

Table 1 shows the average return on revenue and the return on equity for the eight selected oil companies. The averages are simple averages; they do not assign weights to account for the different sizes of the firms in the group. ExxonMobil, the largest company in the group, has total revenues over ten times as large as Sunoco, the smallest company in the group. However, a weighted average would still not account for the fact that the sample of eight companies is only a fraction of the industry. For example, the Oil and Gas Journal includes over 130 companies in its oil and gas firms' earning report.

TABLE 1. RATES OF RETURN FOR SELECTED OIL COMPANIES
(Percentages)

Year	% Return on revenue	% Return on equity
1999	2.88	4.64
2000	5.79	24.85
2001	5.36	16.67
2002	3.89	8.11
2003	5.23	18.47
2004	6.45	26.18
2005	7.10	29.38

Source: Security and Exchange Commission Forms 10-K and 20-F, Company Financial Reports.

Over the seven year period, the average return on revenue was 5.24 percent, while the average return on equity was 18.32 percent. Both profit measures increased when the recent increases in the price of oil began in 2003. Two of the companies in the data set, Valero and Sunoco, are refiners and marketers with no crude oil production. These two firms were not, therefore, positioned to benefit directly from increases in the price of crude oil.

Cash reserves

Companies might accumulate cash reserves in anticipation of a major merger or acquisition, before a share re-purchase, or before a capital investment expenditure. In the case of the selected oil companies, these reasons might be augmented by the rapid expansion of sales revenues associated with the increases in the prices of crude oil and products from 2003 through 2005. Large investment projects take time to plan and execute, and it may be that the rapidly increasing revenues these firms realized could not be efficiently allocated in the available time.

Both upstream (exploration and production) and downstream (refining and marketing) investments in the oil industry tend to cost billions of dollars and take years to plan, complete, and realize returns from. Investment decisions are based on company estimates of the long-term, expected, price of oil. It may not be that the current market price of oil is equivalent to the companies' long-term expected price of oil. If the long-term planning price of oil is significantly lower than the current market price, it might appear that the companies have not increased investment in capacity to a degree commensurate with increased market prices.

TABLE 2. CASH RESERVES OF SELECTED OIL COMPANIES
(In millions of dollars)

Year	Cash reserves
1999	9,495
2000	27,185
2001	23,875
2002	20,908
2003	24,764
2004	41,323
2005	57,828

Source: Security and Exchange Commission Forms 10-K and 20-F, Company Financial Reports. Note: Shell, Valero, and ConocoPhillips data could not be obtained for 1999. Shell data could not be obtained for 2000.

Table 2 shows that the cash reserves of the selected oil companies have more than doubled from 2001 to 2005, the period of complete

data. In 2005, three companies, ExxonMobil, Shell, and Chevron accounted for over 87 percent of the total cash reserves.

Exploration and capital investment

Exploration expenses are undertaken to locate and develop new commercially viable deposits of crude oil and natural gas. Two of the eight companies in the data set, Valero and Sunoco, have no exploration expenses since they operate only in the downstream portion of the industry. Since oil fields deplete over time and production tends to decline, oil producers must carry out a successful exploration program to keep their reserve and production positions constant. However, it cannot be determined from financial data which exploration expenses are "net" in the sense of increasing production and reserves, and which are "gross", including depletion replacement. As a result, increasing exploration expenses are not necessarily tied to increased production capability or reserves. Most of the firms also report dry hole expenses in exploration. Dry holes do not add to either production capacity or reserves.

Capital investment expenditures were drawn from the companies cash flow statements. These values represent actual outlays made during the year. As a result, the values for capital investment reported in Table 3 represent gross investment, rather than investment net of depreciation. In the current economic environment, it is likely that all investments, new, as well as those that replace depreciated assets, must pass a profitability test to be undertaken. As a result, gross investment is likely to represent well the companies investment decisions.

TABLE 3. EXPLORATION AND CAPITAL INVESTMENT EXPENDITURES OF SELECTED OIL COMPANIES

(In millions of dollars)

Year	Exploration expense	Capital investment
1999	1,794	32,835
2000	3,114	36,417
2001	3,843	52,798
2002	4,231	55,577
2003	5,018	56,558
2004	5,318	58,304
2005	4,704	68,884

Source: Security and Exchange Commission Forms 10-K and 20-F, Company Financial Reports. Note: Shell and ConocoPhillips exploration data was not available for 1999. ConocoPhillips capital investment data was not available for 1999.

