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108TH CONGRESS, 2d Session | HOUSE OF REPRESENTATIVES | REPORT 108–774

# MAKING APPROPRIATIONS FOR THE DEPARTMENT OF HOMELAND SECURITY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2005, AND FOR OTHER PURPOSES

OCTOBER 9, 2004.—Ordered to be printed

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

## CONFERENCE REPORT

[To accompany H.R. 4567]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4567) "making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

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

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes, namely:*

### *TITLE I—DEPARTMENTAL MANAGEMENT AND OPERATIONS*

#### *OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT*

*For necessary expenses of the Office of the Secretary of Homeland Security, as authorized by section 102 of the Homeland Security Act of 2002 (6 U.S.C. 112), and executive management of the Department of Homeland Security, as authorized by law, $85,034,000: Provided, That not to exceed $40,000 shall be for official reception and representation expenses.*

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*OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT*

*For necessary expenses of the Office of the Under Secretary for Management, as authorized by sections 701–705 of the Homeland Security Act of 2002 (6 U.S.C. 341–345), $151,153,000: Provided, That not to exceed $3,000 shall be for official reception and representation expenses: Provided further, That of the total amount provided, $65,081,000 shall remain available until expended solely for the alteration and improvement of facilities, tenant improvements, and relocation costs to consolidate Department headquarters operations.*

*OFFICE OF THE CHIEF FINANCIAL OFFICER*

*For necessary expenses of the Office of the Chief Financial Officer, as authorized by section 103 of the Homeland Security Act of 2002 (6 U.S.C. 113), $13,000,000.*

*OFFICE OF THE CHIEF INFORMATION OFFICER*

*For necessary expenses of the Office of the Chief Information Officer, as authorized by section 103 of the Homeland Security Act of 2002 (6 U.S.C. 113), and Department-wide technology investments, $275,270,000; of which $67,270,000 shall be available for salaries and expenses; and of which $208,000,000 shall be available for development and acquisition of information technology equipment, software, services, and related activities for the Department of Homeland Security, and for the costs of conversion to narrowband communications, including the cost for operation of the land mobile radio legacy systems, to remain available until expended: Provided, That none of the funds appropriated shall be used to support or supplement the appropriations provided for the United States Visitor and Immigrant Status Indicator Technology project or the Automated Commercial Environment.*

*OFFICE OF INSPECTOR GENERAL*

*For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), $82,317,000, of which not to exceed $100,000 may be used for certain confidential operational expenses, including the payment of informants, to be expended at the direction of the Inspector General.*

## *TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS*

## *BORDER AND TRANSPORTATION SECURITY*

*OFFICE OF THE UNDER SECRETARY FOR BORDER AND TRANSPORTATION SECURITY*

*SALARIES AND EXPENSES*

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

*$9,617,000: Provided, That not to exceed $3,000 shall be for official reception and representation expenses.*

*UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR TECHNOLOGY*

*For necessary expenses for the development of the United States Visitor and Immigrant Status Indicator Technology project, as authorized by section 110 of the Illegal Immigration Reform and Immigration Responsibility Act of 1996 (8 U.S.C. 1221 note), $340,000,000, to remain available until expended: Provided, That of the funds appropriated under this heading, $254,000,000 may not be obligated for the United States Visitor and Immigrant Status Indicator Technology project until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security that:*

*(1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A–11, part 7;*

*(2) complies with the Department of Homeland Security enterprise information systems architecture;*

*(3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government;*

*(4) is reviewed and approved by the Department of Homeland Security Investment Review Board, the Secretary of Homeland Security, and the Office of Management and Budget; and*

*(5) is reviewed by the Government Accountability Office.*

*CUSTOMS AND BORDER PROTECTION*

*SALARIES AND EXPENSES*

*(INCLUDING RESCISSION OF FUNDS)*

*For necessary expenses for enforcement of laws relating to border security, immigration, customs, and agricultural inspections and regulatory activities related to plant and animal imports; acquisition, lease, maintenance and operation of aircraft; purchase and lease of up to 4,500 (3,935 for replacement only) police-type vehicles; and contracting with individuals for personal services abroad; $4,534,119,000; of which $3,000,000 shall be derived from the Harbor Maintenance Trust Fund for administrative expenses related to the collection of the Harbor Maintenance Fee pursuant to section 9505(c)(3) of the Internal Revenue Code of 1986 and notwithstanding section 1511(e)(1) of the Homeland Security Act of 2002 (6 U.S.C. 551(e)(1)); of which not to exceed $35,000 shall be for official reception and representation expenses; of which not less than $131,436,000 shall be for Air and Marine Operations; of which not to exceed $156,162,000 shall remain available until September 30, 2006, for inspection and surveillance technology, unmanned aerial vehicles, and equipment for the Container Security Initiative; of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)), shall be derived from that account; of which not to exceed $150,000*

*shall be available for payment for rental space in connection with preclearance operations; of which not to exceed $1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Under Secretary for Border and Transportation Security; and of which not to exceed $5,000,000 shall be available for payments or advances arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to immigration: Provided, That for fiscal year 2005, the aggregate overtime limitation prescribed in section 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 267(c)(1)) shall be $35,000; and notwithstanding any other provision of law, none of the funds appropriated in this Act may be available to compensate any employee of the Bureau of Customs and Border Protection for aggregate overtime and premium pay, from whatever source, in an amount that exceeds such limitation, except in individual cases determined by the Under Secretary for Border and Transportation Security, or a designee, to be necessary for national security purposes, to prevent excessive costs, or in cases of immigration emergencies: Provided further, That of the total amount provided, $12,725,000 shall be for activities to enforce laws against forced child labor in fiscal year 2005, of which not to exceed $4,000,000 shall remain available until expended: Provided further, That none of the funds appropriated in this Act may be obligated to construct permanent Border Patrol checkpoints in the Bureau of Customs and Border Protection's Tucson sector: Provided further, That the Commissioner, Bureau of Customs and Border Protection, is directed to submit to the Committees on Appropriations of the Senate and the House of Representatives a plan for expenditure that includes location, design, costs, and benefits of each proposed Tucson sector permanent checkpoint: Provided further, That the Bureau of Customs and Border Protection shall relocate its tactical checkpoints in the Tucson sector at least an average of once every 14 days in a manner designed to prevent persons subject to inspection from predicting the location of any such checkpoint.*

*In addition, of the funds appropriated under this heading in chapter 6 of title I of Public Law 108–11 (117 Stat. 583), $63,010,000 are rescinded.*

*AUTOMATION MODERNIZATION*

*For expenses for customs and border protection automated systems, $449,909,000, to remain available until expended, of which not less than $321,690,000 shall be for the development of the Automated Commercial Environment: Provided, That none of the funds appropriated under this heading may be obligated for the Automated Commercial Environment until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Under Secretary for Border and Transportation Security that:*

*(1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A–11, part 7;*

*(2) complies with the Department of Homeland Security's enterprise information systems architecture;*

*(3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government;*

*(4) is reviewed and approved by the Department of Homeland Security Investment Review Board, the Secretary of Homeland Security, and the Office of Management and Budget; and*

*(5) is reviewed by the Government Accountability Office.*

*AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT*

*For necessary expenses for the operations, maintenance, and procurement of marine vessels, aircraft, and other related equipment of the air and marine program, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Federal, State, and local agencies in the enforcement or administration of laws enforced by the Department of Homeland Security; and at the discretion of the Under Secretary for Border and Transportation Security, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, $257,535,000, to remain available until expended: Provided, That no aircraft or other related equipment, with the exception of aircraft that are one of a kind and have been identified as excess to Bureau of Customs and Border Protection requirements and aircraft that have been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of Homeland Security during fiscal year 2005 without the prior approval of the Committees on Appropriations of the Senate and the House of Representatives.*

*CONSTRUCTION*

*For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to customs and immigration, $91,718,000, to remain available until expended.*

*IMMIGRATION AND CUSTOMS ENFORCEMENT*

*SALARIES AND EXPENSES*

*For necessary expenses for enforcement of immigration and customs laws, detention and removals, and investigations; and purchase and lease of up to 2,300 (2,000 for replacement only) police-type vehicles, $2,438,494,000, of which not to exceed $5,000,000 shall be available until expended for conducting special operations pursuant to section 3131 of the Customs Enforcement Act of 1986 (19 U.S.C. 2081); of which not to exceed $15,000 shall be for official reception and representation expenses; of which not to exceed $1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Under Secretary for Border and Transportation Security; of which not less than $102,000 shall be for promotion of public awareness of the child pornography tipline; of which not less than $203,000 shall be for Project Alert; and of which not to exceed $11,216,000 shall be avail-*

*able to fund or reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens: Provided, That none of the funds appropriated shall be available to compensate any employee for overtime in an annual amount in excess of $35,000, except that the Under Secretary for Border and Transportation Security may waive that amount as necessary for national security purposes and in cases of immigration emergencies: Provided further, That of the total amount provided, $3,045,000 shall be for activities to enforce laws against forced child labor in fiscal year 2005, of which not to exceed $2,000,000 shall remain available until expended.*

*FEDERAL AIR MARSHALS*

*For necessary expenses of the Federal Air Marshals, $662,900,000.*

*FEDERAL PROTECTIVE SERVICE*

*The revenues and collections of security fees credited to this account, not to exceed $478,000,000, shall be available until expended for necessary expenses related to the protection of federally-owned and leased buildings and for the operations of the Federal Protective Service.*

*AUTOMATION MODERNIZATION*

*For expenses of immigration and customs enforcement automated systems, $39,605,000, to remain available until expended: Provided, That none of the funds appropriated under this heading may be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Under Secretary for Border and Transportation Security that:*

*(1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A–11, part 7;*

*(2) complies with the Department of Homeland Security enterprise information systems architecture;*

*(3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government;*

*(4) is reviewed and approved by the Department of Homeland Security Investment Review Board, the Secretary of Homeland Security, and the Office of Management and Budget; and*

*(5) is reviewed by the Government Accountability Office.*

*CONSTRUCTION*

*For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to customs and immigration, $26,179,000, to remain available until expended.*

*TRANSPORTATION SECURITY ADMINISTRATION*

*AVIATION SECURITY*

*For necessary expenses of the Transportation Security Administration related to providing civil aviation security services pursuant to the Aviation and Transportation Security Act (Public Law 107–71; 115 Stat. 597), $4,323,523,000, to remain available until expended, of which not to exceed $3,000 shall be for official reception and representation expenses: Provided, That of the total amount provided under this heading, not to exceed $2,049,173,000 shall be for passenger screening activities; not to exceed $1,452,460,000 shall be for baggage screening activities, of which $180,000,000 shall be available only for procurement of checked baggage explosive detection systems and $45,000,000 shall be available only for installation of checked baggage explosive detection systems; and not to exceed $821,890,000 shall be for airport security direction and enforcement presence: Provided further, That security service fees authorized under section 44940 of title 49, United States Code, shall be credited to this appropriation as offsetting collections: Provided further, That, except as provided in the following proviso, the sum herein appropriated from the General Fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2005, so as to result in a final fiscal year appropriation from the General Fund estimated at not more than $2,500,523,000: Provided further, That the Government Accountability Office shall review, using a methodology deemed appropriate by the Comptroller General, the calendar year 2000 cost information for screening passengers and property pursuant to section 44940(a)(2) of title 49, United States Code, of air carriers and foreign air carriers engaged in air transportation and intrastate air transportation and report the information within six months of enactment of the Act but no earlier than March 31, 2005, to the Committees on Appropriations of the Senate and House of Representatives; the House Transportation and Infrastructure Committee; and the Senate Committee on Commerce, Science, and Transportation: Provided further, That the Comptroller General, or any of the Comptroller General's duly authorized representatives, shall have access, for the purpose of reviewing such cost information, to the personnel and to the books; accounts; documents; papers; records (including electronic records); and automated data and files of such air carriers, airport authorities, and their contractors; that the Comptroller General deems relevant for purposes of reviewing the information sought pursuant to the provisions of the preceding proviso: Provided further, That the Comptroller General may obtain and duplicate any such records, documents, working papers, automated data and files, or other information relevant to such reviews without cost to the Comptroller General and the Comptroller General's right of access to such information shall be enforceable pursuant to section 716(c) of title 31, United States Code: Provided further, That the Comptroller General shall maintain the same level of confidentiality for information made available under the preceding provisos as that required under section 716(e) of title 31, United States Code: Provided further, That upon the request of the Comptroller General, the Secretary of the Department of Homeland Security shall transfer to the Government Accountability Office from appropriations available for administra-*

*tion expenses of the Transportation Security Administration, the amount requested by the Comptroller General, not to exceed $5,000,000, to cover the full costs of any review and report of the calendar year 2000 cost information conducted by the Comptroller General, with 15 days advance notice by the Transportation Security Administration to the Committees on Appropriations of the Senate and House of Representatives: Provided further, That the Comptroller General shall credit funds transferred under the authority of the preceding proviso to the account established for salaries and expenses of the Government Accountability Office, and such amount shall be available upon receipt and without fiscal year limitation to cover the full costs of the review and report: Provided further, That any funds transferred and credited under the authority of the preceding provisos that are not needed for the Comptroller General's performance of such review and report shall be returned to the Department of Homeland Security and credited to the appropriation from which transferred: Provided further, That beginning with amounts due in calendar year 2005, if the result of this review is that an air carrier or foreign air carrier has not paid the appropriate fee to the Transportation Security Administration pursuant to section 44940(a)(2) of title 49 United States Code, the Secretary of Homeland Security shall undertake all necessary actions to ensure that such amounts are collected: Provided further, That such collections received during fiscal year 2005 shall be credited to this appropriation as offsetting collections and shall be available only for security modifications at commercial airports: Provided further, That if the Secretary exercises his discretion to set the fee under 44940(a)(2) of title 49 United States Code, such determination shall not be subject to judicial review: Provided further, That none of the funds in this Act shall be used to recruit or hire personnel into the Transportation Security Administration which would cause the agency to exceed a staffing level of 45,000 full-time equivalent screeners: Provided further, That notwithstanding 49 U.S.C. 44923, the government's share of the cost for a project under any letter of intent shall be 75 percent for any medium or large hub airport.*

*MARITIME AND LAND SECURITY*

*For necessary expenses of the Transportation Security Administration related to maritime and land transportation security grants and services pursuant to the Aviation and Transportation Security Act (Public Law 107–71; 115 Stat. 597), $48,000,000, to remain available until September 30, 2006.*

*In addition, fees authorized by section 520 of Public Law 108–90 shall be credited to this appropriation and shall be available until expended: Provided, That in fiscal year 2005, fee collections shall be used for initial administrative costs of credentialing activities.*

*INTELLIGENCE*

*For necessary expenses for intelligence activities pursuant to the Aviation and Transportation Security Act (Public Law 107–71; 115 Stat. 597), $14,000,000.*

*RESEARCH AND DEVELOPMENT*

*For necessary expenses for research and development related to transportation security, $178,000,000, to remain available until expended: Provided, That of the total amount provided under this heading, $54,000,000 shall be available for the research and development of explosive detection devices.*

*ADMINISTRATION*

*For necessary expenses for administrative activities of the Transportation Security Administration to carry out the Aviation and Transportation Security Act (Public Law 107–71; 115 Stat. 597), $519,852,000, to remain available until September 30, 2006.*

## *UNITED STATES COAST GUARD*

*OPERATING EXPENSES*

*For necessary expenses for the operation and maintenance of the Coast Guard not otherwise provided for, purchase or lease of not to exceed 25 passenger motor vehicles for replacement only, payments pursuant to section 156 of Public Law 97–377 (42 U.S.C. 402 note) and section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and recreation and welfare, $5,157,220,000, of which $1,204,000,000 shall be for defense-related activities; of which $24,500,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990; and of which not to exceed $3,000 shall be for official reception and representation expenses: Provided, That none of the funds appropriated by this or any other Act shall be available for administrative expenses in connection with shipping commissioners in the United States: Provided further, That none of the funds provided by this Act shall be available for expenses incurred for yacht documentation under section 12109 of title 46, United States Code, except to the extent fees are collected from yacht owners and credited to this appropriation: Provided further, That notwithstanding section 1116(c) of title 10, United States Code, amounts made available under this heading may be used to make payments into the Department of Defense Medicare-Eligible Retiree Health Care Fund for fiscal year 2005 under section 1116(a) of such title.*

*ENVIRONMENTAL COMPLIANCE AND RESTORATION*

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

*RESERVE TRAINING*

*For necessary expenses of the Coast Guard Reserve, as authorized by law; operations and maintenance of the reserve program; personnel and training costs; and equipment and services; $113,000,000.*

*ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS*

*(INCLUDING RESCISSION OF FUNDS)*

*For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; and maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, $982,200,000, of which $20,000,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990; of which $19,750,000 shall be available until September 30, 2009, to acquire, repair, renovate, or improve vessels, small boats, and related equipment; of which $2,500,000 shall be available until September 30, 2009, to increase aviation capability; of which $158,000,000 shall be available until September 30, 2007, for other equipment; of which $5,000,000 shall be available until September 30, 2007, for shore facilities and aids to navigation facilities; of which $73,000,000 shall be available for personnel compensation and benefits and related costs; and of which $723,950,000 shall be available until September 30, 2009, for the Integrated Deepwater Systems program: Provided, That the Commandant of the Coast Guard is authorized to dispose of surplus real property, by sale or lease, and the proceeds shall be credited to this appropriation as offsetting collections and shall be available until September 30, 2007, only for Rescue 21: Provided further, That the Secretary of Homeland Security shall submit to the Congress, in conjunction with the President's fiscal year 2006 budget, a new Deepwater baseline that identifies revised acquisition timelines for each asset contained in the Deepwater program; a timeline and detailed justification for each new asset that is determined to be necessary to fulfill homeland and national security functions or multi-agency procurements as identified by the Joint Requirements Council; a detailed description of the revised mission requirements and their corresponding impact on the Deepwater program's acquisition timeline; and funding levels for each asset, whether new or continuing: Provided further, That the Secretary shall annually submit to the Congress, at the time that the President's budget is submitted under section 1105(a) of title 31, a future-years capital investment plan for the Coast Guard that identifies for each capital budget line item—*

*(1) the proposed appropriation included in that budget;*

*(2) the total estimated cost of completion;*

*(3) projected funding levels for each fiscal year for the next five fiscal years or until project completion, whichever is earlier;*

*(4) an estimated completion date at the projected funding levels; and*

*(5) changes, if any, in the total estimated cost of completion or estimated completion date from previous future-years capital investment plans submitted to the Congress:*

*Provided further, That the Secretary shall ensure that amounts specified in the future-years capital investment plan are consistent to the maximum extent practicable with proposed appropriations necessary to support the programs, projects, and activities of the Coast Guard in the President's budget as submitted under section 1105(a) of title 31 for that fiscal year: Provided further, That any inconsistencies between the capital investment plan and proposed*

*appropriations shall be identified and justified: Provided further, That consistent with the preceding provisos, the budget for fiscal year 2006 that is submitted under section 1105(a) of title 31, United States Code, shall include an amount for the Coast Guard that is sufficient to fund delivery of a long-term maritime patrol aircraft capability that is consistent with the original procurement plan for the CN–235 aircraft beyond the three aircraft already funded in previous fiscal years.*

*In addition, of the funds appropriated under this heading in Public Law 108–90, $16,000,000 are rescinded.*

*ALTERATION OF BRIDGES*

*For necessary expenses for alteration or removal of obstructive bridges, $15,900,000, to remain available until expended.*

*RESEARCH, DEVELOPMENT, TEST, AND EVALUATION*

*For necessary expenses for applied scientific research, development, test, and evaluation, and for maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, $18,500,000, to remain available until expended, of which $2,000,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990: Provided, That there may be credited to and used for the purposes of this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.*

*RETIRED PAY*

*For retired pay, including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose, payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payment for career status bonuses under the National Defense Authorization Act, and payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code, $1,085,460,000.*

*UNITED STATES SECRET SERVICE*

*SALARIES AND EXPENSES*

*For necessary expenses of the United States Secret Service, including purchase of not to exceed 610 vehicles for police-type use, which shall be for replacement only, and hire of passenger motor vehicles; purchase of American-made motorcycles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; payment of per diem or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee requires an employee to work 16 hours per day or to remain overnight at his or her post of duty; conduct of and participation in firearms matches; presentation of awards; travel of Secret Service employees*

*on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations of the Senate and the House of Representatives; research and development; grants to conduct behavioral research in support of protective research and operations; and payment in advance for commercial accommodations as may be necessary to perform protective functions; $1,172,125,000, of which not to exceed $25,000 shall be for official reception and representation expenses; of which not to exceed $100,000 shall be to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; of which $2,100,000 shall be for forensic and related support of investigations of missing and exploited children; and of which $5,000,000 shall be a grant for activities related to the investigations of exploited children and shall remain available until expended: Provided, That up to $18,000,000 provided for protective travel shall remain available until September 30, 2006: Provided further, That of the total amount appropriated, not less than $5,000,000 shall be available solely for the unanticipated costs related to security operations for National Special Security Events, to remain available until expended: Provided further, That the United States Secret Service is authorized to obligate funds in anticipation of reimbursements from agencies and entities, as defined in section 105 of title 5, United States Code, receiving training sponsored by the James J. Rowley Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available under this heading at the end of the fiscal year.*

*OPERATING EXPENSES*

*(RESCISSION OF FUNDS)*

*Of the funds appropriated under this heading in chapter 6 of title I of Public Law 108–11 (117 Stat. 581), $750,279 are rescinded.*

*ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES*

*For necessary expenses for acquisition, construction, repair, alteration, and improvement of facilities, $3,633,000, to remain available until expended.*

## *TITLE III—PREPAREDNESS AND RECOVERY*

### *OFFICE OF STATE AND LOCAL GOVERNMENT COORDINATION AND PREPAREDNESS*

*MANAGEMENT AND ADMINISTRATION*

*For necessary expenses for the Office of State and Local Government Coordination and Preparedness, $3,546,000: Provided, That not to exceed $2,000 shall be for official reception and representation expenses.*

*STATE AND LOCAL PROGRAMS*

*For grants, contracts, cooperative agreements, and other activities, including grants to State and local governments for terrorism*

*prevention activities, notwithstanding any other provision of law, $3,086,300,000, which shall be allocated as follows:*

*(1) $1,100,000,000 for formula-based grants and $400,000,000 for law enforcement terrorism prevention grants pursuant to section 1014 of the USA PATRIOT ACT (42 U.S.C. 3714): Provided, That the application for grants shall be made available to States within 45 days after enactment of this Act; that States shall submit applications within 45 days after the grant announcement; and that the Office of State and Local Government Coordination and Preparedness shall act within 15 days after receipt of an application: Provided further, That each State shall obligate not less than 80 percent of the total amount of the grant to local governments within 60 days after the grant award.*

*(2) $1,200,000,000 for discretionary grants, as determined by the Secretary of Homeland Security, of which—*

*(A) $885,000,000 shall be for use in high-threat, high-density urban areas, of which $25,000,000 shall be available for assistance to organizations (as described under section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax section 501(a) of such Code) as determined by the Secretary of Homeland Security to be at high-risk of international terrorist attack;*

*(B) $150,000,000 shall be for port security grants, which shall be distributed under the same terms and conditions as provided for under Public Law 107–117;*

*(C) $5,000,000 shall be for trucking industry security grants;*

*(D) $10,000,000 shall be for intercity bus security grants; and*

*(E) $150,000,000 shall be for intercity passenger rail transportation (as defined in section 24102 of title 49, United States Code), freight rail, and transit security grants:*

*Provided, That no less than 80 percent of any grant under this paragraph to a State shall be made available by the State to local governments within 60 days after the receipt of the funds: Provided further, That section 1014(c)(3) of the USA PATRIOT ACT (42 U.S.C. 3714(c)(3)) shall not apply to grants under this paragraph.*

*(3) $50,000,000 shall be available for the establishment of a technology transfer program: Provided, That of the amount made available under this paragraph, $10,000,000 is available to be used for commercially-available equipment testing and validation to determine appropriateness for inclusion in the technology transfer program.*

*(4) $336,300,000 for training, exercises, technical assistance, and other programs:*

*Provided, That, none of the grants provided under this heading shall be used for the construction or renovation of facilities; except for a minor perimeter security project, not to exceed $1,000,000, as determined necessary by the Secretary of Homeland Security: Provided further, That the proceeding proviso shall not apply to grants under (2)(B) and (E) of this heading: Provided further, That grantees shall provide additional reports on their use of funds, as deter-*

*mined necessary by the Secretary of Homeland Security: Provided further, That funds appropriated for law enforcement terrorism prevention grants under paragraph (1) and discretionary grants under paragraph (2)(A) of this heading shall be available for operational costs, to include personnel overtime and overtime associated with Office of State and Local Government Coordination and Preparedness certified training, as needed: Provided further, That in accordance with the Department's implementation plan for Homeland Security Presidential Directive 8, the Office of State and Local Government Coordination and Preparedness shall provide State and local jurisdictions with nationally-accepted first responder preparedness levels no later than January 31, 2005; include in the fiscal year 2005 formula-based grant guidance guidelines for State and local jurisdictions to adopt national preparedness standards in fiscal year 2006; and issue final guidance on the implementation of the National Preparedness Goal no later than March 31, 2005: Provided further, That the fiscal year 2005 formula-based and law enforcement terrorism prevention grants under paragraph (1) shall be allocated in the same manner as fiscal year 2004.*

