health Benefits .....	5,427,166	6,145,000	6,145,000	+ 717,834	.....
Government Payment for Annuitants, Employee Life Insurance .....	35,000	33,000	33,000	- 2,000	.....
Payment to Civil Service Retirement and Disability Fund .....	8,940,051	9,229,000	9,229,000	+ 288,949	.....
Total, Office of Personnel Management .....	14,608,948	15,633,378	15,633,378	+ 1,024,430	
Office of Special Counsel .....	11,122	11,784	11,784	+ 662	.....
United States Tax Court .....	37,223	37,305	37,305	+ 82	.....
Total, title IV, Independent Agencies .....	15,740,361	16,528,204	16,555,360	+ 814,999	+ 27,156
Grand total .....	30,574,721	32,035,351	32,363,450	+ 1,788,729	+ 328,099
Current year, fiscal year 2002 .....	30,507,769	31,968,258	32,296,357	+ 1,788,588	+ 328,099
Appropriations .....	(30,507,769)	(31,968,258)	(32,304,357)	(+ 1,796,588)	(+ 336,099)
Emergency funding .....					
Rescissions .....			(- 8,000)	(- 8,000)	(- 8,000)
Advance appropriations, fiscal year 2002/fiscal year 2003 .....	66,952	67,093	67,093	+ 141	.....
(Limitations) .....	(5,983,878)	(6,179,891)	(6,289,350)	(+ 305,472)	(+ 109,459)

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