Conclusion

The oil industry operates in a volatile, short run market in which many decisions have long term implications. The upstream portion of the market is increasingly controlled by national oil companies, not private firms. The market is also affected by political forces.

The private oil companies have the responsibility of making decisions in the best interests of their shareholders. However, because their products are important to the functioning of national economies, their decisions are also of interest to the public. This dual responsibility must be balanced by the companies.

Mr. WYDEN. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BURR). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2007

The PRESIDING OFFICER. Under the previous order, the hour of 3 p.m. having arrived, the Senate will proceed to the immediate consideration of H.R. 5441, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5441) making appropriations for the Department of Homeland Security for the fiscal year ending September 30th, 2007, for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

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, 2007, 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, \$90,122,000: Provided, That not to exceed \$40,000 shall be for official reception and representation expenses.

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

For necessary expenses of the Office of the Under Secretary for Management, as authorized by sections 701 through 705 of the Homeland Security Act of 2002 (6 U.S.C. 341 through 345), \$166,456,000: Provided, That not to exceed \$3,000 shall be for official reception and representation expenses: Provided further, That of the total amount provided, \$8,206,000 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), \$26,018,000.

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, \$306,765,000; of which \$79,521,000 shall be available for salaries and expenses; and of which \$227,244,000 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: Provided further, That the Chief Information Officer shall submit to the Committees on Appropriations of the Senate and the House of Representatives, not more than 60 days after the date of enactment of this Act, an expenditure plan for all information technology projects that: (1) are funded under this heading; or (2) are funded by multiple components of the Department of Homeland Security through reimbursable agreements: Provided further, That such expenditure plan shall include each specific project funded, key milestones, all funding sources for each project, details of annual and lifecycle costs, and projected cost savings or cost avoidance to be achieved by the project.

ANALYSIS AND OPERATIONS

For necessary expenses for information analysis and operations coordination activities, as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), \$298,663,000, to remain available until September 30, 2008, of which not to exceed \$5,000 shall be for official reception and representation expenses.

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.), \$87,185,000, 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

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), \$399,494,000, to remain available until expended: Provided, That of the total amount made available under this heading, \$200,000,000 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 information systems enterprise architecture;

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

(4) includes a certification by the Chief Information Officer of the Department of Homeland Security that an independent verification and validation agent is currently under contract for the project;

(5) 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

(6) is reviewed by the Government Accountability Office.

CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

For necessary expenses for enforcement of laws relating to border security, immigration, customs, and agricultural inspections and regulatory activities related to plant and animal imports; purchase and lease of up to 4,500 (3,500 for replacement only) police-type vehicles; and contracting with individuals for personal services abroad; \$5,285,874,000; of which \$3,026,000

shall be derived from the Harbor Maintenance Trust Fund for administrative expenses related to the collection of the Harbor Maintenance Fee under section 9505(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 9505(c)(3)) 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 \$45,000 shall be for official reception and representation expenses; of which not less than \$172,676,000 shall be for Air and Marine Operations; 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 Secretary of Homeland Security: Provided, That for fiscal year 2007, the 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 by this Act may be available to compensate any employee of United States Customs and Border Protection for overtime, from whatever source, in an amount that exceeds such limitation, except in individual cases determined by the Secretary of Homeland Security, or the designee of the Secretary, to be necessary for national security purposes, to prevent excessive costs, or in cases of immigration emergencies.

AUTOMATION MODERNIZATION

For expenses for customs and border protection automated systems, \$461,207,000, to remain available until expended, of which not less than \$318,490,000 shall be for the development of the Automated Commercial Environment: Provided, That none of the funds made available 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 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 information systems enterprise architecture;

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

(4) includes a certification by the Chief Information Officer of the Department of Homeland Security that an independent verification and validation agent is currently under contract for the project;

(5) 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

(6) is reviewed by the Government Accountability Office.

TECHNOLOGY MODERNIZATION

For expenses for customs and border protection technology systems, \$131,559,000, to remain available until expended: Provided, That of the funds made available under this heading, \$100,000,000 may not 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 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 information systems enterprise architecture;

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

(4) includes a certification by the Chief Information Officer of the Department of Homeland Security that an independent verification and validation agent is currently under contract for the project;

(5) 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

(6) is reviewed by the Government Accountability Office.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses for the operations, maintenance, and procurement of marine vessels, aircraft, unmanned aerial vehicles, 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 Secretary of Homeland Security, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, \$472,499,000, 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 United States 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 2007 without the prior approval of the Committees on Appropriations of the Senate and the House of Representatives.