*FIREFIGHTER ASSISTANCE GRANTS*

*For necessary expenses for programs authorized by the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), $715,000,000, of which $650,000,000 shall be available to carry out section 33 (15 U.S.C. 2229) and $65,000,000 shall be available to carry out section 34 (15 U.S.C. 2229a) of the Act, to remain available until September 30, 2006: Provided, That not to exceed 5 percent of this amount shall be available for program administration.*

*EMERGENCY MANAGEMENT PERFORMANCE GRANTS*

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

*COUNTERTERRORISM FUND*

*For necessary expenses, as determined by the Secretary of Homeland Security, to reimburse any Federal agency for the costs of providing support to counter, investigate, or respond to unexpected threats or acts of terrorism, including payment of rewards in connection with these activities, $8,000,000, to remain available until expended: Provided, That the Secretary shall notify the Committees on Appropriations of the Senate and the House of Representatives 15 days prior to the obligation of any amount of these funds in accordance with section 503 of this Act.*

## *EMERGENCY PREPAREDNESS AND RESPONSE*

### *OFFICE OF THE UNDER SECRETARY FOR EMERGENCY PREPAREDNESS AND RESPONSE*

*For necessary expenses for the Office of the Under Secretary for Emergency Preparedness and Response, as authorized by section 502 of the Homeland Security Act of 2002 (6 U.S.C. 312), $4,211,000.*

#### *PREPAREDNESS, MITIGATION, RESPONSE, AND RECOVERY*

*For necessary expenses for preparedness, mitigation, response, and recovery activities of the Directorate of Emergency Preparedness and Response, $239,499,000, including activities authorized by the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404, 405), Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), and the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.): Provided, That of the total amount appropriated, $30,000,000 shall be for Urban Search and Rescue Teams, of which not to exceed 3 percent may be made available for administrative costs.*

#### *OPERATING EXPENSES*

#### *(RESCISSION OF FUNDS)*

*Of the funds appropriated under this heading in chapter 6 of title I of Public Law 108–11 (11 Stat. 581), $5,000,000 are rescinded.*

#### *ADMINISTRATIVE AND REGIONAL OPERATIONS*

*For necessary expenses for administrative and regional operations of the Directorate of Emergency Preparedness and Response, $202,939,000, including activities authorized by the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404, 405), Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), and the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.): Provided, That not to exceed $3,000 shall be for official reception and representation expenses.*

#### *PUBLIC HEALTH PROGRAMS*

*For necessary expenses for countering potential biological, disease, and chemical threats to civilian populations, $34,000,000.*

*RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM*

*The aggregate charges assessed during fiscal year 2005, as authorized in title III of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (42 U.S.C. 5196e), shall not be less than 100 percent of the amounts anticipated by the Department of Homeland Security necessary for its radiological emergency preparedness program for the next fiscal year: Provided, That the methodology for assessment and collection of fees shall be fair and equitable and shall reflect costs of providing such services, including administrative costs of collecting such fees: Provided further, That fees received under this heading shall be deposited in this account as offsetting collections and will become available for authorized purposes on October 1, 2005, and remain available until expended.*

*DISASTER RELIEF*

*For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $2,042,380,000, to remain available until expended.*

*DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT*

*For administrative expenses to carry out the direct loan program, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162), $567,000: Provided, That gross obligations for the principal amount of direct loans shall not exceed $25,000,000: Provided further, That the cost of modifying such loans shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a).*

*FLOOD MAP MODERNIZATION FUND*

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

*NATIONAL FLOOD INSURANCE FUND*

*(INCLUDING TRANSFER OF FUNDS)*

*For activities under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), not to exceed $33,336,000 for salaries and expenses associated with flood mitigation and flood insurance operations; and not to exceed $79,257,000 for flood hazard mitigation, to remain available until September 30, 2006, including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c), which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2006, and which amount shall be derived from offsetting collections assessed and collected pursuant to section 1307 of that Act (42 U.S.C. 4014), and shall be retained and used for necessary expenses under this heading: Provided, That in fiscal year 2005, no funds in excess of: (1) $55,000,000 for operating expenses;*

*(2) $562,881,000 for agents' commissions and taxes; and (3) $30,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund.*

*NATIONAL FLOOD MITIGATION FUND*

*Notwithstanding subparagraphs (B) and (C) of subsection (b)(3), and subsection (f), of section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c), $20,000,000, to remain available until September 30, 2006, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which $20,000,000 shall be derived from the National Flood Insurance Fund.*

*NATIONAL PRE-DISASTER MITIGATION FUND*

*For a pre-disaster mitigation grant program pursuant to title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.), $100,000,000, to remain available until expended: Provided, That grants made for pre-disaster mitigation shall be awarded on a competitive basis subject to the criteria in section 203(g) of such Act (42 U.S.C. 5133(g)), and notwithstanding section 203(f) of such Act, shall be made without reference to State allocations, quotas, or other formula-based allocation of funds: Provided further, That total administrative costs shall not exceed 3 percent of the total appropriation.*

*EMERGENCY FOOD AND SHELTER*

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

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

### *CITIZENSHIP AND IMMIGRATION SERVICES*

*For necessary expenses for citizenship and immigration services, $160,000,000.*

### *FEDERAL LAW ENFORCEMENT TRAINING CENTER*

*SALARIES AND EXPENSES*

*For necessary expenses of the Federal Law Enforcement Training Center, including materials and support costs of Federal law enforcement basic training; purchase of not to exceed 117 vehicles for police-type use and hire of passenger motor vehicles; expenses for student athletic and related activities; the conduct of and participation in firearms matches and presentation of awards; public awareness and enhancement of community support of law enforcement training; room and board for student interns; a flat monthly reimbursement to employees authorized to use personal cell phones for official duties; and services as authorized by section 3109 of title 5, United States Code; $177,440,000, of which up to $36,174,000 for materials and support costs of Federal law enforcement basic train-*

*ing shall remain available until September 30, 2006; and of which not to exceed $12,000 shall be for official reception and representation expenses: Provided, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year.*

*ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES*

*For acquisition of necessary additional real property and facilities, construction, and ongoing maintenance, facility improvements, and related expenses of the Federal Law Enforcement Training Center, $44,917,000, to remain available until expended: Provided, That the Center is authorized to accept reimbursement to this appropriation from government agencies requesting the construction of special use facilities.*

*INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION*

*MANAGEMENT AND ADMINISTRATION*

*For salaries and expenses of the immediate Office of the Under Secretary for Information Analysis and Infrastructure Protection and for management and administration of programs and activities, as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), $132,064,000: Provided, That not to exceed $5,000 shall be for official reception and representation expenses.*

*ASSESSMENTS AND EVALUATIONS*

*For necessary expenses for information analysis and infrastructure protection as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), $761,644,000, to remain available until September 30, 2006: Provided, That the Under Secretary for Information Analysis and Infrastructure Protection shall submit a report at the end of each quarter of the fiscal year to the Committees on Appropriations of the Senate and the House of Representatives on each sole-source contractual agreement entered into through the commitment of amounts available from funds appropriated under this heading by this or previous appropriations Acts, including the amount, recipient and purpose of the agreement.*

*SCIENCE AND TECHNOLOGY*

*MANAGEMENT AND ADMINISTRATION*

*For salaries and expenses of the immediate Office of the Under Secretary for Science and Technology and for management and administration of programs and activities, as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.), $68,586,000: Provided, That not to exceed $3,000 shall be for official reception and representation expenses.*

*RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS*

*For necessary expenses for science and technology research, including advanced research projects; development; test and evalua-*

*tion; acquisition; and operations; as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.), $1,046,864,000, to remain available until expended.*

## *TITLE V—GENERAL PROVISIONS*

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

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

*SEC. 503. (a) None of the funds provided by this Act, provided by previous appropriations Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2005, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that: (1) creates a new program; (2) eliminates a program, project, or activity; (3) increases funds for any program, project, or activity for which funds have been denied or restricted by the Congress; (4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose; or (5) contracts out any functions or activities for which funds have been appropriated for Federal full-time equivalent positions; unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds.*

*(b) None of the funds provided by this Act, provided by previous appropriation Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2005, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for programs, projects, or activities through a reprogramming of funds in excess of $5,000,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by the Congress; or (3) results from any general savings from a reduction in personnel that would result in a change in existing programs, projects, or activities as approved by the Congress; unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds.*

*(c) Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Homeland Security by this Act or provided by previous appropriations Acts may be transferred between such appropriations, but no such appropriations, except as otherwise specifically provided, shall be increased by more than 10 percent by such transfers: Provided, That any transfer*

*under this section shall be treated as a reprogramming of funds under subsection (b) of this section and shall not be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer.*

*(d) Notifications pursuant to subsections (a), (b) and (c) of this subsection shall not be made later than June 30, except in extraordinary circumstances which imminently threaten the safety of human life or the protection of property.*

*SEC. 504. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2005 from appropriations for salaries and expenses for fiscal year 2005 in this Act shall remain available through September 30, 2006, in the account and for the purposes for which the appropriations were provided: Provided, That prior to the obligation of such funds, a request shall be submitted to the Committees on Appropriations of the Senate and the House of Representatives for approval in accordance with section 503 of this Act.*

*SEC. 505. Funds made available by this Act for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2005 until the enactment of an Act authorizing intelligence activities for fiscal year 2005.*

*SEC. 506. The Federal Law Enforcement Training Center shall establish an accrediting body, to include representatives from the Federal law enforcement community and non-Federal accreditation experts involved in law enforcement training, to establish standards for measuring and assessing the quality and effectiveness of Federal law enforcement training programs, facilities, and instructors.*

*SEC. 507. None of the funds in this Act may be used to make a grant allocation, discretionary grant award, discretionary contract award, or to issue a letter of intent totaling in excess of $1,000,000 unless the Secretary of Homeland Security notifies the Committees on Appropriations of the Senate and House of Representatives at least 3 full business days in advance: Provided, That no notification shall involve funds that are not available for obligation.*

*SEC. 508. Notwithstanding any other provision of law, no agency shall purchase, construct, or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations of the Senate and the House of Representatives, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.*

*SEC. 509. The Director of the Federal Law Enforcement Training Center (FLETC) shall schedule basic and/or advanced law enforcement training at all four training facilities under FLETC's control to ensure that these training centers are operated at the highest capacity throughout the fiscal year.*

*SEC. 510. None of the funds appropriated or otherwise made available by this Act may be used for expenses of any construction, repair, alteration, or acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, has not been approved, except that necessary funds may be expended for each*

*project for required expenses for the development of a proposed prospectus.*

*SEC. 511. For fiscal year 2005 and thereafter, none of the funds appropriated or otherwise made available by this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Transportation Security Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to aviation security: Provided, That the prohibition of funds in this section does not apply to—*

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

*(2) space for necessary security checkpoints.*

*SEC. 512. None of the funds in this Act may be used in contravention of the applicable provisions of the Buy American Act (41 U.S.C. 10a et seq.).*

*SEC. 513. The Secretary of Homeland Security is directed to research, develop, and procure certified systems to inspect and screen air cargo on passenger aircraft at the earliest date possible: Provided, That until such technology is procured and installed, the Secretary shall take all possible actions to enhance the known shipper program to prohibit high-risk cargo from being transported on passenger aircraft: Provided further, That the Secretary shall amend Security Directives and programs in effect on the date of enactment of this Act to, at a minimum, triple the percentage of cargo inspected on passenger aircraft.*

*SEC. 514. The Commandant of the Coast Guard shall provide to the Congress each year, at the time that the President's budget is submitted under section 1105(a) of title 31, United States Code, a list of approved but unfunded Coast Guard priorities and the funds needed for each such priority in the same manner and with the same contents as the unfunded priorities lists submitted by the chiefs of other Armed Services.*

*SEC. 515. (a) IN GENERAL.—Chapter 449 of title 49, United States Code, is amended by inserting after section 44944 the following new section:*

***"§ 44945. Disposition of unclaimed money***

*"Notwithstanding section 3302 of title 31, unclaimed money recovered at any airport security checkpoint shall be retained by the Transportation Security Administration and shall remain available until expended for the purpose of providing civil aviation security as required in this chapter.".*

*(b) ANNUAL REPORT.—Not later than 180 days after the date of enactment of this Act and annually thereafter, the Administrator of the Transportation Security Administration shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives; the Committee on Appropriations of the House of Representatives; the Committee on Commerce, Science and Transportation of the Senate; and the Committee on Appropriations of the Senate, a report that contains a detailed description of the amount of unclaimed money recovered in total and at each individual airport, and specifically how the unclaimed money is being used to provide civil aviation security.*

*(c) CLERICAL AMENDMENT.—The analysis for chapter 449 of title 49, United States Code, is amended by adding the following new item after the item relating to section 44944:*

*"44945. Disposition of unclaimed money.".*

*SEC. 516. Notwithstanding section 3302 of title 31, United States Code, the Administrator of the Transportation Security Administration may impose a reasonable charge for the lease of real and personal property to Transportation Security Administration employees and for use by Transportation Security Administration employees and may credit amounts received to the appropriation or fund initially charged for operating and maintaining the property, which amounts shall be available, without fiscal year limitation, for expenditure for property management, operation, protection, construction, repair, alteration, and related activities.*

*SEC. 517. The acquisition management system of the Transportation Security Administration shall apply to the acquisition of services, as well as equipment, supplies, and materials.*

*SEC. 518. Notwithstanding any other provision of law, the authority of the Office of Personnel Management to conduct personnel security and suitability background investigations, update investigations, and periodic reinvestigations of applicants for, or appointees in, positions in the Office of the Secretary and Executive Management, the Office of the Under Secretary of Management, the Directorate of Science and Technology, and the Directorate of Information Analysis and Infrastructure Protection of the Department of Homeland Security is transferred to the Department of Homeland Security: Provided, That on request of the Department of Homeland Security, the Office of Personnel Management shall cooperate with and assist the Department in any investigation or reinvestigation under this section.*

*SEC. 519. Section 312(g) of the Homeland Security Act of 2002 (6 U.S.C. 192(g)) is amended to read as follows:*

*"(g) TERMINATION.—The Homeland Security Institute shall terminate 5 years after its establishment.".*

*SEC. 520. Section 311(c)(2) of the Homeland Security Act of 2002 (6 U.S.C. 191(c)(2)) is amended to read as follows:*

> *"(2) ORIGINAL APPOINTMENTS.—The original members of the Advisory Committee shall be appointed to three classes. One class of six shall have a term of 1 year, one class of seven a term of 2 years, and one class of seven a term of 3 years.".*

*SEC. 521. Notwithstanding any other provision of law, funds appropriated under paragraphs (1) and (2) of the State and Local Programs heading under title III of this Act are exempt from section 6503(a) of title 31, United States Code.*

*SEC. 522. (a) None of the funds provided by this or previous appropriations Acts may be obligated for deployment or implementation, on other than a test basis, of the Computer Assisted Passenger Prescreening System (CAPPS II) or Secure Flight or other follow on/successor programs, that the Transportation Security Administration (TSA), or any other Department of Homeland Security component, plans to utilize to screen aviation passengers, until the Government Accountability Office has reported to the Committees on Appropriations of the Senate and the House of Representatives that—*

*(1) a system of due process exists whereby aviation passengers determined to pose a threat are either delayed or prohibited from boarding their scheduled flights by the TSA may appeal such decision and correct erroneous information contained in CAPPS II or Secure Flight or other follow on/successor programs;*

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

*(3) the TSA has stress-tested and demonstrated the efficacy and accuracy of all search tools in CAPPS II or Secure Flight or other follow on/successor programs and has demonstrated that CAPPS II or Secure Flight or other follow on/successor programs can make an accurate predictive assessment of those passengers who may constitute a threat to aviation;*

*(4) the Secretary of Homeland Security has established an internal oversight board to monitor the manner in which CAPPS II or Secure Flight or other follow on/successor programs are being developed and prepared;*

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

*(6) substantial security measures are in place to protect CAPPS II or Secure Flight or other follow on/successor programs from unauthorized access by hackers or other intruders;*

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

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

*(9) the TSA has, pursuant to the requirements of section 44903 (i)(2)(A) of title 49, United States Code, modified CAPPS II or Secure Flight or other follow on/successor programs with respect to intrastate transportation to accommodate States with unique air transportation needs and passengers who might otherwise regularly trigger primary selectee status; and*

*(10) appropriate life-cycle cost estimates, and expenditure and program plans exist.*

*(b) During the testing phase permitted by paragraph (a) of this section, no information gathered from passengers, foreign or domestic air carriers, or reservation systems may be used to screen aviation passengers, or delay or deny boarding to such passengers, except in instances where passenger names are matched to a government watch list.*

*(c) None of the funds provided in this or any previous appropriations Act may be utilized to develop or test algorithms assigning risk to passengers whose names are not on government watch lists.*

*(d) None of the funds provided in this or any previous appropriations Act may be utilized to test an identity verification system that utilizes at least one database that is obtained from or remains under the control of a non-Federal entity until TSA has developed measures to determine the impact of such verification on aviation security and the Government Accountability Office has reported on its evaluation of the measures.*

*(e) TSA shall cooperate fully with the Government Accountability Office, and provide timely responses to the Government Accountability Office requests for documentation and information.*

*(f) The Government Accountability Office shall submit the report required under paragraph (a) of this section no later than March 28, 2005.*

*SEC. 523. Section 835 of the Homeland Security Act of 2002 (Public Law 107-296; 6 U.S.C. 395) is amended—*

*(1) in subsection (a), by inserting before the period ", or any subsidiary of such an entity";*

*(2) in subsection (b)(1), by inserting "before, on, or" after the "completes";*

*(3) in subsection (c)(1)(B), by striking "which is after the date of enactment of this Act and"; and*

*(4) in subsection (d), by striking "homeland" and inserting "national".*

*SEC. 524. None of the funds made available in this Act may be used to amend the oath of allegiance required by section 337 of the Immigration and Nationality Act (8 U.S.C. 1448).*

*SEC. 525. Notwithstanding any other provision of law, the fiscal year 2004 aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be $30,000.*

*SEC. 526. Notwithstanding any other provision of law, notifications pursuant to section 503 of this Act or any other authority for reprogramming of funds shall be made solely to the Committees on Appropriations of the Senate and House of Representatives.*

*SEC. 527. None of the funds appropriated by this Act may be used to process or approve a competition under Office of Management and Budget Circular A–76 for services provided as of June 1, 2004, by employees (including employees serving on a temporary or term basis) of Citizenship and Immigration Services of the Department of Homeland Security who are known as of that date as Immigration Information Officers, Contact Representatives, or Investigative Assistants.*

*SEC. 528. None of the funds available in this Act shall be available to maintain the United States Secret Service as anything but a distinct entity within the Department of Homeland Security and shall not be used to merge the United States Secret Service with any other department function, cause any personnel and operational elements of the United States Secret Service to report to an individual other than the Director of the United States Secret Service, or cause the Director to report directly to any individual other than the Secretary of Homeland Security.*

*This Act may be cited as the "Department of Homeland Security Appropriations Act, 2005".*

And the Senate agree to the same.

HAROLD ROGERS,
BILL YOUNG,
FRANK R. WOLF,
ZACH WAMP,
TOM LATHAM,
JO ANN EMERSON,
KAY GRANGER,

JOHN E. SWEENEY,
DON SHERWOOD,
*Managers on the Part of the House.*

THAD COCHRAN,
TED STEVENS,
ARLEN SPECTER,
PETE V. DOMENICI,
MITCH MCCONNELL,
RICHARD SHELBY,
JUDD GREGG,
BEN NIGHTHORSE CAMPBELL,
LARRY CRAIG,
*Managers on the Part of the Senate.*

## JOINT EXPLANATORY STATEMENT

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4567), making appropriations for the Department of Homeland Security (DHS) for the fiscal year ending September 30, 2005, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying conference report.

Senate Amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill. Throughout the accompanying explanatory statement, the managers refer to the Committee and the Committees on Appropriations. Unless otherwise noted, in both instances, the managers are referring to the House Subcommittee on Homeland Security and the Senate Subcommittee on Homeland Security.

The language and allocations contained in House Report 108–541 and Senate Report 108–280 should be complied with unless specifically addressed to the contrary in the conference report and statement of managers. The statement of managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases where both the House and Senate reports address a particular issue not specifically addressed in the conference report or joint statement of managers, the conferees have determined that the House report and Senate report are not inconsistent and are to be interpreted accordingly.

In cases where the House or Senate report directs the submission of a report, such report is to be submitted to both the House and Senate Committees on Appropriations. Further, in a number of instances, House Report 108–541 and Senate Report 108–280 direct agencies to report to the Committees by specific dates that have now passed. In those instances, and unless alternative dates are provided in the accompanying explanatory statement, agencies are directed to provide these reports to the House and Senate Committees on Appropriations no later than January 10, 2005.

## TITLE I—DEPARTMENTAL MANAGEMENT AND OPERATIONS

### OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

The conferees agree to provide $85,034,000 instead of $80,227,000 as proposed by the House and $82,206,000 as proposed by the Senate. Funding shall be allocated as follows:

| | |
|---|---|
| Immediate Office of the Secretary | $2,141,000 |
| Immediate Office of the Deputy Secretary | 1,112,000 |
| Office of Security | 21,424,000 |

| | |
|---|---|
| Chief of Staff | 5,240,000 |
| Executive Secretary | 3,500,000 |
| Special Assistant to the Secretary/Private Sector | 3,781,000 |
| Office for National Capital Region Coordination | 688,000 |
| Office of International Affairs | 1,200,000 |
| Office of Public Affairs | 8,120,000 |
| Office of Legislative Affairs | 5,400,000 |
| Office of General Counsel | 10,821,000 |
| Office for Civil Rights and Civil Liberties | 13,000,000 |
| Citizenship and Immigration Services Ombudsman | 3,546,000 |
| Homeland Security Advisory Committee | 1,287,000 |
| Privacy Office | 3,774,000 |
| Total | 85,034,000 |

Reductions have been made to individual offices within the Office of the Secretary and Executive Management because of large numbers of unfilled positions. The conferees believe that full-year funding is not necessary for salaries of employees that are not yet on board.

RECEPTION AND REPRESENTATION

The conferees have provided not to exceed $40,000 for reception and representation expenses for the Office of the Secretary and Executive Management instead of not to exceed $45,000 as proposed by the House and not to exceed $50,000 as proposed by the Senate to be available for allocation within the Department. Separate reception and representation allowances have been provided directly to other departmental agencies.

BUDGET JUSTIFICATIONS

For fiscal year 2006, the conferees direct that the Congressional budget justifications for all departmental offices be submitted in the same level of detail as the detailed table contained in the back of this report. These justifications should include detailed data and explanatory statements in support of each appropriations request, including tables that detail each departmental office's programs, projects, and activities for fiscal years 2005 and 2006. All funding and staffing changes for each individual office must be highlighted and explained, including separate discussions for personnel, compensation, and benefits; travel; training; and other services. The budget justifications should also include a table identifying the last year that authorizing legislation was provided by Congress for each program, project, or activity; the amount of the authorization; and the appropriation in the last year of the authorization.

CLASSIFIED BUDGET JUSTIFICATIONS

Several components of the Department have classified programs that require preparation and submission of a separate classified budget justification document. These classified budget justification documents are to be submitted to the House and Senate Committees on Appropriations at the same time the unclassified budget justifications are transmitted.

OFFICE OF SECURITY

The conferees agree to provide $21,424,000 instead of $21,824,000 as proposed by the House and $21,044,000 as proposed by the Senate. Sufficient funding has been provided within this appropriation for the Office of Security to rapidly process and adjudicate background investigations.

CONSOLIDATION AND CO-LOCATION OF OFFICES

The conferees direct the Department to regularly update the House and Senate Committees on Appropriations on office consolidations and co-location plans as discussed in the Senate report. The Department shall notify the Committees at least 10 days prior to any public announcement of any changes to regional or field offices.

DETAILEES

The conferees direct the Department to report to the House and Senate Committees on Appropriations on January 10, 2005, and quarterly thereafter, on the number of detailees in the Department as well as those detailed to other executive and legislative agencies. These quarterly reports shall include the originating agency, salary, length of detail (including beginning and end dates), and purpose of each detail.

GENERAL AVIATION AIRPORTS

The conferees direct the Secretary, in conjunction with the Transportation Security Administration and the Secret Service, to provide a report to the House and Senate Committees on Appropriations by March 1, 2005, on restoring access to Ronald Reagan Washington National Airport (DCA) and other general aviation airports within 15 miles of DCA for security-qualified charter and general aviation operators.

COUNTER MAN-PORTABLE AIR DEFENSE SYSTEMS (MANPADS)

The conferees direct the Secretary to submit a report to the House and Senate Committees on Appropriations on the Counter MANPADS program as outlined by Section 530 of the Senate bill. The conferees do not agree to subsections (5) and (6) of the Senate bill. In lieu of these sections, the conferees expect the report to include an assessment of other technologies that have been evaluated by the Department that could be employed on commercial aircraft to address the threat posed by MANPADS.

TRANSPORTATION SECURITY PLAN

The conferees direct the Secretary of Homeland Security, in consultation with the Secretary of Transportation, to develop, maintain, and submit to the House and Senate Committees on Appropriations no later than March 31, 2005, an integrated strategic transportation security plan. The plan shall identify and evaluate the United States transportation assets that need to be protected, set risk-based priorities for defending the assets identified, select the most practical and cost-effective ways of defending the assets

identified, and assign transportation security roles and missions to the relevant federal, State, regional, and local authorities, and to the private sector. The conferees expect that future budget requests will be based on this integrated strategic transportation security plan. Should any part of this plan involve information that is properly classified under criteria established by Executive Order, that information shall be submitted separately in classified form.

DATA-MINING

The conferees are concerned about the Department's possible use or development of data-mining technology. The conferees direct the DHS Privacy Officer, in consultation with the head of each Department of Homeland Security agency that is developing or using data-mining technology, to submit a report no later than 90 days after the end of fiscal year 2005 that provides: (1) a thorough description of the data-mining technology, the plans for use of such technology, the data that will be used, and the target dates for the deployment of the technology; (2) an assessment of the likely impact of the implementation of the technology on privacy and civil liberties; and (3) a thorough discussion of the policies, procedures, and guidelines that are to be developed and applied in the use of such technology for data-mining in order to protect the privacy and due process rights of individuals and to ensure that only accurate information is collected and used.

BUY AMERICAN

The conferees include bill language prohibiting funds from being used in contravention of the applicable provisions of the Buy American Act. The House and Senate Committees on Appropriations expect to be notified when the Department deviates from this direction pursuant to permissible exceptions. The conferees direct the Inspector General to audit the Department's compliance with the Buy American Act and submit the report at the same time the President submits to Congress the budget for fiscal year 2006.

The conferees direct the Secretary to issue a report to the Committees on Appropriations that describes the articles, materials, and supplies acquired by the Department during fiscal year 2005 that were manufactured outside of the United States as well as an itemized list of all waivers granted with respect to such articles, materials, or supplies under the Buy American Act. The report should include a summary of the total funds spent by the Department of Homeland Security on goods manufactured within the United States compared with funds spent on goods manufactured outside of the United States.

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

The conferees agree to provide $151,153,000 instead of $129,356,000 as proposed by the House and $175,579,000 as proposed by the Senate. The conferees have provided not to exceed $3,000 for reception and representation expenses instead of not to exceed $5,000 as proposed by the House. The Senate proposed no similar provision. Funding shall be allocated as follows:

| | |
|---|---|
| Under Secretary for Management | $1,434,000 |

| | |
|---|---|
| Business Transformation Office | 920,000 |
| Office of Procurement | 7,350,000 |
| Office of Human Resources | 7,200,000 |
| Office of Administration | 27,270,000 |
| Immigration Statistics | 5,898,000 |
| Headquarters, Renovation and Relocation Expenses | 65,081,000 |
| Human resources system | 36,000,000 |
| Total | 151,153,000 |

The conferees have provided funding for the Offices of the Chief Financial Officer and the Chief Information Officer under separate accounts outside of the Office of the Under Secretary for Management, as proposed by the House. The Senate funded these two offices within the Office of the Under Secretary for Management.

INVESTMENT REVIEW BOARD

Separate funding is not recommended for the Investment Review Board as proposed by the Senate. The House proposed $2,500,000. The conferees believe that the Department should continue to rely on its managers to establish, maintain, and support investment analysis and decision making, and to comply with statutory requirements.

OFFICE OF PROCUREMENT

The conferees agree to provide $7,350,000 for the Office of Procurement within the Under Secretary for Management instead of $7,734,000 as a separate appropriation as proposed by the House and $7,024,000 as proposed by the Senate. Within this funding, the conferees direct the Chief Procurement Officer to hire five additional procurement staff instead of the nine staff proposed by the House.

DHS HEADQUARTERS

The conferees agree to include $65,081,000 for the alteration and improvement of facilities, tenant improvements and relocation costs to consolidate Department headquarters operations as proposed by the House and Senate. The Department is directed to submit to the House and Senate Committees on Appropriations, no later than December 1, 2004, a facilities improvement and housing plan for the Nebraska Avenue Complex, NAC, Washington, DC, including: total cost of renovations and improvements for each Department-occupied building within NAC; by fiscal year, and including all out-year costs, the total cost for site and design, security upgrades and improvements, tenant improvements, and relocation costs; and, by building, a list of tenants including the total number of current and projected tenants. The Department is directed to notify the Committees 15 days prior to the obligation of funds. Such notification shall be consistent with the facilities improvement and housing plan.

HUMAN RESOURCES SYSTEM

The conferees agree to provide $36,000,000 for the human resources system instead of $70,000,000 as proposed by the House

and Senate. This funding shall be used for design, implementation, and program oversight of this new system in fiscal year 2005.

CONTRACT STAFFING

The conferees direct the Department to report, no later than November 15, 2004, on the number of contract staff occupying positions budgeted to be filled by federal employees during fiscal year 2004 and projected for fiscal year 2005. This report should include the numbers of contract staff by component, and a plan, with milestones, for reducing its dependence on contract staff. The Department is directed to submit monthly updates on its progress against these milestones to the House and Senate Committees on Appropriations.

WORKING CAPITAL FUND

The conferees direct the Department to issue a report by December 1, 2004, to the House and Senate Committees on Appropriations that identifies all centralized services, activities, and programs supported through the Working Capital Fund (WCF) in fiscal years 2004 and 2005. This report shall include a brief description of each activity, the basis for the pricing policy, the estimated cost for fiscal years 2004 and 2005, and for any multi-year project, the total cost, scope, and schedule for completion. The report should also provide the total estimated cost of the activity by fiscal year and the estimated date for completion, the number of full-time federal employees funded in each activity, a list of each departmental organization that is allocating funds to the activity, and the funding each organization is providing in fiscal years 2004 and 2005. Finally, the report should identify any cross-cutting initiatives or activities that benefit more than one organization that are not included in the WCF and explain the omission.

The conferees expect all cross-cutting initiatives funded by multiple organizations for which funding has been approved by the Committees to be included in the WCF and the Committees are to be promptly notified of any additions, deletions, or changes that are made to the WCF during the fiscal year. Taxing departmental organizations for cross-cutting initiatives outside the WCF will not be approved by the House and Senate Committees on Appropriations. The conferees expect the Department to comply with reprogramming guidelines in the management of the WCF. The WCF is not to be used to support initiatives for which funding was requested in the budget and not approved when the appropriation was made.

For fiscal year 2006, the same level of detailed information on the WCF is to be provided in the budget justification document submitted for the Departmental Operations account, with the corresponding information contained in the accounts for each organization that is funding the WCF.

OFFICE OF THE CHIEF FINANCIAL OFFICER

The conferees agree to provide $13,000,000 as proposed by the House instead of $14,670,000 as proposed by the Senate within the Office of the Under Secretary for Management. The conferees expect the Chief Financial Officer and Chief Information Officer to

work closely together on key financial information technology modernization projects, such as the Electronically Managing Enterprise Resources for Government Efficiency and Effectiveness (eMerge 2) system.

MONTHLY REPORTING REQUIREMENTS

The Department is directed to continue submitting to the House and Senate Committees on Appropriations a monthly budget execution report showing the status of obligations and costs for all components of the Department. The report should include the total obligational authority appropriated (new budget authority plus unobligated carryover), undistributed obligational authority, amount allotted, current year obligations, unobligated authority, beginning unexpended obligations, year-to-date costs, and ending unexpended obligations. This budget execution information is to be provided at the level of detail shown in the tables displayed at the end of this report for each departmental component and shall be submitted no later than 45 days after the close of each month.

FINANCIAL MANAGEMENT OF THE DEPARTMENT

The conferees are concerned with the Department's execution of its financial responsibilities after numerous budgetary and management crises over the 18 months of the Department's existence, notably with the Bureau of Immigration and Customs Enforcement and the Transportation Security Administration. The Department and senior agency management are coping with major changes in the organizational environment, resources, and communication networks of new and radically expanding or changing agencies. It is, therefore, to be expected that the Department will experience direct and indirect costs and management problems as it integrates its agencies. The conferees also acknowledge that reconciling different systems and legacy accounting bureaucracies is difficult. Nonetheless, the conferees will not assent to a repeat of recent experience of shifting and multiple, last minute requests for funding relief, particularly when the Department and agencies can neither explain nor even fully understand their own financial condition. Such a level of uncertainty is inexplicable, and adversely affects the Department's ability to fulfill its missions and carry out Administration and Congressional policy.

The conferees direct the Secretary and Department agency heads to devote the resources and managerial energy required to ensure that basic financial control and transparency in accounting are achieved, and avoid the waste and disruption caused by failure to carry out this fundamental management function. The conferees expect that agencies will establish baseline budgets and reconcile their financial records and accounting systems to provide sufficient information to the Department's Chief Financial Officer (CFO) to permit a clear understanding of financial resources available as well as existing and upcoming liabilities. The conferees further direct that the CFO include in the monthly budget execution report an update on the status of steps underway to improve financial management in critical agencies. Finally, the conferees expect that the Secretary and CFO will strive to ensure that required financial

audits of the Department's components are conducted in a timely fashion and with full cooperation of agency personnel.

TRANSPORTATION SECURITY ADMINISTRATION REPROGRAMMINGS

The conferees are concerned that the Department of Homeland Security has submitted numerous reprogramming for the Transportation Security Administration (TSA) to the House and Senate Committees on Appropriations that TSA cannot fully explain and justify. In fiscal year 2004, three TSA reprogrammings were submitted. For each of these reprogrammings, TSA was unable to provide timely and consistent data to answer specific questions about the need for these actions. For instance, when the Department's reprogramming letter states that ". . . $42,200,000 will be used to fund screener professional development to increase retention, and to cover higher benefit costs and increased supervision costs", the conferees expect TSA to readily explain the dollars for each of these three items. Similarly, TSA has been unable to provide an accurate annual estimate for a variety of requirements, such as maintenance costs, and salaries and expenses, which has led to repeated reprogramming requests for additional funds to cover these activities throughout the year, at the expense of other TSA or Department programs. This causes the conferees to question the competency of TSA's estimating capabilities. Therefore, the conferees direct that the Department institute financial controls to enable TSA to live within its resource limitations to negate or minimize the need for reprogrammings. If a reprogramming is necessary for fiscal year 2005, it should provide sufficient basic information for it to be properly considered by the Committees and each specific funding increase and decrease should be fully explained and justified.

GRANT AWARDS

The conferees are disappointed with the Department's pace for awarding homeland security grants, including grants for port security, intercity bus security, hazardous materials, pre-disaster mitigation, and funds for urban search and rescue teams. The conferees direct the Department to prepare a report by December 15, 2004, that lays out an expeditious and responsible schedule for making grants and awards for the funds made available by this Act, as well as for any prior year funds that remain available for obligation.

OFFICE OF THE CHIEF INFORMATION OFFICER

The conferees agree to provide $275,270,000 for the Office of the Chief Information Officer (CIO) and Department-Wide Technology Investments. Of this funding, $67,270,000 shall be for salaries and expenses and $208,000,000 for Department-Wide Technology Investments. The House proposed $60,139,000 for the CIO and $211,000,000 for Department-Wide Technology Investments. The Senate proposed $68,396,000 for the CIO and $222,000,000 for Department-Wide Technology Investments. Funding shall be allocated in accordance with the funding recommendations detailed in the following table:

| | |
|---|---|
| Salaries and Expenses | $67,270,000 |
| Office of the Chief Information Officer | 64,270,000 |
| Wireless Program, Salaries and Expenses | 3,000,000 |

| | |
|---|---|
| Information Technology Services | 91,000,000 |
| Enterprise Architecture & Portal Technology | 13,000,000 |
| Geospatial mapping | 8,000,000 |
| Human Resources | 21,000,000 |
| EMerge2 | 49,000,000 |
| Security Activities | 31,000,000 |
| Federal terrorist watch list integration | 10,000,000 |
| Enterprise Architecture | 9,000,000 |
| HS IT evaluation program (extra & intra net) | 12,000,000 |
| Wireless Program | 86,000,000 |
| Replace legacy border components | 16,000,000 |
| New investments in radio infrastructure borders | 52,000,000 |
| Infrastructure optimization & upgrade | 18,000,000 |
| SAFECOM* | — |
| Total | 275,270,000 |

*Funded under the Science and Technology Directorate.

FINANCIAL INFORMATION TECHNOLOGY MODERNIZATION PROJECTS

The conferees expect the CFO and CIO to work closely together on key financial information technology modernization projects, such as the eMerge 2 system.

GEOSPATIAL INFORMATION MANAGEMENT

The conferees agree to provide $8,000,000 to create a Department-wide Geospatial Information System (E–GIS) capability under the direction of the CIO and direct the Secretary to create the Geospatial Management Office (GMO) within the CIO's office to oversee this activity. The GMO will be responsible for coordinating geospatial information needs, requirements, and other related spatial data activities that support the E–GIS capability defined by the GMO. The GMO will provide clear and concise policy direction across the Department needed for an E–GIS geospatial information capability. The conferees expect the GMO to guide the development and execution of the implementation plan for the geospatial enablement of the Department's mission systems. The CIO's office is directed to report to the House and Senate Committees on Appropriations by December 1, 2004, on a date by which the GMO will be established and operational and on the outline of the implementation plan.

PROGRAM, PROJECT AND ACTIVITY PLANS

The conferees request the CIO to revise its report of April 20, 2004, on program, project and activity plans as directed within the Senate report. This revision should be submitted to the House and Senate Committees on Appropriations no later than February 8, 2005.

The conferees further direct the CIO to submit to the House and Senate Committees on Appropriations by February 8, 2005, a detailed program plan describing the scope, total estimated cost, cost by year, and the schedule for completion, including significant milestones, for each individual project currently underway and funded for fiscal year 2005 for information technology services, security activities, and wireless programs. This report should include the specified subject areas and associated level of detail as directed in the House report.

WIRELESS PUBLIC SAFETY INTEROPERABLE COMMUNICATIONS (SAFECOM)

The conferees agree to provide $11,000,000 for SAFECOM in the Science and Technology Directorate as proposed by the House. The Senate proposed funding of $11,000,000 for SAFECOM under the Department-Wide Technology Investments account.

DEPARTMENT-WIDE TECHNOLOGY INVESTMENTS

The conferees have deleted a separate appropriation for Department-Wide Technology Investments and have included this funding with the Office of the Chief Information Officer.

OFFICE OF INSPECTOR GENERAL

The conferees agree to provide $82,317,000 as proposed by the House and the Senate. Within the amounts provided, the Inspector General should continue to fund its portion of the Department's yearly financial audit at the same level as provided in fiscal year 2004.

The conferees direct the Inspector General to forward copies of all audit reports to the House and Senate Committees on Appropriations immediately after they are released and to make the Committees aware of any significant budgetary savings. The Inspector General is directed to withhold from public distribution for 15 days any final audit or investigation requested by the Committees.

## TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS

### BORDER AND TRANSPORTATION SECURITY

### OFFICE OF THE UNDER SECRETARY FOR BORDER AND TRANSPORTATION SECURITY

SALARIES AND EXPENSES

The conferees agree to provide $9,617,000, instead of $10,371,000 as proposed by the House and $8,864,000 as proposed by the Senate. The conferees also provide that not to exceed $3,000 is available for official representation and reception expenses. Neither the House nor the Senate bills contained this provision.

DENT—IAFIS INTEROPERABILITY

The conferees are troubled by the security gap on the nation's borders caused by delays in linking the Automated Biometrics Identification System (IDENT), the fingerprint database managed by Customs and Border Protection (CBP) and US Visitor and Immigrant Status Indicator Technology (US–VISIT), with criminal history data contained in the Federal Bureau of Investigation's Integrated Automated Fingerprint Identification System (IAFIS). The conferees understand that by the end of calendar year 2004, interoperability will exist at airports, seaports, and the largest and busiest Border Patrol stations and land ports of entry. CBP and Immigration and Customs Enforcement (ICE) locations will not be com-

pleted until December 31, 2005. With implementation of a new visa tracking system and enrollment of millions of visitors into US–VISIT, it is essential that the Directorate of Border and Transportation Security collaborate with the Federal Bureau of Investigation to ensure that IDENT can retrieve, in real time, biometric information contained in the IAFIS database, and that the IAFIS database can retrieve, in real time, biometric information contained in IDENT.

The conferees direct the Department to fund the full cost to achieve real time interoperability between these systems from the US–VISIT Appropriation, and direct the Under Secretary for Border and Transportation Security (BTS) to report, not later than 90 days after enactment of this Act, on the status of this effort, including steps the Department will take to integrate IAFIS into IDENT, funds needed, and a timetable for full integration. This report should address recommendations in the March, 2004 Department of Justice Inspector General report, which documented the need to integrate existing biometric databases.

CARGO CONTAINER SECURITY

Over the past 3 years, Congress has provided over $200,000,000 for innovative programs designed to ensure safe and secure shipment of containerized goods from their initial point of loading to their final place of delivery in the United States, including Operation Safe Commerce (OSC), the Container Security Initiative (CSI), and the Customs-Trade Partnership Against Terrorism (C–TPAT). The conferees direct the Under Secretary for Border and Transportation Security to report to the House and Senate Committees on Appropriations no later than February 8, 2005, on the history, implementation, funding, and progress of the Department's cargo container security efforts. The report should identify: (1) steps the Department has taken to enhance shipping container security; (2) resources devoted to this in prior years and proposed to continue this security; (3) results of ongoing projects such as OSC, CSI, and C–TPAT; (4) the Departmental entity responsible for implementing improvements in security systems and approaches; and (5) specific steps each entity will take to implement these changes, with associated schedules for development and issuance of standards, policies, procedures, or regulations. In addition, the report should address the security of in-bond shipments as referenced within the House report.

COORDINATION OF AVIATION AND MARINE OPERATIONS AND PLANNING

The conferees strongly support the rationalization of the air and marine assets and organizations within the Department, and anticipate that the recent decision to transfer the Office of Air and Marine Operations (AMO) from ICE to CBP will serve to improve the ability of the Department and BTS to more effectively conduct their various homeland security, law enforcement, and related missions. With the presence of three significant aviation and maritime assets, facilities, and organizations within the Department, two within BTS, it is essential that those operations be coordinated both to gain the maximum benefits for the Department and related

missions and support functions, as well as achieve efficiency and reduce redundancies from shared facilities and services.

It is therefore more important than ever that BTS submit the detailed AMO modernization and recapitalization plan as directed by the conferees in fiscal year 2004, and as indicated in the report submitted to Congress in March, 2004, entitled "Role in Securing the Homeland." That report provided an overview of AMO current missions, priorities, and plans, as well as plans for future acquisitions and operational efforts. However, it did not describe resources and timetables for procurement and organizational change. Although the report said that actual spending plans would be included in the modernization plan to follow, no plan has been submitted. Similarly, the report only provided a total of on-board staff (1,017 of 1,215 positions authorized) not the detailed, multi-year staffing plan requested.

The ongoing review by the Joint Requirements Council and Aviation Management Council of DHS missions, requirements, and opportunities for strategic sourcing appears to have been a factor in the decision to transfer AMO. The conferees direct the Department to advise the House and Senate Committees on Appropriations on the status of the Department's review, and submit the final results of the study as soon as they become available.

The conferees expect to be provided the details involved in integrating air and marine operations within BTS, and direct the Under Secretary for Border and Transportation Security, in consultation with the U.S. Interdiction Coordinator, to submit a report to the House and Senate Committees on Appropriations no later than February 15, 2005, on: (1) specific actions taken or planned to rationalize and coordinate air and marine assets and operations within CBP, including organizational structure; (2) plans for modernizing the air and marine assets of CBP, including staffing plans, in the detail specified in House Report 108–280; (3) a cost/benefit analysis of retrofitting the existing P–3 fleet to extend the useful life of these aircraft; and (4) the multiple air and marine missions of CBP, including their relation to Coast Guard operations.

### UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR TECHNOLOGY

The conferees agree to provide $340,000,000 as proposed by both the House and the Senate. Of these funds, $86,000,000 is available for program management and operations, and $254,000,000 is subject to the requirement for a detailed expenditure plan, as proposed by the House. Funds are available until expended.

The conferees continue to require a detailed expenditure plan and expect it to display detail greater than that provided for fiscal years 2003 and 2004. Such plans must reflect clear cost/benefit analyses associated with the increments being proposed for funding.

## CUSTOMS AND BORDER PROTECTION

### SALARIES AND EXPENSES

(INCLUDING RESCISSION OF FUNDS)

The conferees agree to provide $4,534,119,000 for Customs and Border Protection (CBP), instead of $4,612,441,000 as proposed by the House and $4,615,960,000 as proposed by the Senate. This includes: $145,159,000 for inspection and detection technology investments, of which $50,000,000 shall be for radiation detection technology, and up to $30,000,000 shall be available for either radiation detection or non-intrusive inspection technology; $1,000,000 for a pilot study to monitor in-bond container shipments; $2,000,000 for the Immigration Security Initiative; $5,000,000 for the CBP Advanced Training Center; $500,000 to continue steel tariff training; $10,000,000 for unmanned aerial vehicles; not less than $131,436,000 for the salaries and expenses for the Office of Air and Marine Operations; and a reduction of $23,000,000 to reflect the transfer of the Charleston training center to the Federal Law Enforcement Training Center. The conferees provide that not to exceed $35,000 shall be for official representation and reception expenses, as opposed to $40,000 proposed by both the House and Senate. The total appropriation includes a reduction of $193,308,000 in base budget shift to Immigration and Customs Enforcement.

The following table specifies funding by budget activity:

| | |
|---|---|
| Headquarters Management and Administration: | |
| Headquarters Management and Administration: | $1,172,838,000 |
| Border Security Inspections and Trade Facilitation: | |
| Inspections, Trade and Travel Facilitation at Ports of Entry | 1,242,800,000 |
| Harbor Maintenance Fee Collection (Trust Fund) | 3,000,000 |
| Container Security Initiative | 126,096,000 |
| Other International Programs | 57,300,000 |
| Customs-Trade Partnership Against Terrorism/FAST | 37,828,000 |
| Inspection and Detection Technology Investments | 145,159,000 |
| Automated Targeting Systems | 29,800,000 |
| National Targeting Center | 16,100,000 |
| Other Technology Investments, Including Information Technology | 1,000,000 |
| Training | 23,800,000 |
| Subtotal, Border Security Inspections and Trade Facilitation | $1,682,883,000 |
| Border Security and Control Between Ports of Entry: | |
| Border Security and Control | 1,413,800,000 |
| Air Program Operations | 37,300,000 |
| Unmanned Aerial Vehicles | 10,000,000 |
| Integrated Surveillance and Intelligence System Procurement | 64,162,000 |
| Training | 21,700,000 |
| Subtotal, Border Security and Control Between Ports of Entry | 1,546,962,000 |
| Air and Marine Operations, Salaries and Expenses | 131,436,000 |
| Total, Salaries and Expenses: | 4,534,119,000 |

### RESCISSION

The conferees rescind $63,010,000 of the funds provided in Public Law 108–11.

STAFFING PLAN AND BORDER STAFFING

The conferees note that CBP has not submitted the staffing plan due December 1, 2003, as directed in the fiscal year 2004 conference agreement, House Report 108–280. The conferees support a comprehensive approach to border security, including both people and technology. The Congress has funded significant increases in hardware and systems investment in a number of areas, as well as additional border staffing, both Border Patrol and inspection personnel. The conferees strongly endorse the CBP approach to border enforcement with its "one face at the border" philosophy.

The conferees therefore direct that the Department submit the pending staffing plan immediately, and submit an updated plan not later than 90 days after enactment of this Act. The plan shall include: actual on-board personnel for fiscal year 2004; projected staffing for fiscal year 2005; positions authorized but vacant; full-time, part-time, and temporary positions funded through direct appropriations; full-time, part-time and temporary fee-funded positions; and staffing, by position, at each port of entry, Border Patrol station, or other border area location. The report should identify any new positions funded under this Act, should be consistent with staffing assumptions included in the CBP construction master plan that was due July, 2004, and should indicate how the CBP staffing allocation methodology factors in the deployment of complementary technology.

VEHICLE MANAGEMENT

The conferees are aware that CBP is conducting a comprehensive review of its vehicle management plan. The conferees strongly support efforts to incorporate the Border Patrol vehicle fleet into this Bureau-wide fleet management plan. The conferees direct CBP to submit a detailed report, no later than February 8, 2005, as specified by the House and Senate reports.

INTEGRATED SURVEILLANCE INFORMATION SYSTEM

The conferees strongly support the use of technology to enhance the security of our nation's borders, particularly in the vast expanses between ports of entry. The Integrated Surveillance Information System (ISIS) is intended to detect border intrusions, interpret surveillance data, and transmit such information in real-time to Border Patrol, CBP, and the Department operations and analysis centers. The conferees are aware of significant gaps in integration of sub-systems that encompass the ISIS, and direct the Under Secretary for BTS to report no later than February 8, 2005, on the status of this effort. The conferees also direct CBP to submit a master plan for nationwide deployment of ISIS and associated surveillance and sensor technology with its fiscal year 2006 budget request, including a five-year capital acquisition plan, as specified in the Senate report. In addition, the conferees direct the Government Accountability Office to undertake a study of ISIS project management, and spending plans for ISIS investment and operations for fiscal years 2006–2010, to assess how well the project management and spending plans account for the different needs and environments of the land and maritime borders, and to assess how CBP

investment in ISIS is aligned with the Department's enterprise architecture and technology standards.

ENFORCEMENT OF TRADE REMEDIES LAW

The conferees have ensured that, of the amounts provided within this account, sufficient funds are available to enforce the anti-dumping authority contained in section 754 of the Tariff Act of 1930 (19 U.S.C. 1675c).

The conferees direct CBP to submit a report to the House and Senate Committees on Appropriations by January 15, 2005, on the status of its implementation of recommendations by the U.S. Treasury Department's Office of the Inspector General report on implementation of the Continued Dumping and Subsidy Offset Act (CDSOA). The report should address: (1) the proper establishment of special accounts; (2) the need to pay claimants within 60 days after the end of the fiscal year (including the need to prepare and send checks in a timely fashion, and to make certain that the addresses to which they are sent are correct); (3) the need to address CBP's failure to collect millions of dollars in unliquidated entries (including the need for CBP to conduct timely liquidations upon receipt of liquidation instructions from the Department of Commerce, and for CBP not to liquidate in situations involving tardy notice of suspension of liquidation); (4) the need to address CBP's failure to collect millions of dollars in open (unpaid) duty bills and interest (including a determination of whether required posting of cash deposits rather than bonds would result in increased collections); (5) the need to establish standard operating procedures and adequate internal controls for the proper management of the CDSOA program; and (6) the progress and achievements of the CDSOA working group in addressing systemic issues identified in the report, along with any others relevant to proper administration of CDSOA.

In addition, the conferees are aware that CBP intends to transfer administrative responsibility for the CDSOA program to its Office of Finance. The conferees expect CBP to establish an organization that is accessible and responsive and directs CBP to include in the report a detailed description of which offices have responsibility for external relations, litigation, denials, verifications, and payments.

COUNTERDRUG SUPPORT PROGRAM

The Department of Homeland Security should work with the Department of Defense to permit the New Mexico National Guard to continue performing vehicle and cargo inspections in support of CBP and ICE missions, and CBP, in consultation with the Department of Defense, should report no later than March 1, 2005, on what actions are planned.

CBP ADVANCED TRAINING CENTER

The conferees include an increase of $5,000,000 above the fiscal year 2004 level to operate and equip the CBP Advanced Training Center. Although the budget requested funding for the operation of this center in the Federal Law Enforcement Training Center (FLETC) "Salaries and Expenses" account, the conferees expect

this to continue to be a CBP facility and that DHS will not use its reorganization authority to effectuate its transfer elsewhere. Pursuant to Public Law 106–246, the training to be conducted at the facility shall be configured in a manner so that it does not duplicate or displace any FLETC training. The conferees expect that training currently being conducted at a FLETC facility shall not be moved to the new CBP training facility.

TEXTILE TRANSSHIPMENT ENFORCEMENT

The conferees direct CBP to maintain its efforts at the level authorized by Section 352 of the Trade Act of 2002.

PRE-ARRIVAL PROCESSING

The conferees are aware that the Department is working with government officials and private entities at Northern Border land ports of entry to securely expedite cargo, including such pre-clearance methods as the Pre-Arrival Processing System using barcode technology, and support expansion of such programs.

AIR AND MARINE OPERATIONS, SALARIES AND EXPENSES

The conferees agree to provide $131,436,000 for the salaries and expenses of AMO, which is to be transferred from ICE to CBP. This reflects salaries and expenses presently funded through the ICE Salaries and Expenses account, and includes an additional $3,000,000 for personnel and operations costs for the National Capital Region Air Branch and Coordination Center. The House provided $5,000,000 for this purpose.

OFFSETTING FEE COLLECTIONS

The conferees continue to be concerned about the accuracy of estimates for fees supporting CBP operations, particularly for the Immigration User Fee. The conferees direct CBP to ensure that fee revenues are used first to fully fund base operations and adjustments, as supported by budget justification materials provided to the Congress, before undertaking any new initiatives. The conferees also direct the Department and CBP to inform the House and Senate Committees on Appropriations in a timely manner of potential short-term operational or programmatic impacts from reduced fee collections.

AUTOMATION MODERNIZATION

The conferees agree to provide $449,909,000, as proposed by both the House and the Senate. Funds are available until expended. This includes funding as requested for the Automated Commercial Environment (ACE), the Integrated Trade Data System (ITDS), and the costs of the legacy Automated Commercial System. This funding includes not less than $321,690,000 for ACE and ITDS, of which $16,190,000 is for ITDS, all of which remains subject to approval of its expenditure plan before it may be obligated.

### CBP AUTOMATION MODERNIZATION

The conferees believe that ACE and CBP modernization should be integrated with, if not form the core of, the Department's information system and border security technology, the Container Security Initiative, and Automated Targeting Systems. The conferees direct CBP to address such issues in its quarterly reports on ACE implementation.

## AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

The conferees agree to provide $257,535,000, as proposed by the House, instead of $467,535,000 as proposed by the Senate. This had been requested as part of ICE Salaries and Expenses, but the conferees have moved this funding to CBP to reflect the decision by the Secretary of Homeland Security.

### TETHERED AEROSTAT RADAR SYSTEM

The conferees are concerned with an apparent lack of consensus about the scope and scale of the Tethered Aerostat Radar System among key stakeholders—AMO, the Department of Defense, the Office of National Drug Control Policy, and the Office of the United States Interdiction Coordinator (USIC). The conferees direct the Under Secretary for Border and Transportation Security, in consultation with USIC, to submit a joint report, no later than February 8, 2005, as specified in the House report.

### AIRWING COMMUNICATIONS

The conferees believe that interoperable communications are necessary to ensure that all airwings can communicate with local law enforcement personnel.

## CONSTRUCTION

The conferees agree to provide $91,718,000, as proposed by both the House and the Senate. Funds are available until expended.

### CONSTRUCTION MASTER PLAN AND SPENDING PLAN

The conferees are disappointed that the updated construction master plan called for in the fiscal year 2004 appropriation has not yet been submitted. The conferees direct the Department to submit that plan as soon as possible, and to submit a detailed spending plan for the fiscal year 2005 construction account no later than February 8, 2005, which includes, but should not be limited to, the following information for each tactical and facility construction project, by sector, type of construction, and facility, for fiscal years 2005–2009: (1) explanation of the purpose of work; (2) total estimated project cost; (3) amount of funding provided by fiscal year; (4) a detailed cost breakout for construction, design, planning, project management; and (5) date each phase of the project began or is scheduled to begin and is to be completed.

## IMMIGRATION AND CUSTOMS ENFORCEMENT

### SALARIES AND EXPENSES

The conferees agree to provide $2,438,494,000, instead of $2,377,006,000 as proposed by the House and $2,513,438,000 as proposed by the Senate. This includes increases of: $11,000,000 for alternatives to detention; $6,000,000 to reduce immigration court backlog; $14,000,000 for the Visa Security Unit and Overseas Operations; $30,000,000 for the Institutional Removal Program; $25,000,000 for benefit fraud enforcement; $5,000,000 for worksite enforcement; $26,500,000 for detention bedspace support; $16,000,000 for compliance teams; $50,000,000 for fugitive operations (including associated detention and removal costs); $6,216,000 for the Guantanamo Migrant Operations Center; and $4,200,000 for the Cyber Crime Center. This reflects the transfer of $131,436,000 for salaries and expenses.

The conferees provide that not to exceed $15,000 shall be for official representation and reception expenses, and that not to exceed $11,216,000 shall be available to reimburse federal agencies for their costs associated with smuggled aliens.

The conferees also include an increase of $193,308,000 to reflect a permanent realignment in base funding for investigations and overseas operations through a shift from CBP. As noted in the section below, the conferees are closely following the continuing review by ICE and the Department of administrative and other mission responsibilities, with the goal of fully mapping the costs and requirements of ICE and other agencies formed as a result of being merged into the new department. The following table specifies funding by budget activity:

| | |
|---|---|
| Headquarters Management and Administration: | |
| Personnel Compensation and Benefits, services and other costs | $96,202,000 |
| Headquarters Managed IT Investment | 120,119,000 |
| Subtotal, Headquarters Management and Administration | 216,321,000 |
| Investigations: | |
| Operations | 1,055,345,000 |
| Training | 15,671,000 |
| Subtotal, Investigations | 1,071,016,000 |
| Intelligence: | |
| Headquarters Reporting Center | 4,882,000 |
| Operations | 55,130,000 |
| Subtotal, Intelligence | 60,012,000 |
| Detention and Removal Operations: | |
| Custody Management | 504,221,000 |
| Case Management | 192,269,000 |
| Fugitive Operations | 35,242,000 |
| Institutional Removal Program | 33,719,000 |
| Alternatives to Detention | 14,202,000 |
| Transportation and Removal Program | 311,492,000 |
| Subtotal, Detention and Removal Operations | 1,091,145,000 |
| Total, Salaries and Expenses | 2,438,494,000 |

FINANCIAL MANAGEMENT

The conferees are extremely concerned about the financial health of ICE, and whether it has the systems and management in place to support the functioning of the agency. The adverse impact of hiring and spending freezes and uncertainty on the operations of this critical agency and the morale of its personnel cannot be ignored. The Department and ICE must significantly improve management and oversight of financial and administrative systems to prevent a repeat of the dramatic and unanticipated funding difficulties in fiscal years 2004 and expected in 2005. The conferees are disappointed that ICE has been unable to provide comprehensive data for fiscal year 2005 operations prior to the consideration of the conference agreement.

The conferees also expect that structural and management problems will be dealt with immediately and emphatically, and that improved analysis and planning systems will be put in place to give the agency, Department, and Congress a clear and transparent view of ICE's financial status. The conferees direct the Department's Chief Financial Officer and the Assistant Secretary for ICE to submit a detailed report no later than February 8, 2005, to the House and Senate Committees on Appropriations on the progress of its financial management overhaul. This report should include, but not be limited to, a detailed explanation of: (1) steps ICE is taking to address shortcomings of its present financial management systems; (2) how improved financial oversight will be carried out; (3) how ICE will improve its notification of financial irregularities; and (4) how reform of ICE financial management will be coordinated with the "tri-bureau" and "shared-services" efforts ICE carries out with CBP and U.S. Citizenship and Immigration Services (CIS).

USE OF IMMIGRATION EXAMINATIONS FEE

The conferees are aware that the Department is studying the possibility of the ICE Office of General Counsel receiving reimbursement from the examinations fee account for the costs of workload related to CIS. The conferees believe that ICE does not currently have the ability to provide a detailed accounting of this potential examinations fee account spending to CIS. It is reasonable for CIS, as the client, to expect that ICE will have in place an adequate system to track attorney time spent on CIS-related cases, and provide that information to CIS in support of the annual bill for services rendered. The Department should ensure that such a tracking system is in place prior to any future proposal to allocate examinations fee funds to ICE.

CYBER CRIMES CENTER

The conferees agree to provide $4,200,000 for additional computer forensic infrastructure, to include content-addressable data storage, information technology services and staff, to expand the ICE Cyber Crime Center to ICE field offices.

CROSS-TRAINING OF ICE SPECIAL AGENTS

The conferees are aware that some ICE special agents have been cross-trained to act as Federal Air Marshals (FAMs) in a "surge capacity", with plans to train more in fiscal year 2005. The conferees believe that this is not an effective use of resources or training, and that it no longer has the full support of either ICE or FAM management. The conferees believe this training program should be discontinued.

INCREASED DETENTION BEDSPACE

The conferees agree to provide $16,500,000 in addition to the level of funding provided in the House and Senate bills, which would support an increase in detention capacity of 500 beds for fiscal year 2005, leading to over 3,300 more removals of deportable aliens than currently planned.

TEXTILE TRANSSHIPMENT ENFORCEMENT

The conferees direct ICE to maintain its efforts at the level authorized by Section 352 of the Trade Act of 2002.

OFFSETTING FEE COLLECTIONS

The conferees continue to be concerned about the accuracy of estimates for fees supporting ICE operations, including the collection of fees for the Student and Exchange Visitor Program and the Immigration User Fee. The conferees direct ICE to ensure that fee revenues are used first to fully fund base operations and adjustments, as supported by budget justification materials provided to Congress, before undertaking any new initiatives. The conferees also direct the Department and ICE to inform the House and Senate Committees on Appropriations in a timely manner of potential short-term operational or programmatic impacts from reduced fee collections.

FEDERAL AIR MARSHALS

The conferees agree to provide $662,900,000, as proposed by the House instead of $712,900,000 as proposed by the Senate. Within this total, $593,552,000 is for management and administrative expenses and $69,348,000 is for travel and training. Funding is available for one year as proposed by the Senate.

CROSS-TRAINING OF ICE SPECIAL AGENTS

The conferees are aware that a number of ICE special agents have been cross-trained to serve as FAMs and that plans are in place to continue this training in fiscal year 2005. While ICE has previously described this effort as a means of developing a "surge capacity" to respond to a heightened threat condition, the conferees believe that it has not proven to be an effective use of resources or training, and that it no longer has the full support of either ICE or FAM management. The conferees believe this training program should be discontinued.

REPORTING REQUIREMENT

The conferees direct the Secretary to provide quarterly classified reports to the House and Senate Committees on Appropriations; the Senate Committee on Commerce, Science, and Transportation; and the House Committee on Transportation and Infrastructure on the number of individuals serving as FAMs, the number of FAMs who are women, minorities, or employees of agencies of the United States government other than the Department of Homeland Security; the percentage of domestic and international flights that have FAMs on board; and the rate at which individuals are leaving the Federal Air Marshal service. The first such report is due on January 15, 2005.

IDENTIFICATION

The conferees are concerned about public identification of FAMs and strongly support the rapid development of procedures and policies, such as a credential, that do not expose FAMs when on official travel.

FEDERAL PROTECTIVE SERVICE

The conferees agree to provide $478,000,000, as proposed by both the House and the Senate.

AUTOMATION MODERNIZATION

The conferees agree to provide $39,605,000, as proposed by both the House and the Senate. Funds are available until expended. The conferees also include a provision prohibiting the obligation of funds until the House and Senate Committees on Appropriations receive and approve an expenditure plan, as proposed by the House.

CONSTRUCTION

The conferees agree to provide $26,179,000 as proposed by the House, and as specified by project in the Senate report.

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

The conferees agree to provide $4,323,523,000 instead of $4,270,564,000 as proposed by the House and $4,386,083,000 as proposed by the Senate. Within this total, not to exceed $3,000 is available for official reception and representation expenses as proposed by the House and the Senate. In addition to the amounts appropriated, a mandatory appropriation of $250,000,000 is available to support the Aviation Security Capital Fund. Bill language is also included that reflects the collection of $1,823,000,000 from aviation user fees, as authorized. Funding is provided as follows:

| | |
|---|---|
| Passenger screening: | |
| Screening pilots (PP5) | $129,654,000 |
| Passenger screeners, PC&B | 1,445,486,000 |
| Passenger screeners, training and other | 140,614,000 |
| Human resource services | 150,000,000 |
| Checkpoint support | 123,500,000 |

| | |
|---|---|
| Secure flight | 34,919,000 |
| Crew vetting | 10,000,000 |
| Registered traveler program | 15,000,000 |
| Subtotal, Passenger Screening | 2,049,173,000 |
| Baggage screening: | |
| Baggage screeners, PC&B | 848,860,000 |
| Baggage screeners, training and other | 203,660,000 |
| Explosive detection systems purchase | 180,000,000 |
| Explosive detection systems installation | 45,000,000 |
| Maintenance | 174,940,000 |
| Subtotal, Baggage Screening | 1,452,460,000 |
| Security direction and enforcement: | |
| Aviation regulation and other enforcement | 230,000,000 |
| Airport management and staff | 284,000,000 |
| Airport information technology and other support | 242,890,000 |
| Federal flight deck officer program | 25,000,000 |
| Air cargo | 40,000,000 |
| Flight school checks (non-add, transfer from DOJ) | 9,700,000 |
| Subtotal, Security Direction and Enforcement | 821,890,000 |

STAFFING LEVELS

The conferees include bill language that caps the full-time equivalent (FTE) screener workforce to up to 45,000 as proposed by the House. The conferees expect the Transportation Security Administration (TSA) to have no more than 45,000 full-time equivalent screeners by the end of fiscal year 2005. The conferees recognize that TSA may need to realign its workforce throughout the year due to attrition or advances in detection technologies. TSA has the flexibility to hire screeners during the fiscal year at those airports where additional or replacement screeners are necessary to maintain aviation security and customer service. The 45,000 FTE level is therefore to be regarded as a cap and not a staffing mandate.

AVIATION SECURITY COSTS AND FEES

The conferees include bill language, as proposed by the Senate, requiring the Government Accountability Office to conduct audits of air carriers' actual security costs for passenger and property screening incurred in calendar year 2000. Based on the findings of the review, the Secretary shall collect any additional fees from air carriers and make them available for airport security modifications.

PASSENGER AND BAGGAGE SCREENERS PERSONNEL, COMPENSATION AND BENEFITS

The conferees agree to provide $1,445,486,000 for passenger screening and $848,860,000 for baggage screening activities for both Federal screeners as well as any contracts awarded under the opt-out program after November 18, 2004, for all airports other than the five current screening pilots. The conferees agree that TSA needs the flexibility to manage the opt-out program without the need for reprogramming actions for each individual contract. In addition to the report required by the House on cost savings result-

ing from opt-out, the conferees direct TSA to report on the following information regarding the opt-out program: (1) the number and location of each airport applying for participation under the opt-out program; (2) the decision by the Administrator on the application; (3) if an application by an airport is not accepted, the reasons why the application was not approved; and (4) the results of the competitive acquisition for contract screening services at those airports whose applications have been approved. The conferees direct that TSA provide the House and Senate Committees on Appropriations with advance notice 10 days before an announcement is made that an airport has been selected under the opt-out program. At the time the contract is awarded, TSA shall adjust its program, project, and activity line items to account for changes in third party private screening contracts and screener personnel, compensation and benefits to reflect the award of contracts under the opt-out program.

SCREENER COMPLAINTS

The conferees understand that there have been a disproportionate number of complaints against TSA for alleged violations of equal employment opportunity and veterans preference laws as those laws apply to employment of personnel in TSA airport screener positions at the Louis Armstrong New Orleans International Airport. There also appears to be a significant backlog of unresolved complaints. The conferees direct the Administrator to submit a report to the House and Senate Committees on Appropriations no later than March 31, 2005, on the personnel policies of the Department that apply to the employment of TSA airport screeners, particularly with regard to compliance with equal employment opportunity and veterans preference laws. The report should include an assessment of the extent of TSA's compliance with these laws, a discussion of any systemic problems that could have caused the circumstances giving rise to the disproportionate number of complaints, and the efforts being taken by the Administrator to eliminate the backlog of unresolved complaints and to correct any systemic problems at the Louis Armstrong New Orleans International Airport.

CHECKPOINT SUPPORT

The conferees agree to provide $123,500,000 instead of $86,060,000 as proposed by the House and $161,060,000 as proposed by the Senate. Funding may be used for reconfiguration of airport checkpoints to expedite the flow of travelers; purchase, installation, and maintenance of checkpoint equipment; and electronic surveillance of checkpoints.

TSA shall submit a report to the House and Senate Committees on Appropriations no later than February 10, 2005, on the agency's pilot programs to screen passengers and carry-on baggage for explosives, as discussed in the Senate report.

SECURE FLIGHT

The conferees agree to provide $34,919,000 as proposed by the Senate instead of $40,000,000 as proposed by the House. Previous

year funding remains unobligated for this program that can be applied in fiscal year 2005. In addition, $10,000,000 has been provided under a separate account for crew vetting, as proposed by the House. In the past, this funding was part of the CAPPS II/Secure Flight account.

The conferees note that the Department appears to be moving in the right direction regarding aviation passenger prescreening by proposing to check all watch lists through the new Secure Flight program, as was recommended by the 9/11 Commission. The conferees are concerned, however, that the 90 days allotted by TSA to plan, test, and analyze this new system before it is fully implemented may be insufficient. The conferees encourage TSA to focus first on getting the watchlist checks operational, before undertaking any other efforts. The conferees expect TSA to cooperate fully with the Government Accountability Office in their review of the Secure Flight program.

EXPLOSIVE DETECTION SYSTEMS PURCHASE

The conferees agree to provide $180,000,000 instead of $170,000,000 as proposed by the House and $210,000,000 as proposed by the Senate. The conferees continue to encourage competition among the vendors so that multiple Explosive Detection Systems (EDS) technologies are available to TSA and airports. The conferees are aware of next-generation in-line EDS machines that are currently being tested, certified, and piloted. Within the $180,000,000 provided, the conferees direct that not less than $30,000,000 be used to install these next-generation explosive detection systems, particularly at medium and small airports, to permit more efficient handling of checked bags and reduce dependence on baggage screeners. These next-generation EDS systems are far smaller and less expensive than the current generation of screening units. The conferees believe that the expeditious deployment of these systems is essential for developing in-line solutions that do not require the costly, large-scale redesign and construction of baggage conveyor systems. Furthermore, although these next-generation machines have immediate application to checked-baggage screening, they also have the potential to cost-effectively enhance security at passenger checkpoints, transit stations, and other key facilities.

EXPLOSIVE DETECTION SYSTEMS INSTALLATION

In addition to the statutory allocation of $250,000,000 in the Aviation Security Capital Fund, the conferees agree to provide $45,000,000 to assist the eight airports that have signed Letters of Intent to install explosive detection systems in-line with their baggage systems. The installation of in-line systems to screen checked baggage at our Nation's airports is a critical step in combating the terrorist threat against aviation. The use of in-line EDS is not only more effective than explosive trace detection (ETD) and stand-alone systems, but is considerably less costly to operate. Accordingly, it has been widely recognized that a high priority should be given to the installation of in-line baggage screening systems. Most recently, the 9/11 Commission recognized this need in its rec-

ommendations, urging TSA to "expedite the installation" of such systems.

The conferees have included bill language requested by the President that permits the Aviation Security Capital Fund to be used to fund the eight Letters of Intent in fiscal year 2005 with a 75 percent Federal share. Under tight budgetary constraints the conferees do not have sufficient funding to raise these projects to a 90 percent Federal share.

The conferees direct TSA to comprehensively plan for expediting the installation of in-line EDS, including the formulation of detailed budget requirements that will provide for both equipment acquisition and the capital costs of installing such system configurations at airports. Consistent with fiscal year 2004 report language, TSA should submit quarterly reports on its plans for such in-line installations that include: (1) the universe of airports that may benefit from an in-line EDS system or other physical modifications; (2) a list of all airports where TSA has begun working on plans to move EDS machines in-line either through the Boeing contract design phases or directly with the airports; and (3) a list of airports that will be doing EDS enhancements, including moving systems in-line that are not funded via Letters of Intent. Costs associated with each airport's project and a tentative timeline for award and completion should be included. Additionally, the plan should include information reflecting the anticipated cost savings—particularly personnel savings—that will be achieved from the use of in-line checked baggage systems contrasted with reliance on ETD and stand-alone systems. The conferees expect that TSA's planning will be conducted in consultation with aviation stakeholders (including airports, airlines, and EDS manufacturers).

AVIATION REGULATION AND OTHER ENFORCEMENT

The conferees agree to provide $230,000,000 as proposed by the House instead of $227,000,000 as proposed by the Senate. Within this funding, $3,000,000 has been provided to expand the number of canine teams deployed to inspect air cargo. Due to the increasing need for explosive detection capability in the transportation sector, the conferees encourage the Department to conduct a pilot project to assess the cost and performance effectiveness of utilizing private sector providers of explosive detection canines.

AIR CARGO

The conferees agree to provide a total of $115,000,000 for air cargo security. Of this total, $40,000,000 is for 100 additional inspectors and enforcement activities and $75,000,000 is for research and development of technologies to provide more effective and efficient methods of detecting air cargo threats.

Public Law 108–90, the Department of Homeland Security Appropriations Act of 2004, provided $85,000,000 to strengthen the oversight of air cargo security and for research and development of technological solutions for inspections of cargo carried on passenger aircraft. Public Law 108–90 also provided statutory language directing the Secretary to develop the best technology for the inspection and screening of air cargo on passenger aircraft at the earliest date possible and for the enhancement of the known shipper pro-

gram. Given recent Department reports of low obligations for these programs, the conferees are concerned that the Department is not moving with sufficient speed to implement this direction. The conferees direct the Department to act expeditiously to fully obligate and expend the funding provided for air cargo security activities and direct TSA to provide quarterly reports to the House and Senate Committees on Appropriations beginning in December, 2004, on the use of all dollars obligated and plans for the use of unobligated balances.

The conferees direct TSA to work more aggressively to strengthen air cargo security. In particular, TSA should strengthen the known shipper program to include regular security checks on all known shippers to assure that they are not compromising security standards. Similarly, TSA is directed to work with the indirect air carriers to assure that they abide by all security directives and information circulars relating to air cargo. TSA shall also validate the indirect air carriers security measures used when they consolidate freight and transport it to passenger and all-cargo aircraft to prevent unauthorized access.

DEPLOYABLE FLIGHT RECORDERS

The ability to rapidly determine whether a security breach caused an aviation accident is critical. Therefore, the conferees direct TSA to work with the Federal Aviation Administration to determine whether it would improve security analysis in aviation accidents if deployable flight incident recorders were required aboard commercial passenger aircraft and to report back to the House and Senate Committees on Appropriations within 180 days of enactment of this Act.

MARITIME AND LAND SECURITY

The conferees recommend a total funding level of $75,000,000 for staffing and activities within TSA's maritime and land security program. Of this total, $48,000,000 is a direct appropriation and $27,000,000 is available through offsetting collections. The House proposed $65,000,000 in direct appropriations and $67,000,000 in offsetting collections. The Senate proposed $44,000,000 in direct appropriations and $67,000,000 in offsetting collections. Funding shall be available until September 30, 2006, as proposed by the House instead of September 30, 2005, as proposed by the Senate. The following table specifies funding levels by budget activity:

| | |
|---|---|
| Credentialing | $5,000,000 |
| Transportation worker identification credential | 15,000,000 |
| Hazardous materials truck tracking | 2,000,000 |
| Hazardous materials safety | 17,000,000 |
| Enterprise staffing | 24,000,000 |
| Rail security | 12,000,000 |
| Offsetting collections | (27,000,000) |
| Subtotal, Maritime and Land | 48,000,000 |

MARITIME AND LAND SECURITY GRANTS

While funding has been provided for a variety of maritime and land security grants within the Office of State and Local Government Coordination and Preparedness (SLGCP), as proposed by the

Senate, the conferees realize that TSA staff have the subject matter expertise on port, rail, intercity bus, and highway security. The conferees, therefore, direct TSA to work with SLGCP to review grant applications, determine eligibility, and make award determinations for these four grant areas.

The conferees are concerned about the lack of priority-setting in the intercity bus grant program. TSA and SLGCP should clearly identify priorities, including the importance of passenger screening and terminal security. It also is important to focus on the unique structure of the intercity bus industry and the importance of fixed route intercity bus service.

TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL

The conferees agree to provide $15,000,000 instead of $65,000,000 as proposed by the House and $53,000,000 as proposed by the Senate. Funding has been decreased for this program because of delays in prototyping and evaluating this credential. The conferees direct TSA to report back to the House and Senate Committees on Appropriations about the results of prototype testing before moving into the next phase. Of the total funding, $5,000,000 is a direct appropriation that will be used to develop and install necessary hardware and software at those sites producing and personalizing the transportation worker identification credentials. The additional $10,000,000 appropriation will be offset throughout the fiscal year from application fees.

RAIL SECURITY

The conferees agree to provide $12,000,000 instead of $11,000,000 as proposed by the House and $15,000,000 as proposed by the Senate. This level will support the deployment of up to 100 federal rail compliance inspectors and includes $2,000,000 for the deployment of canine explosive detection teams. In addition to funds provided under TSA, the conferees include $150,000,000 for rail security grants under the Office of State and Local Government Coordination and Preparedness, funding within the Science and Technology Directorate to research and design rail security requirements that could strengthen rail security nationwide, and funding within the Information Analysis and Infrastructure Protection Directorate to improve the security of rail corridors that carry hazardous materials.

The conferees are aware of promising advances in train control technology that would allow a central operator the ability to remotely control the operation of a freight or passenger train in times of distress. The conferees believe development of such a system would enhance the security of the rail system, and direct TSA to implement projects that demonstrate and advance this technology.

HAZARDOUS MATERIALS TRUCK TRACKING

The conferees have provided $2,000,000 to continue the previously funded program to coordinate tracking and monitoring truck shipments of hazardous materials.

### INTELLIGENCE

The conferees agree to provide $14,000,000 as proposed by both the House and the Senate.

### RESEARCH AND DEVELOPMENT

The conferees agree to provide $178,000,000 instead of $174,000,000 as proposed by the House and $181,000,000 as proposed by the Senate. Funding shall be allocated as follows:

| | |
|---|---|
| Research and development, including Tech Center | $49,000,000 |
| Next-generation explosive detection systems | 54,000,000 |
| Air cargo | 75,000,000 |
| Subtotal, Research and Development | 178,000,000 |

#### NEXT-GENERATION EXPLOSIVE DETECTION SYSTEMS

The conferees agree to provide $54,000,000 instead of $50,000,000 as proposed by the House and $57,000,000 as proposed by the Senate. Of this total, $10,000,000 is for the Manhattan II project as proposed by the House.

#### AIR CARGO

The conferees agree to provide $75,000,000 for air cargo research and development as proposed by both the House and the Senate. Of this total, $20,000,000 shall be used to accelerate the research and development of new technologies to detect explosives in air cargo bound for passenger and all-cargo aircraft, and for the acceleration of the air cargo inspection pilot program to additional locations, including airports experiencing extreme environmental conditions, to ensure equipment durability.

### ADMINISTRATION

The conferees agree to provide $519,852,000 instead of $524,852,000 as proposed by the House and $534,852,000 as proposed by the Senate. Funding shall be available until September 30, 2006, as proposed by the House. The following table specifies funding levels by budget activity:

| | |
|---|---|
| Headquarters support | $267,382,000 |
| Mission support centers | 5,000,000 |
| Information technology applications | 240,470,000 |
| Corporate training | 7,000,000 |
| Subtotal, Administration | 519,852,000 |

## UNITED STATES COAST GUARD

### OPERATING EXPENSES

The conferees agree to provide $5,157,220,000 instead of $5,171,220,000 as proposed by the House and $5,153,220,000 as proposed by the Senate. Within this total, $1,204,000,000 shall be available for defense-related activities, as proposed by the House instead of $1,090,000,000 as proposed by the Senate. Funding for operating expenses shall be allocated as follows:

| | |
|---|---|
| Military Pay and Allowance: | |
| Military pay and allowances | $2,161,114,000 |

| | |
|---|---|
| Military health care | 544,785,000 |
| Permanent change of station | 101,928,000 |
| Subtotal, military pay and allowance | 2,807,827,000 |
| Civilian Pay and Benefits: | |
| Civilian pay and benefits | 456,110,000 |
| Pay for performance demonstration | — |
| Subtotal, civilian pay and benefits | 456,110,000 |
| Training and Recruiting: | |
| Training and education | 81,407,000 |
| Recruitment | 80,034,000 |
| Subtotal, training and recruiting | 161,441,000 |
| Operating Funds and Unit Level Maintenance: | |
| Atlantic Command | 153,427,000 |
| Pacific Command | 175,377,000 |
| 1st District | 43,367,000 |
| 7th District | 52,004,000 |
| 8th District | 36,302,000 |
| 9th District | 23,265,000 |
| 13th District | 18,050,000 |
| 14th District | 12,512,000 |
| 17th District | 22,557,000 |
| Headquarters directorates | 312,322,000 |
| Headquarters managed units | 74,175,000 |
| Other activities | 767,000 |
| Subtotal, operating funds and unit level maintenance | 924,125,000 |
| Centrally Managed Accounts: | 175,438,000 |
| Immediate and Depot Level Maintenance: | |
| Aeronautical maintenance | 222,384,000 |
| Electronic maintenance | 95,460,000 |
| Civil/Ocean engineering & shore facilities maintenance | 151,035,000 |
| Vessel maintenance | 154,400,000 |
| Subtotal, immediate and depot level maintenance | 623,279,000 |
| Watch Standards: | 9,000,000 |
| Total | 5,157,220,000 |

For the fiscal year 2006 budget justification and for reprogrammings pursuant to Section 503 of this Act, the Coast Guard shall use the six budget categories listed above (military pay and allowances, civilian pay and benefits, training and recruiting, operating funds and unit level maintenance, centrally managed accounts, and intermediate and depot level maintenance). However, notwithstanding reprogramming thresholds, the Coast Guard shall notify the House and Senate Committees on Appropriations of changes within program, projects, and activities of the 23 line items listed above as they occur.

BALLAST WATER MANAGEMENT PROGRAM

The conferees agree to provide $4,000,000 as proposed by the Senate instead of $4,662,000 as proposed by the House.

AERONAUTICAL MAINTENANCE

The conferees do not agree to language contained in the House report related to fluid outflow collection devices. The Senate had no comparable report language.

WATCH STANDARDS

The conferees agree to provide $9,000,000 for the Coast Guard to come into compliance with its watch standards, which specify that an individual on duty or watch in a Coast Guard Search and Rescue Command Center facility should not work more than 12 hours in a 24-hour period, except in an emergency or unforeseen circumstance. The House provided $13,000,000 for this activity.

FOREIGN VESSEL SECURITY PLANS

The conferees are concerned that the Coast Guard intends to rely on foreign governments to review foreign vessel security plans. The conferees expect the Coast Guard to use its Port State Control Program, a risk-based independent verification process, to ensure that foreign vessel security plans are adhered to and in place. The conferees also expect the Coast Guard to randomly assess the vessel security plans of vessels not identified by the Port State Control Program. The conferees direct the Coast Guard to report no later than March 1, 2005, on the progress of this foreign vessel security oversight process, including the Coast Guard resources required to implement this process.

SECTOR COMMANDS

The conferees direct the Coast Guard to adhere to reporting requirements addressed in the House report 30 days prior to moving any sector commands. As part of these decisions, the Coast Guard is encouraged to recognize the importance of existing Department of Defense capabilities to maximize coordination and eliminate redundancies when forming joint sector command centers with the Navy.

LIQUEFIED NATURAL GAS TERMINALS

The Coast Guard shall submit a report to the House and Senate Committees on Appropriations, the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives not later than 90 days after the enactment of this Act on opportunities for integrating the process the Coast Guard uses to issue letters of recommendation for proposed liquefied natural gas terminals and the process by which the Federal Energy Regulatory Commission issues permits for such terminals under the National Environmental Policy Act. The report shall also include the advisability of requiring that Coast Guard responsibilities relating to vessel transit, facility security assessment and facility security plans under the Maritime Transportation Security Act be completed for a proposed liquefied natural gas terminal before a final environmental impact statement for such terminal is published under the Federal Energy Regulatory Commission process.

ICEBREAKING STUDY

As discussed in the Senate report and the Coast Guard authorization bill for fiscal year 2005, the conferees require the National Academy of Sciences to study the role of Coast Guard icebreakers.

MARITIME SAFETY AND SECURITY TEAMS

The conferees direct the Coast Guard to adhere to Senate report language on maritime safety and security teams.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

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

RESERVE TRAINING

The conferees agree to provide $113,000,000 as proposed by the House instead of $117,000,000 as proposed by the Senate.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

(INCLUDING RESCISSION OF FUNDS)

The conferees agree to provide $982,200,000 instead of $936,550,000 as proposed by the House and $1,062,550,000 as proposed by the Senate. Consistent with prior practice, bill language is included to distribute the total appropriation by separate obligation availabilities. The following table summarizes the recommended level by program, project, and activity:

| | |
|---|---|
| Vessels and critical infrastructure: | |
| Great Lakes icebreaker replacement | $7,750,000 |
| Response boat medium | 12,000,000 |
| Subtotal, vessels and critical infrastructure | 19,750,000 |
| Deepwater: | |
| Aircraft | |
| Maritime patrol aircraft | 5,250,000 |
| VTOL unmanned aerial vehicle (VUAV) | 43,000,000 |
| Capability enhancements for HH–60 Avionics | 15,000,000 |
| Capability for HC–130 aircraft radar | 9,000,000 |
| HH–65 re-engining project | 99,000,000 |
| Covert surveillance aircraft | 14,000,000 |
| Surface Ships | |
| National security cutter | 264,500,000 |
| Offshore patrol cutter requirements analysis | 25,000,000 |
| IDS patrol boat (110′ to 123′ conversion) | 30,000,000 |
| Fast response cutter | 30,000,000 |
| IDS small boats | 2,300,000 |
| 270′ WMEC sustainment project for major equipment | 12,500,000 |
| CHISR | |
| Command and control system for common operating picture | 31,000,000 |
| 270′ WMEC C4ISR upgrades | 1,500,000 |
| Communications area master station upgrade at shore sites | 19,500,000 |
| SEI Equipment for 270′ WMEC and 378′ WHEC | 1,600,000 |
| Logistics | |
| ICGS Development | 15,100,000 |
| Shore sites | 1,600,000 |
| Facilities required for future asset deployments | 23,100,000 |

| | |
|---|---|
| ICGS Management | 43,000,000 |
| Government program management/ICGS | 38,000,000 |
| Subtotal, Deepwater | 723,950,000 |
| Aircraft: | |
| Armed helicopter equipment | 2,500,000 |
| Other equipment: | |
| Rescue 21 | 134,000,000 |
| Automatic Identification System | 24,000,000 |
| Subtotal, other equipment | 158,000,000 |
| Shore facilities and aids to navigation facilities: | |
| Survey and design, shore operational and support projects | 1,000,000 |
| Minor AC&I shore construction projects | 1,600,000 |
| Small arms range at ISC Honolulu, Hawaii | 1,600,000 |
| Waterway aids to navigation infrastructure | 800,000 |
| Subtotal, shore facilities and aids to navigation facilities | 5,000,000 |
| Personnel and related support: | |
| Direct personnel costs | 72,500,000 |
| AC&I core | 500,000 |
| Subtotal, personnel and related support | 73,000,000 |
| Total | $982,200,000 |

The conferees agree to bill language proposed by the House that requires the Secretary to annually submit to the Congress, with the budget request, a future years capital investment plan for the Coast Guard that identifies for each capital budget line item: (1) the proposed appropriation included in the budget, (2) the total estimated cost of completion, (3) proposed funding levels for each of the next 5 fiscal years or until the project is completed, (4) an estimated completion date at the projected funding levels, and (5) changes from previous capital investment plans. The Secretary shall also ensure that amounts specified in future capital investment plans are consistent and that any inconsistencies between the capital investment plan and proposed appropriations are identified and justified.

The conferees have also retained longstanding bill language, as proposed by the Senate, that authorizes any proceeds that result from the disposal of surplus real property be applied as offsetting collections and only available for Rescue 21.

DEEPWATER

The conferees require the Secretary to submit to Congress at the time of the fiscal year 2006 budget request a new Deepwater baseline. This new baseline must include revised acquisition timelines for each asset that is necessary to fulfill homeland security functions or multi-agency procurements as identified by the Joint Requirements Council; a timeline and detailed justification for each new asset; a detailed description of the revised mission requirements and impact on the acquisition timeline; and funding levels for each asset the Coast Guard continues to believe is necessary to acquire as proposed by the House. The Senate has no comparable bill language.

LEGACY ASSETS

The conferees direct the Coast Guard to report to the House and Senate Committees on Appropriations, within 30 days of enactment of this Act, on its plan for maintenance of all its legacy assets and the entity responsible, whether contractor or Coast Guard, for such maintenance and estimated costs, including the costs associated with each legacy asset and future funding requests planned by the Coast Guard. The Coast Guard is also directed to submit quarterly reports to the Committees on its actions with respect to this plan, beginning with the submission of the President's budget request for fiscal year 2006.

HH–65 RE-ENGINING PROJECT

The conferees agree to provide $99,000,000 instead of $75,000,000 as proposed by the House and $115,000,000 as proposed by the Senate. In addition, the conferees direct the Coast Guard to reallocate to the HH–65 re-engining project: (1) the $4,000,000 provided in fiscal year 2003 for the development of a new fuel control system (FADEC), and (2) $5,700,000 provided in fiscal year 2003 for additional 38 LTS–101–850 engines. These funds are no longer needed for the original work because the current HH–65 engine is being replaced entirely by a different manufacturer.

The conferees are aware that the Coast Guard's HH–65 Dolphin helicopters are experiencing an alarming rate of engine failure and that the Commandant would like to re-engine these critical assets within a 24–month period. The conferees commend the Coast Guard for moving quickly to address this critical flight safety issue and direct that all of the funds appropriated for HH–65 re-engining in fiscal year 2005 and past legacy aircraft sustainment funds be used to accelerate the delivery of conversion kits and the re-engining schedule. The conferees believe that taking immediate and definitive action to return the HH–65 fleet to safe and reliable operations is the Coast Guard's highest aviation priority. The additional funding provided above the level requested in the budget shall be used to achieve a 24-month completion schedule. If the Commandant determines that the present re-engining operations of the Coast Guard are not capable of achieving a 24-month completion goal, then he shall contract with a second qualified facility to achieve this objective. The conferees expect any additional funding required to meet this schedule to be included in the President's fiscal year 2006 budget submission.

COVERT SURVEILLANCE AIRCRAFT

The conferees agree to provide $14,000,000 for manned, covert, multi-sensor surveillance aircraft to perform maritime domain awareness missions as proposed by the House.

IDS PATROL BOAT

The conferees agree to provide up to $30,000,000 for the IDS patrol boat in the Deepwater program. As part of Deepwater rebaselining, the Secretary in conjunction with the Coast Guard is directed to provide an analysis of operational patrol boat and other

ship hours available over the past five years and over the next ten years under the rebaselined program. The analysis should include the hours contributed by each class of ship or patrol boat (fast response cutter, 110′, 123′, or a replacement patrol boat); a yearly retirement, conversion, and acquisition schedule (including costs) covering all ships and patrol boats; and a year by year count of the different vessels in the Coast Guard inventory over the timeframe requested. Given the current and future reliance of the Coast Guard on these vessels, it is imperative that the Congress has a clear schedule of current and outyear assets that will provide the requisite operational hours. This report should be provided to the House and Senate Committees on Appropriations no later than February 10, 2005.

AIRCRAFT DEPLOYMENTS

The conferees direct the Coast Guard to adhere to Senate report language on support facilities for aircraft deployments.

RESCISSION

The conferees rescind $16,000,000 from funding appropriated in fiscal year 2004 (Public Law 108–90) for Rescue 21 due to contract delays and high unobligated balances.

ALTERATION OF BRIDGES

The conferees agree to provide $15,900,000 instead of $16,400,000 as proposed by the House and $15,400,000 as proposed by the Senate. Within this total, funds shall be allocated as follows:

| | |
|---|---|
| Florida Avenue Bridge in New Orleans, Louisiana | $4,400,000 |
| Chelsea Street Bridge in Chelsea, Massachusetts | 1,000,000 |
| Canadian Pacific Railroad Bridge in La Crosse, Wisconsin | 2,000,000 |
| Fourteen Mile Bridge, Mobile, Alabama | 5,500,000 |
| EJ&E Railroad Bridge in Morris, Illinois | 1,500,000 |
| Burlington Northern Santa Fe Bridge in Burlington, Iowa | 1,500,000 |
| Total | 15,900,000 |

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The conferees agree to provide $18,500,000 as proposed by the Senate instead of $13,500,000 as proposed by the House within the Science and Technology Directorate. The conferees expect the Commandant of the Coast Guard to continue to coordinate with the Under Secretary for Science and Technology on research and development activities.

RETIRED PAY

The conferees agree to provide $1,085,460,000 as proposed by both the House and the Senate.

## UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

The conferees agree to provide $1,172,125,000 instead of $1,179,125,000 as proposed by the House and $1,159,125,000 as proposed by the Senate. This includes: not to exceed $25,000 for

representation and reception expenses; $5,000,000, to remain available until expended, for Secret Service costs related to National Special Security Events; [$34,536,000 to support investigations of electronic crimes; $2,100,000 for forensic support to the National Center for Missing and Exploited Children (NCMEC) as well as a $5,000,000 grant to NCMEC.

Funds shall be allocated as follows:

| | |
|---|---|
| Protection: | |
| Protection of persons and facilities | $571,640,000 |
| National Special Security Event Fund | 5,000,000 |
| Protective intelligence activities | 53,989,000 |
| White House mail screening | 16,365,000 |
| Subtotal, Protection | 646,994,000 |
| Field Operations: | |
| Domestic field operations | 221,489,000 |
| International field office administration, operations and training | 19,208,000 |
| Electronic crimes special agent program and electronic crimes task forces | 34,536,000 |
| Subtotal, Field Operations | 275,233,000 |
| Administration: | |
| Headquarters, management and administration | 197,747,000 |
| National Center for Missing and Exploited Children | 7,100,000 |
| Subtotal, Administration | 204,847,000 |
| Training: | |
| Rowley training center | 45,051,000 |
| Total, Salaries and Expenses | $1,172,125,000 |

NATIONAL SPECIAL SECURITY EVENTS (NSSES)

The conferees agree to provide not less than $5,000,000 above the budget request for the Secret Service's unanticipated costs related to NSSEs, instead of $10,000,000 as proposed by the House. Funds are available until expended. The Conferees direct the Secret Service to budget for foreseeable costs related to NSSEs within its base budget. The Secret Service has the lead security responsibility for these events as authorized by Presidential Decision Directive 62 and 18 USC 3056 (e).

ELECTRONIC CRIMES TASK FORCES (ECTFS)

The conferees agree to provide $34,356,000 instead of $36,356,000 as proposed by the House and $31,356,000 as proposed by the Senate. The $3,000,000 above the budget request is provided for the costs associated with the training and support of new Special Agents assigned to ECTFs. The Secret Service is directed to submit a deployment plan not later than February 8, 2005, to the House and Senate Committees on Appropriations, describing the staffing and other resources assigned to each ECTF, as specified in the House report. The Department is encouraged to apply any lapsed salary savings to fund ECTF requirements.

### OPERATING EXPENSES

(RESCISSION OF FUNDS)

The conferees rescind $750,279 of the funds provided in Public Law 108–11.

### ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The conferees agree to provide $3,633,000 as proposed by both the House and Senate. Funds are available until expended.

## TITLE III—PREPAREDNESS AND RECOVERY

### OFFICE OF STATE AND LOCAL GOVERNMENT COORDINATION AND PREPAREDNESS

The conferees agree with the creation of the Office of State and Local Government Coordination and Preparedness (SLGCP), which merges the Office of State and Local Government Coordination with the Office for Domestic Preparedness (ODP). Administration and oversight of the following programs were moved to SLGCP from legacy agencies:

*Emergency Preparedness and Response Directorate.*—Metropolitan medical response system, first responder counter-terrorism training assistance, assistance to firefighter grants, emergency management performance grants, state and local all-hazards emergency operations planning, Citizens Corps, interoperable communications equipment, and Community Emergency Response Teams.

*Office for Domestic Preparedness.*—State domestic preparedness equipment support; law enforcement terrorism prevention; New York equipment replacement; national exercise program (TOPOFF) grants; multi-state anti-terrorism information exchange; terrorism early alert and strategic planning system; State Homeland Security Grant Program; and the Urban Area Security Initiative (UASI) Grant Program including UASI port security grants, UASI mass transit security grants, and UASI radiological defense systems.

*Transportation Security Administration.*—Port Security Grants, Intercity Bus Security Grants, Operation Safe Commerce, and Trucking Industry Security Grants.

The conferees understand that, while SLGCP will provide a single entry point for grant applications, the subject matter experts of those transferred grants will remain with the original legacy agencies. SLGCP shall continue to include these experts in the review of grant applications, the determination of eligibility, and making award determinations. The conferees agree that no more than 12 personnel from the Transportation Security Administration (TSA) and 51 personnel from the Emergency Preparedness and Response (EP&R) Directorate shall be transferred to SLGCP to assist in the administration of these grants.

#### MANAGEMENT AND ADMINISTRATION

The conferees agree to provide $3,546,000 instead of $41,432,000 as proposed by the House and $25,000,000 as proposed

by the Senate. Funds are provided for the management and administration expenses of the Office of State and Local Government Coordination. Management and administration expenses for the Office for Domestic Preparedness are provided as a percentage of the formula-based grants, as authorized by Section 1014 of the USA PATRIOT Act. Funding of not to exceed $2,000 is provided for official reception and representation expenses, as proposed by the House.

STATE AND LOCAL PROGRAMS

The conferees agree to provide $3,086,300,000 instead of $3,423,900,000 as proposed by the House and $2,845,081,000 as proposed by the Senate.

| | |
|---|---|
| Formula-Based Grants: | |
| Formula-Based Grants: | $1,100,000,000 |
| Law Enforcement Terrorism Prevention Grants: | 400,000,000 |
| Subtotal, Formula-Based Grants | 1,500,000,000 |
| Discretionary Grants: | |
| High-Threat, High-Density Urban Area Grants | 885,000,000 |
| Rail and Transit Security Grants | 150,000,000 |
| Port Security Grants | 150,000,000 |
| Intercity Bus Security Grants | 10,000,000 |
| Trucking Security Grants | 5,000,000 |
| Subtotal, Discretionary Grants | 1,200,000,000 |
| Technology Transfer: | |
| Technology Transfer Program | 50,000,000 |
| National Programs: | |
| National Domestic Preparedness Consortium | 135,000,000 |
| National Exercise Program | 52,000,000 |
| Metropolitan Medical Response System | 30,000,000 |
| Technical Assistance | 30,000,000 |
| Demonstration Training Grants | 30,000,000 |
| Continuing Training Grants | 25,000,000 |
| Citizen Corps | 15,000,000 |
| Evaluations and Assessments | 14,300,000 |
| Rural Domestic Preparedness Consortium | 5,000,000 |
| Subtotal, National Programs | 3,086,300,000 |
| Total, State and Local Programs: | $3,086,300,000 |

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

FORMULA-BASED GRANTS

The conferees agree to provide $1,100,000,000 instead of $1,250,000,000 as proposed by the House and $970,000,000 as proposed by the Senate. These funds are available to all states for purposes of training, procuring equipment (such as interoperable communications equipment), and conducting exercises, based on each state's approved, updated homeland security strategy. The conferees expect that these funds will be made available to states within 45 days after enactment of this Act, that states will have 45 days to apply after the grant is announced, and that SLGCP will act within 15 days of receipt of an application. The conferees also agree that no less than 80 percent of these funds shall be obligated by the state to local units of government within 60 days of the state receiving funds. None of the funds may be used for construction or overtime, except as provided in this Act. The conferees urge the Department to work with state and local governments to ensure that regional authorities, such as port, transit, or tribal authorities, are given due consideration in the distribution of state formula grants. Not to exceed 3 percent may be used for administrative expenses.

The conferees are pleased with steps taken by the SLGCP to allow states and localities to reallocate State Homeland Security Grant Program funds to address emerging threats identified by credible assessments. The conferees understand that beginning with fiscal year 2004 grant funds, reallocation of funds for this purpose does not require prior approval by SLGCP, provided that reallocation of funds for activities pursued by states and localities are consistent with state homeland security strategies, within the scope of allowable program expenditures, and that such reallocation will be notified to SLGCP through the required, regularly scheduled programmatic report.

LAW ENFORCEMENT TERRORISM PREVENTION GRANTS

The conferees agree to provide $400,000,000 as proposed by the Senate instead of $500,000,000 as proposed by the House. The conferees expect that these funds will be made available to states within 45 days after enactment of this Act, that states will have 45 days to apply after the grant is announced, and that SLGCP will act within 15 days of receipt of an application. The conferees also agree that no less than 80 percent of these funds shall be obligated by the state to local units of government within 60 days of the state receiving funds. Not to exceed 3 percent may be used for administrative expenses.

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

DISCRETIONARY GRANTS

The conferees agree to provide $1,200,000,000 instead of $1,000,000,000 as proposed by the House and $1,328,000,000 as proposed by the Senate. Of these funds, $885,000,000 is made available to the Secretary for discretionary grants to high-threat, high-density urban areas, instead of $900,000,000 as proposed by the House and $875,000,000 as proposed by the Senate. The Secretary shall consider credible threat, presence of critical infrastructure, population, vulnerability, cooperation of multiple jurisdictions in preparing domestic preparedness plans, and the identified needs of public agencies in determining the allocation of these funds. The conferees expect funds to be obligated no later than 60 days after enactment of the Act. The conferees also agree that no less than 80 percent of these funds shall be obligated by the state to local units of government within 60 days of the state receiving funds. Grants may be made to single or multiple jurisdictions in the same urban area. Of the funds made available for grants to high-threat, high-density urban areas, $25,000,000 is for grants to non-profit organizations determined by the Secretary to be at high risk of international terrorist attacks.

The conferees agree that except for rail, transit, and port security grants, the use of grant funds for construction is prohibited. However, for those projects that specifically address enhanced security at critical infrastructure facilities, such as improved perimeter security, minor construction or renovation for necessary guard facilities, fencing, and related efforts, project construction or renovation not exceeding $1,000,000 is allowable, as deemed necessary by the Secretary. The conferees expect SLGCP to continue the practice of reimbursing eligible overtime expenses as designated in ODP Information Bulletin No. 127, dated August 3, 2004.

The conferees are aware that the Department has previously provided technical assistance to urban areas through the Urban Area Security Initiative. The conferees encourage SLGCP to consider urban area technical assistance requirements as part of normal technical assistance requests, which are funded under a separate account.

TRANSPORTATION SECURITY GRANTS

Of the funds provided for Discretionary Grants, $150,000,000 is for port security grants; $150,000,000 is for rail, freight, and transit security grants; $10,000,000 is for intercity bus security grants; and $5,000,000 is for trucking security grants. Despite the consolidation of selected grant award functions within SLGCP, the conferees agree that TSA subject matter experts will remain within TSA and SLGCP shall continue to include these experts in the review of grant applications, the determination of eligibility, and making award determinations.

The conferees are concerned that port security grants made to independent terminal operators are not coordinated at the state, local port authority, or Captain of the Port levels. The conferees direct that SLGCP ensure the coordination of all port security grants with the state, local port authority, and the Captain of the Port,

to ensure all vested parties are aware of grant determinations and that the limited resources are maximized.

The conferees are concerned about the lack of priority setting in the intercity bus grant program. It is important for the Department to clearly identify priorities, including the importance of passenger screening and terminal security, and focus on the unique structure of the intercity bus industry and the importance of fixed route service.

TECHNOLOGY TRANSFER PROGRAM

The conferees agree to provide $50,000,000 as proposed by the House. The Senate proposed $50,000,000 under the Law Enforcement Terrorism Prevention Grants. The conferees are aware of the unique needs of jurisdictions in smaller communities that make it more difficult for them to identify, select, procure, practice and become proficient in specialized equipment and technology. The conferees direct SLGCP to develop a technology transfer program to assist smaller communities in acquiring and using commercially available technologies to prevent, deter, and respond to terrorist attacks, as identified in state homeland security strategies. This competitive program shall be a direct assistance program, not a grant program, and SLGCP will provide the equipment and technical assistance directly to the selected jurisdictions. This includes, but is not limited to, interoperable communications technology, defensive protective equipment for first responders, and vulnerability assessment technology appropriate to rural jurisdictions. A key element of this program shall be the provision of appropriate training and technical assistance to ensure effective integration of the technologies into the jurisdictions' response plans. This training should address the specialized equipment related issues found in small and rural communities, and solutions achieved by SLGCP's technology transfer program that address these issues. Of the amount provided, no more than $10,000,000 may be used for commercially available equipment testing and validation to determine appropriateness for inclusion in the technology transfer program.

NATIONAL PROGRAMS

The conferees agree to provide $336,300,000 instead of $275,081,000 as proposed by the Senate. The House proposed $328,900,000 for these programs in separate accounts.

NATIONAL DOMESTIC PREPAREDNESS CONSORTIUM

Of the funds provided for National Programs, the conferees agree to provide $135,000,000 as proposed by the Senate instead of $130,000,000 as proposed by the House. Of these funds, $55,000,000 is for the Center for Domestic Preparedness.

NATIONAL EXERCISE PROGRAM

Of the funds provided for National Programs, the conferees agree to provide $52,000,000 as proposed by both the House and Senate.

TECHNICAL ASSISTANCE

Of the funds provided for National Programs, the conferees agree to provide $30,000,000 as proposed by the Senate instead of $7,600,000 as proposed by the House. Of these funds, $20,000,000 shall be for the Interoperable Communication Technical Assistance program, as proposed by the Senate. The House contained no similar provision.

The conferees recognize the importance of interoperable communications standards, which are critical to the Department's efforts to improve communications nationally. Therefore, the Science and Technology Directorate shall expedite the development of these standards, and coordinate with SLGCP to ensure that SLGCP's technical assistance program incorporates these standards, as appropriate.

METROPOLITAN MEDICAL RESPONSE SYSTEM

Of the funds provided for National Programs, the conferees agree to provide $30,000,000 instead of $50,000,000 as proposed by the House. The Senate included no similar provision.

DEMONSTRATION TRAINING GRANTS

Of the funds provided for National Programs, the conferees agree to provide $30,000,000 instead of $50,000,000 as proposed by the House and $55,000,000 as proposed by the Senate. The conferees agree that these peer reviewed competitive grants shall be for first responder pilot and demonstration training projects, covering the local, regional, and national levels.

CONTINUING TRAINING GRANTS

Of the funds provided for National Programs, the conferees agree to provide $25,000,000. The conferees agree to create this separate grant program to fund continuing first responder training efforts, instead of funding from a combined competitive training account as proposed by the House. The Senate contained no similar provision.

EVALUATIONS AND ASSESSMENTS

Of the funds provided for National Programs, the conferees agree to provide $14,300,000 as proposed by the House instead of $3,081,000 as proposed by the Senate.

CITIZEN CORPS

Of the funds provided for National Programs, the conferees agree to provide $15,000,000 instead of $20,000,000 as proposed by the House and $30,000,000 as proposed by the Senate.

RURAL DOMESTIC PREPAREDNESS CONSORTIUM

Of the funds provided for National Programs, the conferees agree to provide $5,000,000 for the development of a Rural Domestic Preparedness Consortium, as proposed by the House. The Senate included no similar provision. Training for rural first responders poses unique challenges when compared to their urban counter-

parts. This new consortium should provide a regional approach to rural first responder awareness level training, develop emerging training, and provide technical assistance in support of rural homeland security requirements. SLGCP is to provide a report to the House and Senate Committees on Appropriations on the creation of this consortium no later than January 15, 2005.

HOMELAND SECURITY PRESIDENTIAL DIRECTIVE 8

At the urging of both the Congress and the President, the Department is proceeding with a proposed plan to transition first responder grant programs to a risk- and threat-based allocation system. The conferees will monitor this progress so that the Congress can consider such a transition in fiscal year 2006, with the exception of the guaranteed state minimum as prescribed in section 1014 of the USA PATRIOT Act of 2001. In this regard, the conferees direct that SLGCP continue the development of a universal list of first responder preparedness tasks, defined capabilities to accomplish those tasks grouped by the vulnerability of the jurisdiction, and performance metrics for each capability, as defined in the draft National Preparedness Goal. The conferees further direct SLGCP to establish a comprehensive rollout strategy to educate state and local jurisdictions on the finalized National Preparedness Goal. The conferees include bill language requiring SLGCP to provide state and local jurisdictions with nationally accepted preparedness levels of first responder capabilities no later than January 31, 2005; include in the fiscal year 2005 formula-based grant guidance guidelines for the states to adopt national preparedness standards in fiscal year 2006; and issue final guidance on the implementation of the National Preparedness Goal, as required in Homeland Security Presidential Directive 8, no later than March 31, 2005.

FIREFIGHTER ASSISTANCE GRANTS

The conferees agree to provide $715,000,000 instead of $650,000,000 as proposed by the House and $750,000,000 as proposed by the Senate. Of this amount, $65,000,000 shall be for firefighter staffing, as authorized by section 34 of the Federal Fire Prevention and Control Act of 1974, instead of $50,000,000 as proposed by the House. The Senate proposed $100,000,000 for this purpose in a separate account. Not to exceed 5 percent may be used for administrative expenses. Funds are available until September 30, 2006.

The conferees are concerned by the Department's proposed shift in grant focus from all-hazards to placing priority on terrorism, and the proposed deletion of several eligible activities, specifically, wellness and fitness programs, emergency medical services, fire prevention programs, public education programs, and modifications of facilities for health and safety of personnel. The Department should continue the present practice of funding applications according to local priorities and those established by the United States Fire Administration (USFA); reinstate all previously eligible funding areas, continue direct funding of grants to fire departments and the peer review process for determining funding

awards; and include the USFA during grant administration. The conferees further direct the Department to continue the practice of allowing the Alaska Village Initiatives to apply for grants on behalf of Alaskan communities, and make $3,000,000 available for implementation of section 205(c) of Public Law 108–129, the United States Fire Administration Reauthorization Act of 2003.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

The conferees agree to provide $180,000,000 instead of $236,000,000 as proposed by the Senate. The House proposed $170,000,000 under State and Local Programs. Not to exceed 3 percent may be used for administrative expenses.

The conferees agree that Emergency Management Performance Grants (EMPG) are vital to state and local emergency management systems, and therefore do not agree to shift from an all-hazards to a terrorism-specific focus or to limit personnel expenses to 25 percent. The conferees direct the Department to continue funding personnel expenses without a limit and to continue current grant administrative practices, including grant allocation, in a manner identical to fiscal year 2004. Despite the consolidation of selected grant award functions within SLGCP, the conferees agree that EMPG subject matter experts will remain within EP&R and SLGCP shall continue to include these experts in the review of grant applications, determination of eligibility, and making award determinations. Furthermore, the conferees expect the EP&R regional emergency managers' relationship with state and local governments to continue.

COUNTERTERRORISM FUND

The conferees agree to provide $8,000,000 instead of $10,000,000 as proposed by both the House and Senate. Funds are available until expended. The Secretary shall notify the House and Senate Committees on Appropriations 15 days prior to obligation of these funds.

EMERGENCY PREPAREDNESS AND RESPONSE

OFFICE OF THE UNDER SECRETARY FOR EMERGENCY PREPAREDNESS AND RESPONSE

The conferees agree to provide $4,211,000 as proposed by both the House and Senate.

The conferees direct the Emergency Preparedness and Response (EP&R) Directorate to continue the practice of making balances from funds appropriated for disaster relief for the terrorist attacks of September 11, 2001, available to New York State at the request of the Governor of New York in coordination with the Mayor of New York City. Of the amounts available, $4,450,000 shall be for Project Liberty for personnel, families, and retirees of the New York City Fire Department and New York City Police Department, if requested by the Governor of New York.

PREPAREDNESS, MITIGATION, RESPONSE, AND RECOVERY

The conferees agree to provide $239,499,000 instead of $210,499,000 as proposed by the House and $231,499,000 as proposed by the Senate.

URBAN SEARCH AND RESCUE

Of the funds provided for Preparedness, Mitigation, Response, and Recovery, the conferees agree to provide $30,000,000 for Urban Search and Rescue Teams as proposed by the Senate, instead of $7,000,000 as proposed by the House. Not to exceed 3 percent may be used for administrative expenses.

EMERGENCY HOUSING PLAN

Of the funds provided for Preparedness, Mitigation, Response, and Recovery, the conferees agree to provide $2,000,000, as proposed by the House, in support of EP&R's emergency housing plan to evaluate and deploy new housing solutions which can be used in conjunction with traditional response and recovery solutions. These new solutions shall be collapsible so that they may stack for economical shipping and storage, expand during assembly to increase usable space, be sturdy enough to ensure multiple reuse in future deployments, and address both housing and other infrastructure needs. In light of recent natural disasters, the conferees and EP&R believe this evaluation of new housing and infrastructure solutions is very timely. The conferees direct a report on the evaluation and deployment of these new housing solutions be submitted to the House and Senate Appropriations Committees no later than January 14, 2005, and that emergency housing and infrastructure requirements be submitted with the fiscal year 2006 budget request.

NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS)

Of the funds provided for Preparedness, Mitigation, Response, and Recovery, the conferees agree to provide $15,000,000 instead of $7,000,000 as proposed by both the House and Senate. The conferees expect the Department to implement a program concept for the NIMS Integration Center (NIC) that is anchored in multiple locations serving regional interests. As part of the NIMS mission the conferees strongly encourage the Department to establish regional centers to facilitate the development and deployment of NIMS training, education and publications.

MINORITY EMERGENCY PREPAREDNESS DEMONSTRATION PROGRAM

The conferees continue to be concerned with EP&R's slow progress in the implementation of the Minority Emergency Preparedness Demonstration Program. Notwithstanding the draft outline for such a program shared with the Committees earlier this year and the direction of the Committees over the past three years to implement this program, EP&R has not acted. The conferees direct EP&R to develop a pilot program for socio-economically disadvantaged communities and underrepresented members of the population that assesses and analyzes the preparation and response of these communities and individuals to a widespread dis-

aster affecting multiple states and regions. The program should utilize information gathered from organizations such as community based organizations, faith-based institutions, historically black colleges and universities, and private organizations and businesses serving socio-economically disadvantaged communities and underrepresented populations. The Department is directed to implement this pilot program no later than December 1, 2004; if this program is not implemented by December 1, 2004, the Secretary is to provide a written justification to the House and Senate Committees on Appropriations as to why this direction is not being followed.

SHOCKOE CREEK

The conferees direct EP&R to conduct an investigation of the Shockoe Creek drain field in Richmond, Virginia, to determine means of preventing future damage in that area from floods and other natural disasters.

OPERATING EXPENSES

(RESCISSION OF FUNDS)

The conferees rescind $5,000,000 of the funds provided by Public Law 108–11.

ADMINISTRATIVE AND REGIONAL OPERATIONS

The conferees agree to provide $202,939,000 instead of $203,939,000 as proposed by the House and $196,939,000 as proposed by the Senate. Within these funds, the conferees agree to provide $6,000,000 for the Document Management Support Program, instead of $7,000,000 as proposed by the House. Funding of not to exceed $3,000 is provided for official reception and representation funds as proposed by the Senate instead of $4,000 as proposed by the House.

PUBLIC HEALTH PROGRAMS

The conferees agree to provide $34,000,000 as proposed by both the House and Senate.

BIODEFENSE COUNTERMEASURES

The conferees agree with the budget estimate to make available in fiscal year 2005 $2,528,000,000 in obligation authority for fiscal years 2005–2008 pursuant to Public Law 108–90.

RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

The conferees agree to provide for the receipt and expenditure of fees collected, as authorized by Public Law 105–276, as proposed by both the House and Senate.

DISASTER RELIEF

The conferees agree to provide $2,042,380,000 as proposed by the House instead of $2,221,000,000 as proposed by the Senate. The conferees do not agree to include $70,000,000 in emergency funding for the American Red Cross, as proposed by the Senate.

These funds are addressed in the fiscal year 2004 emergency supplemental, as requested by the President on September 14, 2004.

The conferees direct the Under Secretary for Emergency Preparedness and Response to place special emphasis on the recruitment of American Indians, Alaska Natives, Native Hawaiians, and other minorities for positions within Disaster Assistance Employee cadres maintained by EP&R. The Under Secretary shall provide to the House and Senate Committees on Appropriations a report no later than 100 days after enactment of this Act which assesses the representation of American Indians, Alaska Natives, Native Hawaiians, and other minorities in the Disaster Assistance Employee cadres. The report should also identify recruitment strategies to increase the representation of such individuals in the cadres.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

The conferees agree to provide $567,000 for administrative expenses as proposed by both the House and Senate. Gross obligations for the principal amount of direct loans shall not exceed $25,000,000 as proposed by both the House and Senate.

FLOOD MAP MODERNIZATION FUND

The conferees agree to provide $200,000,000 as proposed by the Senate instead of $150,000,000 as proposed by the House. The conferees do not agree to Senate report language regarding the National Service Provider.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

The conferees agree to provide $33,336,000 for salaries and expenses as proposed by both the House and Senate. The conferees further agree to provide up to $79,257,000 for flood mitigation activities and limitations of $55,000,000 for operating expenses, $562,881,000 for agents' commissions and taxes, and $30,000,000 for interest on Treasury borrowings as proposed by both the House and Senate.

NATIONAL FLOOD MITIGATION FUND

The conferees agree to provide $20,000,000 by transfer from the National Flood Insurance Fund as proposed by the House. The Senate proposed $20,000,000 for flood mitigation by transfer under Mitigation Grant Programs. Funds are available until September 30, 2006.

NATIONAL PRE-DISASTER MITIGATION FUND

The conferees agree to provide $100,000,000 as proposed by the House. The Senate proposed $150,000,000 for pre-disaster mitigation under Mitigation Grant Programs. Not to exceed 3 percent may be used for administrative expenses. Funds are available until expended.

The conferees are concerned by EP&R's slow progress in awarding fiscal year 2003 pre-disaster mitigation grants. These grants were only recently awarded and an excessive unobligated

balance remains. The conferees direct EP&R to report no later than February 15, 2005, on any changes it intends to make in future grants, including an expeditious and reasonable obligation plan for awarding all unobligated funds. The report shall also describe feedback received from state hazard mitigation officers and an assessment of ways to streamline the application and award process.

EMERGENCY FOOD AND SHELTER

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

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

### CITIZENSHIP AND IMMIGRATION SERVICES

SALARIES AND EXPENSES

The conferees agree to provide $160,000,000, as proposed by the House, instead of $140,000,000 as proposed by the Senate. This includes $140,000,000 for backlog elimination, as well as $20,000,000 for the historical records project to convert immigration records into an electronic, digitally-accessible format.

The conferees direct that no funding for the historical record project may be obligated until U.S. Citizenship and Immigration Services (CIS) submits a detailed expenditure plan to the House and Senate Committees on Appropriations for approval. Current estimates of examination fee collections, which constitute the majority of offsetting resources for CIS are $1,571,000,000. The conferees direct that not to exceed $5,000 of these collections shall be for official reception and representation expenses, as proposed by the House.

The following table specifies funding by budget activity, and includes both direct appropriations and estimated collections:

| | |
|---|---|
| Adjudication Services (fee accounts): | |
| Pay and Benefits | $561,000,000 |
| Operating Expenses: | |
| District Operations | 284,000,000 |
| Service Center Operations | 217,000,000 |
| Asylum, Refugee, and International Operations | 73,000,000 |
| Records Operations | 65,000,000 |
| Total, Adjudication Services | 1,200,000,000 |
| Backlog Reduction Initiatives (Direct Appropriations): | |
| Contracting Services | 120,000,000 |
| Other | 20,000,000 |
| Digitization | 20,000,000 |
| Total, Backlog Reduction Initiatives | 160,000,000 |
| Information and Customer Services (fee accounts): | |
| Pay and Benefits | 78,000,000 |
| Operating Expenses: | |
| National Customer Service Center | 46,000,000 |

| | |
|---|---|
| Information Services | 14,000,000 |
| Total, Information and Customer Services | 138,000,000 |
| Administration (fee accounts): | |
| Pay and Benefits | 43,000,000 |
| Operating Expenses | 190,000,000 |
| Total, Administration | 233,000,000 |
| Total, Citizenship and Immigration Services | 1,731,000,000 |

REGIONAL SERVICE CENTERS

The conferees direct the Department to evaluate the distribution of staff and resources among the four CIS regional service centers, and submit a report no later than December 1, 2004, with recommendations to normalize the petition processing times across the regional centers.

BENEFIT FRAUD

The conferees have agreed to the Administration's request to increase the resources available for benefit fraud enforcement by decreasing the funds available to Immigration and Customs Enforcement (ICE) from the examinations fee account, and leaving those resources available to CIS, as proposed in the House report. These resources are to fund the Office of Fraud Detection and National Security (FDNS) Unit, as called for by the Government Accountability Office. The FDNS unit is responsible for developing, implementing, directing, and overseeing the joint CIS-ICE anti-fraud initiative, and conducting law enforcement/background checks on every applicant, beneficiary, and petitioner prior to granting any immigration benefits. CIS is to report by July 1, 2005, to the House and Senate Committees on Appropriations on the progress in implementing the joint anti-fraud initiative.

## FEDERAL LAW ENFORCEMENT TRAINING CENTER (FLETC)

SALARIES AND EXPENSES

The conferees agree to provide $177,440,000 instead of $183,440,000 as proposed by the House and $181,440,000 as proposed by the Senate. Funds above the budget request include a transfer of $21,000,000 for the Charleston, South Carolina, training facility. The conferees do not provide $2,000,000, as requested, for the transfer of the CBP Advanced Training Facility. At the department's request, the conferees do not include $2,000,000 for the pay for performance demonstration project.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The conferees agree to provide $44,917,000, instead of $37,917,000 as proposed by the House and $42,917,000 as proposed by the Senate. Funds above the budget request include $5,000,000 for renovation and construction needs at the Artesia, New Mexico, training center, as proposed by the Senate, and $2,000,000 for renovation and construction needs at the Charleston, South Carolina, training center.

FACILITIES MASTER PLAN

An updated facilities Master Plan that identifies unfunded training facilities construction and renovation needs has not been submitted to the House and Senate Committees on Appropriations. The conferees direct FLETC to submit an updated Master Plan with the fiscal year 2006 budget request.

## INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION

### MANAGEMENT AND ADMINISTRATION

The conferees agree to provide $132,064,000 for management and administration to support 803 full-time equivalent positions as proposed by the House instead of $137,064,000 as proposed by the Senate. This includes $5,864,000 for the Office of the Under Secretary and $126,200,000 for other salaries and expenses. Funding of $35,000,000 for the Homeland Security Operations Center is funded under Assessments and Evaluation as proposed by the House. Within the amounts provided, not to exceed $5,000 is available for official reception and representation expenses as proposed by the House. The Senate proposed $20,000 in the Assessments and Evaluations account.

The conferees agree to provide $22,940,000 for protective security field operations and expect that the deployment of personnel will be executed in accordance with direction provided in the House report.

### ASSESSMENTS AND EVALUATIONS

The conferees agree to provide $761,644,000 instead of $722,512,000 as proposed by the House and $718,512,000 as proposed by the Senate. Funds are available until September 30, 2006. Funding is allocated as follows:

| *Program* | *Amount* |
|---|---|
| Critical infrastructure outreach & partnerships | $106,592,000 |
| Critical infrastructure identification and evaluation | 77,861,000 |
| National infrastructure simulation and analysis center (NISAC) | 20,000,000 |
| Protective actions | 191,647,000 |
| Biosurveillance | 11,000,000 |
| Cyber security | 67,380,000 |
| National security emergency preparedness telecommunications | 140,754,000 |
| Competitive analysis and evaluation | 4,000,000 |
| Threat determination and assessment | 21,943,000 |
| Infrastructure vulnerability and risk assessment | 71,080,000 |
| Evaluation and studies | 14,387,000 |
| Homeland security operations center | 35,000,000 |
| Total, Assessments and Evaluations | 761,644,000 |

The conferees have included up to $3,000,000 for the Under Secretary of Information Analysis and Infrastructure Protection (IAIP) to complete an analysis of whether the Department should require private sector entities to provide IAIP existing information about their security measures and vulnerabilities in order to improve IAIP's ability to evaluate critical infrastructure protections nationwide. The analysis should include all critical infrastructure, including chemical plants, evaluate the costs to the private sector for implementing such a requirement, the benefits of securing the information, and costs to IAIP to implement this requirement. The

conferees direct the Government Accountability Office to review the quality of IAIP's analysis and report to the House and Senate Committees on Appropriations within three months after the analysis is complete.

The conferees have included bill language requiring the Under Secretary for IAIP to provide a quarterly report to the House and Senate Committees on Appropriations on all sole-source contractual agreements. The report shall include a listing of all sole-source contracts entered into, the recipient, the purpose of the contract, and a detailed explanation of why the competitive process was not followed. The conferees direct that the first report be submitted by November 15, 2004, and subsequent reports be submitted no later than 30 days following the completion of each quarter of the fiscal year.

CRITICAL INFRASTRUCTURE OUTREACH AND PARTNERSHIPS

The conferees agree to provide $106,592,000 instead of $91,592,000 as proposed by the Senate and $71,592,000 as proposed by the House.

The conferees agree to provide $35,000,000 for computer hosting of departmental applications, network connectivity, and critical data storage under the direction of the Department's Chief Information Officer.

CRITICAL INFRASTRUCTURE IDENTIFICATION AND EVALUATION

The conferees agree to provide $77,861,000 as proposed by the House, instead of $64,730,000 as proposed by the Senate.

NATIONAL INFRASTRUCTURE SIMULATION AND ANALYSIS CENTER

The conferees agree to provide $20,000,000 instead of $16,000,000 as proposed by the House and $23,105,000 as proposed by the Senate.

The conferees direct the Protective Security Division to obligate funds previously made available by Public Law 108–7 for the NISAC at the earliest date possible.

PROTECTIVE ACTIONS

The conferees agree to provide $191,647,000 as proposed by the House instead of $193,673,000 as proposed by the Senate.

NATIONAL ASSET DATABASE

The conferees are aware that the National Asset Database (NADB), an inventory of the nation's critical infrastructure and key resources compiled from federal, state, local, and private sector input, now includes information on approximately 30,000 assets, some 2,000 of which are considered of critical importance. Although IAIP continues to populate and refine the NADB, the Protective Security Division (PSD) has already begun completing Buffer Zone Protection Plans (BZPPs) for the sites it contains. These BZPPs are efforts to reduce vulnerabilities by extending the protected area from the critical infrastructure site out into the community. The conferees strongly support this initiative, and direct PSD to com-

plete BZPPs for all critical assets in the NADB by the end of fiscal year 2005.

RAIL CORRIDOR SECURITY

The conferees are aware that security measures are being implemented to improve the security of the Washington, DC, rail corridor through the cooperative efforts of freight rail operators, local law enforcement and first responders, and the federal government with the objective of reducing the risk of a terrorist attack on rail cars carrying hazardous materials. The conferees direct PSD to use existing resources within Protective Actions to begin applying this concept to other major metropolitan areas.

DEVELOPMENT OF PROTOCOLS, POLICIES AND PROCEDURES

While the conferees are supportive of the efforts of IAIP to implement protective measures using the funds provided within Protective Actions, the conferees are concerned about the lack of written protocols, policies, and procedures governing the use of these funds. The conferees believe that without such guidelines, there exists the potential for duplication of effort between this account and other funding sources, such as grant programs within the Office of State and Local Government Coordination and Preparedness, as well as the possibility that funds could be used in ways that might not be consistent with the overall goals of the Department's critical infrastructure protection efforts. In addition to the funds provided in the Act, the conferees are aware of unobligated balances that remain available for these purposes from prior year appropriations. The conferees direct IAIP to develop appropriate written guidelines for the use of Protective Actions funds for buffer zone protection plans and grants that preserve needed flexibility, while preventing potential duplication or misapplication, and to provide a report regarding this policy to the House and Senate Committees on Appropriations no later than November 30, 2004.

CYBER SECURITY

The conferees agree to provide $67,380,000 as proposed by both the House and the Senate. The conferees agree to include $3,500,000 for "live wire" cyber exercises to build upon previous similar terrorist attacks on the Nation's cyber infrastructure to demonstrate the impact of a cyber-based attack on critical infrastructures and to highlight the interdependencies among critical infrastructures and underscore the requirement for enhanced cross-sector cooperation.

The conferees support the National Cyber Security Division's (NCSD) efforts to monitor, predict, and prevent cyber attacks, and to minimize the damage and efficiently recover from attacks. The conferees encourage the NCSD to identify, assess, and implement preventative measures with organizations providing public health needs.

COMPETITIVE ANALYSIS AND EVALUATION

The conferees agree to provide $4,000,000 instead of $3,868,000 as proposed by the House and $18,868,000 as proposed by the Senate.

HOMELAND SECURITY OPERATIONS CENTER

The conferees agree to provide $35,000,000 as proposed by the House. Funding of $35,000,000 for the Homeland Security Operations Center was proposed by the Senate under the Management and Administration account.

NATIONAL ALERTS

The conferees support the Department's use of the National Oceanic and Atmospheric Administration (NOAA) all-hazards weather radio system as the foundation for the Homeland Security Advisory System and provide $10,000,000 for fiscal year 2005, the same amount provided in fiscal year 2004. These funds are for the distribution of NOAA radios to schools throughout the country on a priority basis and for satellite, digital broadcast, and other advanced technologies to disseminate vital warning information to ensure that the general public can more effectively be warned about terrorist threats and other emergencies. For fiscal year 2004 and fiscal year 2005 funds, the conferees expect the Department to adhere to Section 102(b)(2) of Public Law 107–296 in purchasing and distributing the NOAA radios to schools as deemed appropriate by the Secretary.

The conferees direct the Secretary to work with the Chairman of the Federal Communications Commission to develop a legislative solution for a universal system for broadcasting national alerts. This will alleviate the need for separate negotiations between the Department and radio broadcasters, television broadcasters, and other telecommunications providers.

## SCIENCE AND TECHNOLOGY (S&T)

### MANAGEMENT AND ADMINISTRATION

The conferees agree to provide $68,586,000 for management and administration to include 320 full-time equivalent positions as proposed by the House, instead of $42,550,000 as proposed by the Senate. Within the amounts provided, not to exceed $3,000 is available for official reception and representation expenses. The funding includes $6,315,000 for the immediate Office of the Under Secretary and $62,271,000 for other salaries and expenses. The conferees consolidate all salary expenses in one account and the recommendation reflects the salaries and expenses for laboratory facilities, including the National Biodefense Analysis and Countermeasures Center (NBACC), the Plum Island Animal Disease Center and the Environmental Measurements Laboratory previously funded under S&T's program account.

The conferees are concerned about the substantial lack of communication within the management of S&T, which has resulted in misinformation being provided to Congress. The conferees strongly encourage S&T to review their management practices to improve

upon internal communications. The conferees believe S&T should move expeditiously to develop a policy regarding the use of national laboratories, and direct S&T to report to the House and Senate Committees on Appropriations on this policy no later than October 15, 2004.

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

The conferees agree to provide $1,046,864,000 instead of $1,063,713,000 as proposed by the House and $1,016,647,000 as proposed by the Senate. Funds are allocated as follows:

| | *Amount* |
|---|---|
| Biological countermeasures | $362,650,000 |
| Nuclear and radiological countermeasures | 122,614,000 |
| Chemical countermeasures | 53,000,000 |
| High explosives countermeasures | 19,700,000 |
| Threat and vulnerability, testing and assessment | 65,800,000 |
| Critical infrastructure protection | 27,000,000 |
| Conventional missions in support of DHS | 54,650,000 |
| (total includes transfers from consolidated transferred accounts) | |
| Rapid prototyping program | 76,000,000 |
| Standards | 39,700,000 |
| Emerging threats | 10,750,000 |
| University programs/Homeland security fellowship programs | 70,000,000 |
| Consolidated transferred accounts | |
| National Biodefense Analysis & Countermeasures Center | 35,000,000 |
| Counter MANPADS | 61,000,000 |
| SAFETY Act | 10,000,000 |
| Cyber Security | 18,000,000 |
| Interoperability and communications | 21,000,000 |
| Total, Research, development, acquisition, and operations | 1,046,864,000 |

BIOLOGICAL COUNTERMEASURES

The conferees agree to provide $362,650,000 as proposed by the House instead of $346,310,000 as proposed by the Senate. This funding level supports the budget request for the individual programs within biological countermeasures with the following exceptions: $9,350,000 is transferred to management and administration for salaries and expenses; and $35,000,000 for the NBACC is funded as a separate program.

NUCLEAR AND RADIOLOGICAL COUNTERMEASURES

The conferees agree to provide $122,614,000 as proposed by the House instead of $127,810,000 as proposed by the Senate; $6,686,000 is transferred to management and administration for salaries and expenses.

CHEMICAL COUNTERMEASURES

The conferees agree to provide $53,000,000 as proposed by the House instead of $52,400,000 as proposed by the Senate.

HIGH EXPLOSIVE COUNTERMEASURES

The conferees agree to provide $19,700,000 instead of $9,700,000 as proposed by the House and $33,590,000 as proposed by the Senate. The conferees include $10,000,000 to develop and conduct simulated real-world exercises to validate a training pro-

gram for the use of commercially-available equipment against suicide bombers in commuter and passenger rail environments.

THREAT AND VULNERABILITY, TESTING AND ASSESSMENT

The conferees agree to provide $65,800,000 instead of $68,900,000 as proposed by the House and $68,100,000 as proposed by the Senate.

CRITICAL INFRASTRUCTURE PROTECTION

The conferees agree to provide $27,000,000 as proposed by the House, instead of $14,830,000 as proposed by the Senate. The conferees provide $12,000,000 to support existing work in research and development and application of technology for community based critical infrastructure protection efforts.

CONVENTIONAL MISSIONS IN SUPPORT OF DHS

The conferees agree to provide $54,650,000 instead of $44,000,000 as proposed by the House and $34,000,000 as proposed by the Senate. The conferees agree to merge this account with the consolidated transferred accounts, as proposed by the Senate. Additionally, the conferees provide $10,000,000 to support the container security initiative, to accelerate the development of advanced sensors, and begin development of the Advanced Container Information Network in a joint U.S., international, and industry effort, as proposed by the House. The conference agreement includes $10,650,000 transferred from the consolidated transferred accounts as proposed by the Senate, instead of $24,150,000 as proposed by the House in a separate account. Funding is allocated as follows:

| | *Amount* |
|---|---|
| Emergency Preparedness and Response | $9,650,000 |
| Border Transportation and Security | 23,000,000 |
| Secret Service | 2,000,000 |
| Federal Air Marshals | 10,000,000 |
| Container security initiative | 10,000,000 |
| Total, Conventional Missions | 54,650,000 |

RAPID PROTOTYPING

The conferees agree to provide $76,000,000 as proposed by the House instead of $75,120,000 as proposed by the Senate.

STANDARDS

The conferees agree to provide $39,700,000 instead of $39,699,000 as proposed by the House and $39,239,000 as proposed by the Senate.

EMERGING THREATS

The conferees agree to provide $10,750,000 as proposed by the Senate instead of $21,000,000 as proposed by the House.

UNIVERSITY PROGRAMS/FELLOWSHIP PROGRAMS

The conferees agree to provide $70,000,000 as proposed by the House instead of $69,048,000 as proposed by the Senate.

CONSOLIDATED TRANSFERRED ACCOUNTS

The conferees include no funding for consolidated transferred accounts. For these activities, $10,650,000 is provided under conventional missions in support of the Department as proposed by the Senate instead of $24,150,000 as proposed by the House in a stand-alone account. The conferees agree to fund Coast Guard research, development, test, and evaluation under Coast Guard as proposed by the Senate instead of within S&T as proposed by the House.

SAFETY ACT IMPLEMENTATION

The conferees support the language in the House report that establishes an office to implement the requirements of the "Support Anti-terrorism by Fostering Effective Technologies Act of 2002", (SAFETY Act), and directs S&T to streamline the application process and expedite approvals. The conferees further direct the SAFETY Act Implementation Office to provide a written report no later than January 1, 2005, to the House and Senate Committees on Appropriations that describes the process and procedure for prioritizing and reviewing SAFETY Act applications.

INTEROPERABILITY AND COMMUNICATIONS

The conferees agree to provide $21,000,000 as proposed by the House, instead of $11,000,000 as proposed by the Senate.

## TITLE V—GENERAL PROVISIONS

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

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

Section 503. The conferees continue and modify a provision that provides authority to reprogram appropriations within an account and to transfer not to exceed 5 percent between appropriations accounts with 15-day advance notification of the House and Senate Committees on Appropriations. A detailed funding table identifying each Congressional control level for reprogramming purposes is included at the end of this Report. These reprogramming guidelines shall be complied with by all agencies funded by the Department of Homeland Security Appropriations Act, 2005.

The conferees expect the Department to submit reprogramming requests on a timely basis, and to provide complete explanations of the reallocations proposed, including detailed justifications of the increases and offsets, and any specific impact the proposed changes will have on the budget request for the following fiscal year and future-year appropriations requirements. Each request submitted to the House and Senate Committees should include a detailed table showing the proposed revisions at the account, program, project, and activity level to the funding and staffing (full-time equivalent position) levels for the current fiscal year and to

the levels requested in the President's budget for the following fiscal year.

The conferees expect the Department to manage its programs and activities within the levels appropriated. The conferees are concerned with the number of reprogramming proposals submitted for consideration by the Department and remind the Department that reprogramming or transfer requests should be submitted only in the case of an unforeseeable emergency, or a situation that could not have been predicted when formulating the budget request for the current fiscal year. Further, the conferees note that when the Department submits a reprogramming or transfer request to the Committees on Appropriations and does not receive identical responses from the House and Senate, it is the responsibility of the Department to reconcile the House and Senate differences before proceeding, and if reconciliation is not possible, to consider the reprogramming or transfer request unapproved.

The conferees would also like to clarify that this section applies to the Department's Working Capital Fund and that no funds may be obligated from the Working Capital Fund to fund programs, projects, or activities for which appropriations have been specifically rejected by the Congress, to initiate new programs or activities, or to augment the funds or personnel for any program, project, or activity above the levels appropriated by this Act.

The Department is not to propose a reprogramming or transfer of funds after June 30th unless there are exceptional or extraordinary circumstances such that lives or property are placed in imminent danger.

Section 504. The conferees continue a provision that not to exceed 50 percent of unobligated balances remaining at the end of fiscal year 2005 from appropriations made for salaries and expenses shall remain available through fiscal year 2006 subject to reprogramming guidelines.

Section 505. The conferees continue a provision that provides that funds for intelligence activities are deemed to be specifically authorized during fiscal year 2005 until the enactment of an Act authorizing intelligence activities for fiscal year 2005.

Section 506. The conferees continue a provision that directs FLETC to establish an accrediting body to establish standards for assessing federal law enforcement training programs, facilities, and instructors.

Section 507. The conferees continue and modify a provision that requires notification of the House and Senate Committees on Appropriations 3 business days before any grant allocation, discretionary grant award, discretionary contract award, or letter of intent totaling $1,000,000 or more is announced by the Department.

Section 508. The conferees modify and continue a provision that no agency shall purchase, construct, or lease additional facilities for federal law enforcement training without advance approval of the House and Senate Committees on Appropriations.

Section 509. The conferees modify and continue a provision that FLETC shall schedule basic and/or advanced law enforcement training at all four training facilities under its control to ensure that these training centers are operated at the highest capacity.

Section 510. The conferees continue a provision that none of the funds may be used for any construction, repair, alteration, or acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, has not been approved.

Section 511. The conferees continue and make permanent a provision that none of the funds may be used to require airport sponsors to provide building modifications, utilities and expenses, or space to the TSA without cost for services related to aviation security.

Section 512. The conferees continue a provision that none of the funds may be used in contravention of the Buy American Act.

Section 513. The conferees continue and modify a provision that directs the Department to research, develop, and procure certified systems to inspect and screen air cargo on passenger aircraft at the earliest date possible, to enhance the known shipper program, and to triple the percentage of cargo inspected on passenger aircraft. TSA shall require cargo screened on passenger aircraft to meet the tripling threshold as measured by the average percentage of cargo inspected per day, per airline, per airport. The current minimum per flight shall also be maintained.

Section 514. The conferees include a new provision that directs the Commandant of the Coast Guard to provide to Congress a list of approved but unfunded priorities each year at the time that the President's budget is submitted, as proposed by the House.

Section 515. The conferees include a new provision that amends title 49 of the United States Code to provide for the disposition of unclaimed money recovered at airport security checkpoints, as proposed by the House.

Section 516. The conferees include a new provision that allows TSA to impose a reasonable charge for the lease of real and personal property to TSA employees, as proposed by the House.

Section 517. The conferees include a new provision that directs that the acquisition management system of TSA be applied to the acquisition of services, equipment, supplies, and materials, as proposed by the House.

Section 518. The conferees include a new provision related to the transfer of the authority to conduct background investigations from the Office of Personnel Management to the Department, as proposed by the House and modified by the conferees. The conferees are concerned by delays in personnel security and suitability background investigations, update investigations and periodic reinvestigations for Departmental employees and, in particular for positions within the Office of the Secretary and Executive Management and the Directorates of Science and Technology and Information Analysis and Infrastructure Protection. The conferees direct that this authority be used to expeditiously process background investigations, including updates and reinvestigations, as necessary.

Section 519. The conferees include a new provision that amends the Homeland Security Act to provide for the termination of the Homeland Security Institute 5 years after its establishment, as proposed by the House.

Section 520. The conferees include a new provision that amends the Homeland Security Act so that of the original members of the Advisory Committee, one class of six shall have a term of 1

year, one class of seven a term of 2 years, and one class of seven a term of 3 years, as proposed by the House.

Section 521. The conferees include a new provision that exempts funds appropriated under paragraphs (1) and (2) of the State and Local Programs heading under Title III of this Act from the provisions of the Cash Management Improvement Act, as proposed by the House.

Section 522. The conferees continue and modify a provision that prohibits the use of funds for deployment or implementation of CAPPS II, Secure Flight, or other follow on/successor programs until certain conditions are met.

Section 523. The conferees include a new provision that amends the Homeland Security Act to clarify the provision on contracting with foreign entities, as proposed by the House and Senate.

Section 524. The conferees include a new provision that directs that none of the funds may be used to amend the oath of allegiance required by section 337 of the Immigration and Nationality Act (8 U.S.C. 1448), as proposed by the House and the Senate.

Section 525. The conferees include a new provision setting the fiscal year 2004 overtime limitation at $30,000 for Customs and Border Protection (CBP), as proposed by the Senate. The conferees modify the Senate language to eliminate reductions to CBP's salaries and expenses appropriation.

Section 526. The conferees include a new provision regarding notifications.

Section 527. The conferees include a new provision regarding competitive sourcing, as proposed by the House. The Senate bill contained a similar provision.

Section 528. The conferees include a new provision that none of the funds may be used to alter the Secret Service from being anything but a distinct entity within the Department, to merge the Secret Service with any other agency or department function, or to alter the current reporting structure of the Secret Service, as proposed by the Senate.

## PROVISIONS NOT ADOPTED

The conference agreement deletes section 514 of the House bill amending the Homeland Security Act to establish a Chief Procurement Officer within the Department and to modify the reporting structure for the Chief Financial Officer and the Chief Information Officer.

The conference agreement deletes section 525 of the House bill making an unspecified reduction of $50,000,000 to the Office of the Under Secretary for Management, and increasing firefighter assistance grants under Title III of this Act by the same amount.

The conference agreement deletes Section 513 of the Senate bill prohibiting the use of funds for contracting out full time employee equivalent positions for which funds have been appropriated unless the House and Senate Committees on Appropriations are notified 15 days in advance. This provision is addressed in the statement of managers.

The conference agreement deletes Section 515 of the Senate bill prohibiting the use of funds to process or approve a competition

under Office of Management and Budget Circular A–76 for services provided as of June 1, 2004, by certain employees of the Bureau of Citizenship and Immigration Services. This issue is addressed in Section 527.

The conference agreement deletes section 517 of the Senate bill directing FEMA to investigate the Shockoe Creek drain field in Richmond, VA, to determine means of preventing future damage from floods and other natural disasters. This requirement is addressed in the statement of managers.

The conference agreement deletes section 518 of the Senate bill providing an additional $200,000,000 for new ICE Air and Marine airbases, $50,000,000 for Federal Air Marshals, $50,000,000 for non-profit organization assistance through SLGCP, $50,000,000 for firefighter assistance grants, $20,000,000 for Emergency Management and Performance Grants (EMPGs), and extending Customs user fees until June 1, 2005.

The conference agreement deletes section 519 of the Senate bill providing an additional $150,000,000 for CBP salaries and expenses, $100,000,000 for ICE salaries and expenses, $128,000,000 for rail and transit security grants, $36,000,000 for EMPGs, and extending Customs user fees until September 30, 2005.

The conference agreement deletes section 520 of the Senate bill providing $5,000,000 out of the funds provided for Air and Marine Interdiction, Operations, Maintenance, and Procurement for a pilot project to test interoperable communications between the Northern Border Air Wing in Bellingham, WA and local law enforcement. This requirement is addressed in the statement of managers.

The conference agreement deletes section 521 of the Senate bill requiring the development of an integrated transportation security plan no later than February 1, 2005. This requirement is addressed in the statement of managers.

The conference agreement deletes section 522 of the Senate bill requiring a report on goods purchased by the Department that were manufactured outside the U.S. This requirement is addressed in the statement of managers.

The conference agreement deletes section 524 of the Senate bill providing for the continued support of the New Mexico National Guard for the performance of vehicle and cargo inspection activities to support law enforcement activities. This requirement is addressed in the statement of managers.

The conference agreement deletes section 525 of the Senate bill requiring a report on HSPD–7 regarding the mapping of the U.S. critical infrastructure, assessment of state and local resources, and the Department's plan for geospatial information systems management, and further requiring reporting on the Chief Information Officer's implementation of geospatial capability. This requirement is addressed in the statement of managers.

The conference agreement deletes section 527 of the Senate bill requiring status reports on the number of active Federal Air Marshals every 90 days. This requirement is addressed in the statement of managers.

The conference agreement deletes section 528 of the Senate bill requiring a report not later than 180 days after enactment on the personnel policies of the Department that apply to the employment

of airport screeners in TSA with particular emphasis on compliance with equal opportunity and veterans preference laws. This requirement is addressed in the statement of managers.

The conference agreement deletes section 529 of the Senate bill directing that none of the funds may be used for implementation of any policy or practice that reveals the identity of a Federal Air Marshal. This requirement is addressed in the statement of managers.

The conference agreement deletes section 530 of the Senate bill requiring a report from the secretary on protecting commercial aircraft from MANPADS. This requirement is addressed in the statement of managers.

The conference agreement deletes section 532 of the Senate bill requiring the submittal of data-mining reports from the head of each agency or relevant privacy officer 90 days after the end of fiscal year 2005. This requirement is addressed in the statement of managers.

The conference agreement deletes section 533 of the Senate bill directing FEMA to provide $4,450,000 from within funds currently available to mental health counseling entities. This requirement is addressed in the statement of managers.

The conference agreement deletes section 534 of the Senate bill reflecting the sense of the Senate that the Information Analysis and Infrastructure Protection Directorate should work with the American Red Cross. This requirement is addressed in the statement of managers.

The conference agreement deletes section 535 of the Senate bill reflecting the sense of the Senate that the Director of SLGCP be authorized to reprogram State grant funds to address specific security requirements that arise after the State has submitted its application. This requirement is addressed in the statement of managers.

The conference agreement deletes section 536 of the Senate bill directing FEMA to periodically report on the representation of American Indians, Alaska Natives, and Native Hawaiians in the Disaster Assistance Employee cadres. This requirement is addressed in the statement of managers.

The conference agreement deletes section 537 of the Senate bill amending the Homeland Security Act to allow the Chief Financial Officer and the Chief Information Officer to report directly to the Secretary by striking dual report language.

The conference agreement deletes section 538 of the Senate bill amending P.L. 108–137.

The conference agreement deletes section 539 of the Senate bill authorizing the Secretary of Agriculture to deploy disaster liaisons to Department of Agriculture Service Centers in a federally declared disaster area whenever FEMA personnel are deployed in that area.

## CONFERENCE RECOMMENDATIONS

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

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| DEPARTMENT OF HOMELAND SECURITY | | |
| TITLE I - DEPARTMENTAL MANAGEMENT AND OPERATIONS | | |
| Departmental Operations | | |
| Office of the Secretary and Executive Management: | | |
| Immediate Office of the Secretary | 2,388 | 2,141 |
| Immediate Office of the Deputy Secretary | 1,112 | 1,112 |
| Office of Security | 21,044 | 21,424 |
| Chief of Staff | 5,240 | 5,240 |
| Executive Secretary | 5,190 | 3,500 |
| Special Assistant to the Secretary/Private Sector | 3,781 | 3,781 |
| Office for National Capital Region Coordination | 1,323 | 688 |
| Office for State and Local Government Coordination | 3,546 | --- |
| Office of International Affairs | 1,318 | 1,200 |
| Office of Public Affairs | 10,669 | 8,120 |
| Office of Legislative Affairs | 6,627 | 5,400 |
| Office of General Counsel | 10,821 | 10,821 |
| Office of Civil Rights and Liberties | 15,025 | 13,000 |
| Citizenship and Immigration Services Ombudsman | 5,858 | 3,546 |
| Homeland Security Advisory Committee | 1,414 | 1,287 |
| Privacy Officer | 3,774 | 3,774 |
| Regions | 3,493 | --- |
| Subtotal, Office of the Secretary and Executive Management | 102,623 | 85,034 |
| Office of the Under Secretary for Management: | | |
| Under Secretary for Management | 1,434 | 1,434 |
| Business Transformation Office | 1,832 | 920 |
| Office of the Chief Financial Officer | 12,275 | --- |
| Office of the Chief Procurement Officer | 7,024 | 7,350 |
| Office of Human Resources | 7,706 | 7,200 |
| Office of the Chief Information Officer | 68,396 | --- |
| Secure communications for the Secretary | 747 | --- |
| Office of Administration | 27,271 | 27,270 |
| Immigration statistics | 5,898 | 5,898 |
| Headquarters | 65,081 | 65,081 |
| Human resources system | 102,500 | 36,000 |
| Investment review board | 2,500 | --- |
| Subtotal, Office of the Under Secretary for Management | 302,664 | 151,153 |
| Office of the Chief Financial Officer | --- | 13,000 |
| Office of the Chief Information Officer: | | |
| Salaries and expenses | --- | 67,270 |
| Information technology services | --- | 91,000 |
| Security activities | --- | 31,000 |
| Wireless program | --- | 86,000 |
| Subtotal, Office of the Chief Information Officer | --- | 275,270 |
| Total, Departmental operations | 405,287 | 524,457 |
| Department-Wide Technology Investments | | |
| Information technology services | 92,000 | --- |
| Security activities | 31,000 | --- |
| Wireless program | 100,000 | --- |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Salaries and expenses | 3,000 | --- |
| Total, Department-wide technology investments | 226,000 | --- |
| Office of Inspector General | | |
| Operating expenses | 82,317 | 82,317 |
| Total, title I, Departmental Management and Operations | 713,604 | 606,774 |
| TITLE II - SECURITY, ENFORCEMENT, AND INVESTIGATIONS | | |
| Office of the Under Secretary for Border and Transportation Security | 10,371 | 9,617 |
| U.S. Visitor and Immigrant Status Indicator Technology | 340,000 | 340,000 |
| Customs and Border Protection | | |
| Salaries and expenses: | | |
| Headquarters management and administration | 1,366,146 | 1,172,838 |
| Border security inspections and trade facilitation: | | |
| Inspections, trade, and travel facilitation at ports of entry | 1,262,800 | 1,242,800 |
| Harbor maintenance fee collection (trust fund) | 3,000 | 3,000 |
| Container security initiative | 126,096 | 126,096 |
| Other international programs | 58,300 | 57,300 |
| Customs trade partnership against terrorism/ Free and secure trade | 37,828 | 37,828 |
| Inspection and detection technology investments | 115,159 | 145,159 |
| Automated targeting systems | 29,800 | 29,800 |
| National Targeting Center | 16,100 | 16,100 |
| Other technology investments, including information technology | --- | 1,000 |
| Training | 18,300 | 23,800 |
| Subtotal, Border security inspections and trade facilitation | 1,667,383 | 1,682,883 |
| Border security and control between ports of entry: | | |
| Border security and control | 1,413,800 | 1,413,800 |
| Air program operations | 37,300 | 37,300 |
| Unmanned aerial vehicles | 10,000 | 10,000 |
| Integrated surveillance and intelligence system procurement | 64,162 | 64,162 |
| Training | 21,700 | 21,700 |
| Subtotal, Border security and control between ports of entry | 1,546,962 | 1,546,962 |
| Air and marine operations, personnel compensation and benefits | --- | 131,436 |
| Subtotal, Salaries and expenses (gross) | 4,580,491 | 4,534,119 |
| Rescission (P.L. 108-11) | --- | -63,010 |
| Subtotal, Salaries and expenses (net) | 4,580,491 | 4,471,109 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Automation modernization: | | |
| Automated commercial environment/International Trade Data System (ITDS) | 321,690 | 321,690 |
| Automated commercial system and legacy IT costs | 128,219 | 128,219 |
| Subtotal, Automation modernization | 449,909 | 449,909 |
| Air and marine operations: | | |
| Operations and maintenance | --- | 196,535 |
| Procurement | --- | 61,000 |
| Subtotal, Air and marine operations | --- | 257,535 |
| Construction (Border patrol) | 91,718 | 91,718 |
| Total, Direct appropriations | 5,122,118 | 5,270,271 |
| Fee accounts: | | |
| Immigration inspection user fee | (429,000) | (429,000) |
| Immigration enforcement fines | (6,000) | (6,000) |
| Land border inspection fee | (28,000) | (28,000) |
| COBRA passenger inspection fee | (318,000) | (318,000) |
| APHIS inspection fee | (204,000) | (204,000) |
| Puerto Rico collections | (89,000) | (89,000) |
| Small airport user fees | (5,004) | (5,004) |
| Subtotal, fee accounts | (1,079,004) | (1,079,004) |
| Total, Customs and Border Protection | (6,201,122) | (6,349,275) |
| Appropriations | (5,122,118) | (5,333,281) |
| Rescission | --- | (-63,010) |
| (Fee accounts) | (1,079,004) | (1,079,004) |
| Immigration and Customs Enforcement | | |
| Salaries and expenses: | | |
| Headquarters Management and Administration (non-Detention and Removal Operations): | | |
| Personnel compensation and benefits, service and other costs | 45,676 | 96,202 |
| Headquarters managed IT investment | 120,119 | 120,119 |
| Subtotal, Headquarters management and administration | 165,795 | 216,321 |
| Investigations: | | |
| Operations | 947,347 | 1,055,345 |
| Training | 15,671 | 15,671 |
| Subtotal, Investigations | 963,018 | 1,071,016 |
| Intelligence: | | |
| Headquarters Reporting Center | 4,882 | 4,882 |
| Operations | 51,130 | 55,130 |
| Subtotal, Intelligence | 56,012 | 60,012 |
| Detention and removal operations: | | |
| Custody management | 482,721 | 504,221 |
| Case management | 192,269 | 192,269 |
| Fugitive operations | 35,242 | 35,242 |
| Institutional removal program | 33,719 | 33,719 |
| Alternatives to detention | 14,202 | 14,202 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Transportation and removal program | 311,492 | 311,492 |
| Subtotal, Detention and removal operations | 1,069,645 | 1,091,145 |
| Air and marine operations, personnel compensation and benefits | 116,436 | --- |
| Subtotal, Salaries and expenses | 2,370,906 | 2,438,494 |
| Federal air marshals: | | |
| Federal air marshals | 612,900 | --- |
| Management and administration | --- | 593,552 |
| Travel and training | --- | 69,348 |
| Subtotal, Federal air marshals | 612,900 | 662,900 |
| Federal protective service: | | |
| Basic security | 106,362 | 106,362 |
| Building specific security (including capital equipment replacement/acquisition) | 371,638 | 371,638 |
| Subtotal | 478,000 | 478,000 |
| Offsetting fee collections | -478,000 | -478,000 |
| Automation modernization: | | |
| ATLAS/CHIMERA IT connectivity | 39,605 | 39,605 |
| Air and marine operations: | | |
| Operations and maintenance | 196,535 | --- |
| Procurement | 61,000 | --- |
| Subtotal, Air and marine interdiction | 257,535 | --- |
| Construction | 26,179 | 26,179 |
| Total, Direct appropriations | 3,307,125 | 3,167,178 |
| Fee accounts: | | |
| Immigration inspection user fee | (90,000) | (90,000) |
| Breached bond/detention fund | (70,000) | (70,000) |
| Student exchange and visitor fee | (65,375) | (40,000) |
| Subtotal, fee accounts | (225,375) | (200,000) |
| Total, Immigration and Customs Enforcement | (3,532,500) | (3,367,178) |
| Appropriations | (3,307,125) | (3,167,178) |
| (Fee accounts) | (225,375) | (200,000) |
| Transportation Security Administration | | |
| Aviation security: | | |
| Passenger screening: | | |
| Screening pilots | 129,654 | 129,654 |
| Passenger screeners: | | |
| Personnel, compensation and benefits | 1,445,486 | 1,445,486 |
| Training and other | 140,614 | 140,614 |
| Subtotal | 1,586,100 | 1,586,100 |
| Human resource services | 150,000 | 150,000 |
| Checkpoint support | 86,060 | 123,500 |
| CAPPS II | 60,000 | 34,919 |
| Crew vetting | --- | 10,000 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Registered traveler | 15,000 | 15,000 |
| Subtotal, Passenger screening | 2,026,814 | 2,049,173 |
| Baggage screening: | | |
| Baggage screeners: | | |
| Personnel, compensation and benefits | 848,860 | 848,860 |
| Training and other | 203,660 | 203,660 |
| Subtotal | 1,052,520 | 1,052,520 |
| Explosive detection systems: | | |
| Purchase | 150,000 | 180,000 |
| Installation | --- | 45,000 |
| Subtotal | 150,000 | 225,000 |
| Maintenance | 174,940 | 174,940 |
| Subtotal, Baggage screening | 1,377,460 | 1,452,460 |
| Airport security direction and enforcement: | | |
| Aviation regulation and other enforcement | 227,000 | 230,000 |
| Airport management and staff | 284,000 | 284,000 |
| Airport information technology and other support | 267,890 | 242,890 |
| Federal flight deck officer program | 25,000 | 25,000 |
| Air cargo | 30,000 | 40,000 |
| Subtotal, Airport security direction and enforcement | 833,890 | 821,890 |
| Flight school checks (by transfer) | (4,600) | (9,700) |
| Subtotal, Aviation security (gross) | 4,238,164 | 4,323,523 |
| Offsetting fee collections | -2,223,000 | -1,823,000 |
| Total, Aviation security (net) | 2,015,164 | 2,500,523 |
| Maritime and land security: | | |
| TWIC | 55,000 | 15,000 |
| Other credentialing activities | --- | 2,000 |
| Rail security | --- | 5,000 |
| Intercity bus security | --- | 12,000 |
| Hazardous materials security | 17,000 | 17,000 |
| Staffing and operations | 24,000 | 24,000 |
| Transfer to credentialing activities | -67,000 | -27,000 |
| Subtotal, Maritime and land security | 29,000 | 48,000 |
| Credentialing activities | 67,000 | 67,000 |
| Offsetting fee collections | -67,000 | -67,000 |
| Intelligence | 14,000 | 14,000 |
| Research and development: | | |
| Research and development at Tech Center | 49,000 | 49,000 |
| Next generation explosive detection systems and explosive trace detection | 50,000 | 54,000 |
| Air cargo | 55,000 | 75,000 |
| Subtotal, Research and development | 154,000 | 178,000 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Administration: | | |
| Headquarters administration | 277,382 | 267,382 |
| Mission support centers | 14,000 | 5,000 |
| Information technology | 240,470 | 240,470 |
| Corporate training | 8,000 | 7,000 |
| Subtotal, Administration | 539,852 | 519,852 |
| Aviation security capital fund | (250,000) | (250,000) |
| Total, Transportation Security Administration | 2,752,016 | 3,260,375 |
| United States Coast Guard | | |
| Operating expenses: | | |
| Military pay and allowances | 2,812,827 | 2,807,827 |
| Civilian pay and benefits | 466,110 | 456,110 |
| Training and recruiting | 166,441 | 161,441 |
| Operating funds and unit level maintenance | 929,125 | 924,125 |
| Centrally managed accounts | 175,438 | 175,438 |
| Coast Guard watch standards | --- | 9,000 |
| Intermediate and depot level maintenance | 623,279 | 623,279 |
| Subtotal, Operating expenses | 5,173,220 | 5,157,220 |
| Less adjustment for defense function | -340,000 | -1,204,000 |
| Defense function | 340,000 | 1,204,000 |
| Subtotal, Operating expenses | 5,173,220 | 5,157,220 |
| Appropriations | (4,833,220) | (3,953,220) |
| Defense function | (340,000) | (1,204,000) |
| Environmental compliance and restoration | 17,000 | 17,000 |
| Reserve training | 117,000 | 113,000 |
| Acquisition, construction, and improvements: | | |
| Vessels: | | |
| Great Lakes Icebreaker (GLIB) replacement | 7,750 | 7,750 |
| 41 foot UTB and NSB replacement project | 12,000 | 12,000 |
| Subtotal, Vessels | 19,750 | 19,750 |
| Aircraft: | | |
| Armed helicopter equipment (Phase I) (legacy asset) | 1,800 | 2,500 |
| Other equipment: | | |
| Automatic identification system | 4,000 | 24,000 |
| National distress and response system modernization | 161,000 | 134,000 |
| Subtotal, Other equipment | 165,000 | 158,000 |
| Personnel compensation and benefits: | | |
| Core acquisition costs | 500 | 500 |
| Direct personnel cost | 72,500 | 72,500 |
| Subtotal, Personnel compensation and benefits | 73,000 | 73,000 |
| Integrated deepwater systems: | | |
| Aircraft | 147,250 | 86,250 |
| HH-65 re-engining | --- | 99,000 |
| Surface ships | 354,290 | 364,300 |
| C4ISR | 53,590 | 53,600 |
| Logistics | 39,870 | 39,800 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Systems engineering and integration | 45,000 | 43,000 |
| Government program management | 38,000 | 38,000 |
| Subtotal, Integrated deepwater systems | 678,000 | 723,950 |
| Shore facilities and aids to navigation: | | |
| Shore operational and support projects | 1,000 | 1,000 |
| Shore construction projects | 1,600 | 1,600 |
| Small arms range at ISC Honolulu, HI | 1,600 | 1,600 |
| Waterways aids to navigation infrastructure | 800 | 800 |
| Subtotal, Shore facilities and aids to navigation | 5,000 | 5,000 |
| Subtotal, Acquisition, construction, and improvements (gross) | 942,550 | 982,200 |
| Rescission (P.L. 108-90) | --- | -16,000 |
| Subtotal, Acquisition, construction, and improvements (net) | 942,550 | 966,200 |
| Alteration of bridges | --- | 15,900 |
| Research, development, test, and evaluation | --- | 18,500 |
| Subtotal, U.S. Coast Guard discretionary | 6,249,770 | 6,287,820 |
| Retired pay (mandatory) | 1,085,460 | 1,085,460 |
| Total, United States Coast Guard | 7,335,230 | 7,373,280 |
| Appropriations | (7,335,230) | (7,389,280) |
| Rescissions | --- | (-16,000) |
| United States Secret Service | | |
| Salaries and expenses: | | |
| Protection: | | |
| Protection of persons and facilities | 571,640 | 571,640 |
| National special security event fund | --- | 5,000 |
| Protective intelligence activities | 53,989 | 53,989 |
| White House mail screening | 16,365 | 16,365 |
| Subtotal, Protection | 641,994 | 646,994 |
| Field operations: | | |
| Domestic field operations | 221,489 | 221,489 |
| International field office administration, operations and training | 19,208 | 19,208 |
| Electronic crimes special agent program and electronic crimes task forces | 31,536 | 34,536 |
| Subtotal, Field operations | 272,233 | 275,233 |
| Administration: | | |
| Headquarters, management and administration | 197,747 | 197,747 |
| National Center for Missing and Exploited Children | 2,100 | 7,100 |
| Subtotal, Administration | 199,847 | 204,847 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Training: | | |
| Rowley training center | 45,051 | 45,051 |
| Subtotal, Salaries and expenses | 1,159,125 | 1,172,125 |
| Operating expenses (rescission) (P.L. 108-11) | --- | -750 |
| Acquisition, construction, improvements and related expenses (Rowley training center) | 3,633 | 3,633 |
| Total, United States Secret Service | 1,162,758 | 1,175,008 |
| Total, title II, Security, Enforcement, and Investigations: | | |
| New budget (obligational) authority | 20,029,618 | 20,595,729 |
| Appropriations | (20,029,618) | (20,675,489) |
| Rescission | --- | (-79,760) |
| TITLE III - PREPAREDNESS AND RECOVERY | | |
| Office for State and Local Government Coordination and Preparedness | | |
| Salaries and expenses | --- | 3,546 |
| State and local programs: | | |
| Basic formula grants | 700,000 | 1,100,000 |
| Law enforcement terrorism prevention grants | 500,000 | 400,000 |
| Emergency management performance grants | 170,000 | --- |
| Urban area security initiative: | | |
| High-threat, high-density urban area | 1,200,000 | 885,000 |
| Critical infrastructure | 200,000 | --- |
| Port security grants | 46,000 | 150,000 |
| Rail and transit security | --- | 150,000 |
| Trucking security grants | --- | 5,000 |
| Intercity bus security grants | --- | 10,000 |
| Subtotal, Urban area security initiative | 1,446,000 | 1,200,000 |
| Technology transfer | --- | 50,000 |
| National programs: | | |
| National domestic preparedness consortium | 80,000 | 135,000 |
| National exercise program | 52,000 | 52,000 |
| Technical assistance | 7,600 | 30,000 |
| Metropolitan medical response system | --- | 30,000 |
| Demonstration training grants | --- | 30,000 |
| Continuing training grants | --- | 25,000 |
| Citizen Corps | 50,000 | 15,000 |
| Evaluations and assessments | 14,300 | 14,300 |
| Rural domestic preparedness consortium | --- | 5,000 |
| Subtotal, National programs | 203,900 | 336,300 |
| Continuing and emerging training | 3,000 | --- |
| Management and administration | 38,355 | --- |
| Subtotal, State and local programs | 3,061,255 | 3,086,300 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Firefighter assistance grants | 500,000 | 650,000 |
| Fire department staffing assistance grants: | | |
| Staffing for Adequate Fire and Emergency Response (SAFER) Act | --- | 65,000 |
| Subtotal, Firefighter assistance grants | 500,000 | 715,000 |
| Emergency management performance grants | --- | 180,000 |
| Total, Office for State and Local Government Coordination and Preparedness | 3,561,255 | 3,984,846 |
| **Counterterrorism Fund** | | |
| Counterterrorism fund | 20,000 | 8,000 |
| **Emergency Preparedness and Response** | | |
| Office of the Under Secretary for Emergency Preparedness and Response | 4,211 | 4,211 |
| Preparedness, mitigation, response and recovery: | | |
| Operating activities | 201,499 | 209,499 |
| Urban search and rescue teams | 7,000 | 30,000 |
| Subtotal, Preparedness, mitigation, response and recovery | 208,499 | 239,499 |
| Operating expenses (rescission) | --- | -5,000 |
| Administrative and regional operations | 146,939 | 202,939 |
| Defense function | 50,000 | --- |
| Subtotal, Administrative and regional operations | 196,939 | 202,939 |
| Public health programs: | | |
| National disaster medical system | 34,000 | 34,000 |
| Radiological emergency preparedness program | -1,000 | -1,000 |
| Biodefense countermeasures: | | |
| Advance appropriations, FY 2005 | 2,528,000 | 2,528,000 |
| Disaster relief | 2,151,000 | 2,042,380 |
| Disaster assistance direct loan program account: | | |
| (Limitation on direct loans) | (25,000) | (25,000) |
| Administrative expenses | 567 | 567 |
| Flood map modernization fund | 200,000 | 200,000 |
| National flood insurance fund: | | |
| Salaries and expenses | 33,336 | 33,336 |
| Flood mitigation | 79,257 | 79,257 |
| Offsetting fee collections | -112,593 | -112,593 |
| (Transfer to Mitigation grants) | (-20,000) | --- |
| (Transfer to National flood mitigation fund) | --- | (-20,000) |
| Subtotal, National flood insurance fund | --- | --- |
| National flood mitigation fund (by transfer) | --- | (20,000) |
| National pre-disaster mitigation fund | --- | 100,000 |
| Mitigation grants | 150,000 | --- |
| (By transfer) | (20,000) | --- |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Emergency food and shelter | 153,000 | 153,000 |
| Total, Emergency Preparedness and Response | 5,625,216 | 5,498,596 |
| Total, title III, Preparedness and Recovery: | | |
| New budget (obligational) authority | 9,206,471 | 9,491,442 |
| Appropriations | (6,678,471) | (6,968,442) |
| Advance appropriations | (2,528,000) | (2,528,000) |
| Rescissions | --- | (-5,000) |
| (Limitation on direct loans) | (25,000) | (25,000) |
| (Transfer out) | (-20,000) | (-20,000) |
| (By transfer) | (20,000) | (20,000) |
| TITLE IV - RESEARCH AND DEVELOPMENT, TRAINING, ASSESSMENTS, AND SERVICES | | |
| Citizenship and Immigration Services | | |
| Backlog reduction initiative: | | |
| Contracting services | 120,000 | 120,000 |
| Other | 20,000 | 20,000 |
| Digitization | --- | 20,000 |
| Subtotal, Backlog reduction initiative | 140,000 | 160,000 |
| Adjudication services (fee account): | | |
| Pay and benefits | (621,000) | (621,000) |
| Operating expenses: | | |
| District operations | (244,000) | (244,000) |
| Service center operations | (197,000) | (197,000) |
| Asylum, refugee and international operations | (73,000) | (73,000) |
| Records operations | (65,000) | (65,000) |
| Subtotal, Adjudication services | (1,200,000) | (1,200,000) |
| Information and customer services (fee account): | | |
| Pay and benefits | (78,000) | (78,000) |
| Operating expenses: | | |
| National Customer Service Center | (46,000) | (46,000) |
| Information services | (14,000) | (14,000) |
| Subtotal, Information and customer services | (138,000) | (138,000) |
| Administration (fee account): | | |
| Pay and benefits | (43,000) | (43,000) |
| Operating expenses | (190,000) | (190,000) |
| Subtotal, Administration | (233,000) | (233,000) |
| Total, Citizenship and Immigration Services | (1,711,000) | (1,731,000) |
| Appropriations | (140,000) | (160,000) |
| (Immigration Examination Fee Account) | (1,571,000) | (1,571,000) |
| Federal Law Enforcement Training Center | | |
| Salaries and expenses | 158,440 | 177,440 |
| Acquisition, construction, improvements and related expenses | 37,917 | 44,917 |
| Total, Federal Law Enforcement Training Center | 196,357 | 222,357 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| **Information Analysis and Infrastructure Protection** | | |
| Management and administration: | | |
| Office of the Under Secretary for Information Analysis and Infrastructure Protection | 5,864 | 5,864 |
| Other salaries and expenses | 121,200 | 126,200 |
| Department of Homeland Security Command Center | 35,000 | --- |
| Subtotal, Management and administration | 162,064 | 132,064 |
| Assessments and evaluations: | | |
| Critical infrastructure outreach and partnerships | 71,592 | 106,592 |
| Critical infrastructure identification and evaluation | 77,861 | 77,861 |
| National Infrastructure Simulation and Analysis Center (NISAC) | 16,000 | 20,000 |
| Protective actions | 191,647 | 191,647 |
| Biosurveillance | 11,000 | 11,000 |
| Cyber security | 67,380 | 67,380 |
| NS-EP Telecommunications | --- | 140,754 |
| Defense function | 140,754 | --- |
| Competitive analysis and evaluation | 18,868 | 4,000 |
| Threat determination and assessment | 21,943 | 21,943 |
| Infrastructure vulnerability and risk assessment | 71,080 | 71,080 |
| Evaluation and studies | 14,387 | 14,387 |
| Department of Homeland Security Command Center | --- | 35,000 |
| Subtotal, Assessments and evaluations | 702,512 | 761,644 |
| Total, Information Analysis and Infrastructure Protection | 864,576 | 893,708 |
| **Science and Technology** | | |
| Management and administration: | | |
| Office of the Under Secretary for Science and Technology | 6,315 | 6,315 |
| Other salaries and expenses | 46,235 | 62,271 |
| Subtotal, Management and administration | 52,550 | 68,586 |
| Research, development, acquisition, and operations: | | |
| Biological countermeasures: | | |
| Operating expenses | --- | 362,650 |
| Defense function | 407,000 | --- |
| Subtotal, Biological countermeasures | 407,000 | 362,650 |
| Nuclear and radiological countermeasures | 129,300 | 122,614 |
| Chemical countermeasures | 53,000 | 53,000 |
| High explosives countermeasures | 9,700 | 19,700 |
| Threat and vulnerability, testing and assessment | 101,900 | 65,800 |
| Conventional missions in support of DHS | 34,000 | 54,650 |
| Rapid prototyping program | 76,000 | 76,000 |
| Standards | 39,699 | 39,700 |
| Emerging threats | 21,000 | 10,750 |
| Critical infrastructure protection | 61,000 | 27,000 |
| University programs/homeland security fellowship | 30,000 | 70,000 |
| National Biodefense Analysis and Countermeasures Center construction | --- | 35,000 |
| Consolidated transferred accounts | 24,150 | --- |
| Counter MANPADs | --- | 61,000 |

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

| | Budget Request | Conference |
|---|---|---|
| Safety act | --- | 10,000 |
| Cyber security | --- | 18,000 |
| Interoperability and communications | --- | 21,000 |
| Subtotal, Research, development, acquisition, and operations | 986,749 | 1,046,864 |
| Total, Science and Technology | 1,039,299 | 1,115,450 |
| Total, title IV, Research and Development, Training Assessments, and Services: | | |
| New budget (obligational) authority | 2,240,232 | 2,391,515 |
| Grand total, Department of Homeland Security: | | |
| New budget (obligational) authority | 32,189,925 | 33,085,460 |
| Appropriations | (29,661,925) | (30,642,220) |
| Advance appropriations | (2,528,000) | (2,528,000) |
| Rescissions | --- | (-84,760) |
| (Limitation on direct loans) | (25,000) | (25,000) |
| (Transfer out) | (-20,000) | (-20,000) |
| (By transfer) | (20,000) | (20,000) |

## CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2005 recommended by the Committee of Conference, with comparisons to the fiscal year 2004 amount, the 2005 budget estimates, and the House and Senate bills for 2005 follow:

[In thousands of dollars]

| | |
|---|---|
| New budget (obligational) authority, fiscal year 2004 | $37,048,446 |
| Budget estimates of new (obligational) authority, fiscal year 2005 | 32,189,925 |
| House bill, fiscal year 2005 | 33,085,401 |
| Senate bill, fiscal year 2005 | 36,128,460 |
| Conference agreement, fiscal year 2005 | 33,085,460 |
| Conference agreement compared with: | |
| New budget (obligational) authority, fiscal year 2004 | −3,962,986 |
| Budget estimates of new (obligational) authority, fiscal year 2005 | +895,535 |
| House bill, fiscal year 2005 | +59 |
| Senate bill, fiscal year 2005 | −3,043,000 |

HAROLD ROGERS,
BILL YOUNG,
FRANK R. WOLF,
ZACH WAMP,
TOM LATHAM,
JO ANN EMERSON,
KAY GRANGER,
JOHN E. SWEENEY,
DON SHERWOOD,
*Managers on the Part of the House.*

THAD COCHRAN,
TED STEVENS,
ARLEN SPECTER,
PETE V. DOMENICI,
MITCH MCCONNELL,
RICHARD SHELBY,
JUDD GREGG,
BEN NIGHTHORSE CAMPBELL,
LARRY CRAIG,
*Managers on the Part of the Senate.*

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