In addition, of the funds appropriated under this heading in title II of the Department of Homeland Security Appropriations Act, 2006 (Public Law 109-90; 119 Stat. 2068) for a covert manned surveillance aircraft, \$14,000,000 are rescinded.

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, \$288,084,000, 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 2,740 (2,000 for replacement only) police-type vehicles; \$3,740,357,000, of which not to exceed \$7,500,000 shall be available until expended for conducting special operations under 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 Secretary of Homeland 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; of which not less than \$5,400,000 may be used to facilitate agreements consistent with section 287(g) of the Immigration and Nationality Act (8 U.S.C. 1357(g)); and of which not to exceed \$11,216,000 shall be available to fund or reimburse other

Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens: Provided, That none of the funds made available under this heading shall be available to compensate any employee for overtime in an annual amount in excess of \$35,000, except that the Secretary of Homeland Security, or the designee of the Secretary, may waive that amount as necessary for national security purposes and in cases of immigration emergencies: Provided further, That none of the funds in this Act or any other appropriations Act may be used to fund any activity other than those activities funded in fiscal year 2005 to facilitate agreements consistent with section 287(g) of the Immigration and Nationality Act (8 U.S.C. 1357(g)): Provided further, That of the total amount provided, \$15,770,000 shall be for activities to enforce laws against forced child labor in fiscal year 2007, of which not to exceed \$6,000,000 shall remain available until expended.

FEDERAL PROTECTIVE SERVICE

The revenues and collections of security fees credited to this account, not to exceed \$516,011,000, 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, \$20,000,000, to remain available until expended: Provided, That of the funds made available under this heading, \$16,000,000 may not 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 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 information systems enterprise architecture;

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

(4) includes a certification by the Chief Information Officer of the Department of Homeland Security that an independent verification and validation agent is currently under contract for the project;

(5) 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

(6) 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, \$101,281,000, 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 under the Aviation and Transportation Security Act (49 U.S.C. 40101 note; Public Law 107–71; 115 Stat. 597), \$4,751,580,000, to remain available until September 30, 2008, of which not to exceed \$10,000 shall be for official reception and representation expenses: Provided, That of the total amount made available under this heading, not to exceed \$3,790,132,000 shall be for screening operations, of which \$141,400,000 shall be available only for procurement of checked baggage explosive detection systems and \$171,500,000 shall be available only for installation of checked baggage explosive detection systems; and not to exceed \$961,448,000 shall be for aviation security

direction and enforcement presence: Provided further, That of the funds appropriated under this heading, \$25,000,000 shall not be obligated until after the Secretary of Homeland Security submits to the Committees on Appropriations of the Senate and the House of Representatives a detailed report in response to findings in the Department of Homeland Security Office of Inspector General report (OIG–04–44) concerning contractor fees: 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 and shall be available only for aviation security: Provided further, That the sum herein appropriated from the General Fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2007, so as to result in a final fiscal year appropriation from the General Fund estimated at not more than \$2,331,580,000: Provided further, That any security service fees collected in excess of the amount made available under this heading shall become available during fiscal year 2008: Provided further, That notwithstanding section 44923 of title 49, United States Code, the share of the cost of the Federal Government for a project under any letter of intent shall be 75 percent for any medium or large hub airport and not more than 90 percent for any other airport, and all funding provided by section 44923(h) of title 49 United States Code, or from appropriations authorized under section 44923(i)(1) of title 49, United States Code, may be distributed in any manner determined necessary to ensure aviation security and to fulfill the Government's planned cost share under existing letters of intent: Provided further, That Members of the United States House of Representatives and United States Senate, including the leadership; and the heads of Federal agencies and commissions, including the Secretary, Under Secretaries, and Assistant Secretaries of the Department of Homeland Security; the United States Attorney General and Assistant Attorneys General and the United States attorneys; and senior members of the Executive Office of the President, including the Director of the Office of Management and Budget; shall not be exempt from Federal passenger and baggage screening: Provided further, That beginning in fiscal year 2007 and thereafter, reimbursement for security services and related equipment and supplies provided in support of general aviation access to the Ronald Reagan Washington National Airport shall be credited to this appropriation and shall be available until expended solely for these purposes.

SURFACE TRANSPORTATION SECURITY

For necessary expenses of the Transportation Security Administration related to providing surface transportation security activities, \$37,200,000, to remain available until September 30, 2008.

TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING

For necessary expenses for the development and implementation of screening programs of the Office of Transportation Threat Assessment and Credentialing, \$29,700,000, to remain available until September 30, 2008.

TRANSPORTATION SECURITY SUPPORT

For necessary expenses of the Transportation Security Administration related to providing transportation security support and intelligence under the Aviation and Transportation Security Act (Public Law 107–71; 115 Stat. 597; 49 U.S.C. 40101 note), \$618,865,000, to remain available until September 30, 2008.

FEDERAL AIR MARSHALS

For necessary expenses of the Federal Air Marshals, \$699,294,000.

UNITED STATES COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the United States Coast Guard

not otherwise provided for; purchase or lease of not to exceed 25 passenger motor vehicles, which shall be for replacement only; payments under section 156 of Public Law 97–377 (42 U.S.C. 402 note; 96 Stat. 1920); and recreation and welfare; \$5,534,349,000, of which \$340,000,000 shall be for defense-related activities; of which \$24,255,000 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 (33 U.S.C. 2712(a)(5)); and of which not to exceed \$10,000 shall be for official reception and representation expenses: Provided, That none of the funds made available 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 made available by this Act shall be 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.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

For necessary expenses to carry out the environmental compliance and restoration functions of the United States Coast Guard under chapter 19 of title 14, United States Code, \$10,880,000, 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; \$123,948,000.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS (INCLUDING RESCISSIONS 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; \$1,145,329,000, of which \$19,800,000 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 (33 U.S.C. 2712(a)(5)); of which \$24,750,000 shall be available until September 30, 2011, to acquire, repair, renovate, or improve vessels, small boats, and related equipment; of which \$14,000,000 shall be available until September 30, 2011, to increase aviation capability; of which \$92,268,000 shall be available until September 30, 2009, for other equipment; of which \$20,680,000 shall be available until September 30, 2009, for shore facilities and aids to navigation facilities; and of which \$993,631,000 shall be available until September 30, 2011, 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, 2009: Provided further, That the Secretary of Homeland Security shall submit to the Committees on Appropriations of the Senate and the House of Representatives, in conjunction with the President's fiscal year 2008 budget, a review of the Revised Deepwater Implementation Plan that identifies any changes to the plan for the fiscal year; an annual performance comparison of Deepwater assets to pre-Deepwater legacy assets; a status report of legacy assets; a detailed explanation of how the costs of legacy assets are being accounted for within the Deepwater program; an explanation of why many assets that are elements of the Integrated Deepwater System are not accounted for within the Deepwater appropriation under this heading; a description of the competitive process conducted in all contracts and subcontracts exceeding \$5,000,000 within the Deepwater program; a description of how the Coast Guard is planning for the human resource needs of Deepwater assets; and the earned value management system gold card data for each

Deepwater asset: Provided further, That the Secretary shall submit to the Committees on Appropriations of the Senate and the House of Representatives a comprehensive review of the Revised Deepwater Implementation Plan every 5 years, beginning in fiscal year 2011, that includes a complete projection of the acquisition costs and schedule for the duration of the plan through fiscal year 2027: Provided further, That the Secretary shall annually submit to the Committees on Appropriations of the Senate and the House of Representatives, at the time that the President's budget is submitted under section 1105(a) of title 31, United States Code, 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 Committees on Appropriations of the Senate and the House of Representatives: 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, United States Code, for that fiscal year: Provided further, That any inconsistencies between the capital investment plan and proposed appropriations shall be identified and justified.

In addition, of the funds appropriated under this heading in title II of the Department of Homeland Security Appropriations Act, 2006 (Public Law 109-90; 119 Stat. 2087), \$79,200,000 are rescinded from the unexpended balances specifically identified in the Joint Explanatory Statement (House Report 109-241) accompanying that Act for the Fast Response Cutter, the service life extension program of the current 110-foot Island Class patrol boat fleet, and accelerated design and production of the Fast Response Cutter.

In addition, of the funds appropriated under this heading in title II of the Department of Homeland Security Appropriations Act, 2006 (Public Law 109-90; 119 Stat. 2087), \$1,933,000 are rescinded from the unexpended balances specifically identified in the Joint Explanatory Statement (House Report 109-241) accompanying that Act for the covert surveillance aircraft.

In addition, of the funds appropriated under this heading in title II of the Department of Homeland Security Appropriations Act, 2006 (Public Law 109-90; 119 Stat. 2087), \$1,835,000 are rescinded from the unexpended balances specifically identified in the Joint Explanatory Statement (House Report 109-241) accompanying that Act for the automatic identification system.

ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, as authorized by section 6 of the Truman-Hobbs Act (33 U.S.C. 516), \$15,000,000, 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; \$17,573,000, to remain available until expended, of which \$495,000 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 (33 U.S.C. 2712(a)(5)): Pro-

vided, 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, concurrent receipts and combat-related special compensation 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, \$1,063,323,000.

UNITED STATES SECRET SERVICE

PROTECTION, ADMINISTRATION, AND TRAINING

For necessary expenses of the United States Secret Service, including purchase of not to exceed 755 vehicles for police-type use, of which 624 shall be for replacement only, and hire of passenger motor vehicles; purchase of motorcycles made in the United States; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director of the Secret Service; 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 a 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; \$918,028,000, of which not to exceed \$25,000 shall be for official reception and representation expenses: Provided, That up to \$18,000,000 provided for protective travel shall remain available until September 30, 2008: Provided further, That the United States Secret Service is authorized to obligate funds in anticipation of reimbursements from Federal 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.

INVESTIGATIONS AND FIELD OPERATIONS

For necessary expenses for investigations and field operations of the United States Secret Service, not otherwise provided for, including costs related to office space and services of expert witnesses at such rate as may be determined by the Director of the Secret Service, \$304,205,000; 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 \$2,366,000 shall be for forensic and related support of investigations of missing and exploited children; and of which \$6,000,000 shall be a grant for activities related to the investigations of missing and exploited children and shall remain available until expended.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For necessary expenses for acquisition, construction, repair, alteration, and improvement of

facilities, \$3,725,000, to remain available until expended.

TITLE III

PREPAREDNESS AND RECOVERY

PREPAREDNESS

MANAGEMENT AND ADMINISTRATION

For salaries and expenses of the Office of the Under Secretary for Preparedness, the Office of the Chief Medical Officer, and the Office of National Capital Region Coordination, \$30,572,000, of which \$8,000,000 shall be for the National Preparedness Integration Program: Provided, That none of the funds made available under this heading may be obligated for the National Preparedness Integration Program 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: Provided further, That not to exceed \$7,000 shall be for official reception and representation expenses.

OFFICE FOR DOMESTIC PREPAREDNESS

STATE AND LOCAL PROGRAMS

For grants, contracts, cooperative agreements, and other activities, including grants to State and local governments for terrorism prevention activities, notwithstanding any other provision of law, \$2,393,500,000, which shall be allocated as follows:

(1) \$500,000,000 for formula-based grants and \$350,000,000 for law enforcement terrorism prevention grants under 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 the date of enactment of this Act; that States shall submit applications within 90 days after the grant announcement; and that the Office for Domestic Preparedness shall act within 90 days after the grant announcement: Provided further, That not less than 80 percent of any grant under this paragraph to a State (other than Puerto Rico) shall be made available by the State to local governments within 60 days after the receipt of the funds.

(2) \$1,172,000,000 for discretionary grants, as determined by the Secretary of Homeland Security, of which—

(A) \$745,000,000 shall be for use in high-threat, high-density urban areas;

(B) \$210,000,000 shall be for port security grants for the purposes of section 70107(a) through (h) of title 46, United States Code, which shall be awarded based on risk notwithstanding subsection (a), for eligible costs as defined in subsections (b)(2), (3), and (4);

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

(D) \$12,000,000 shall be for intercity bus security grants;

(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; and

(F) \$50,000,000 shall be for buffer zone protection grants:

Provided, That for grants under subparagraph (A), the application for grants shall be made available to States within 45 days after the date of enactment of this Act; that States shall submit applications within 90 days after the grant announcement; and that the Office for Domestic Preparedness shall act within 90 days after receipt of an application: Provided further, That not 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.

(3) \$40,000,000 shall be available for the Commercial Equipment Direct Assistance Program.

(4) \$331,500,000 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 preceding proviso shall not apply to grants under subparagraphs (B), (E), and (F) of paragraph (2) of this heading: Provided further, That grantees shall provide additional reports on their use of funds, as determined 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 for Domestic Preparedness certified training, as needed: Provided further, That the Government Accountability Office shall report on the validity, relevance, reliability, timeliness, and availability of the risk factors (including threat, vulnerability, and consequence) used by the Secretary for the purpose of allocating discretionary grants funded under this heading, and the application of those factors in the allocation of funds to the Committees on Appropriations of the Senate and the House of Representatives on its findings not later than 45 days after the date of enactment of this Act: Provided further, That within 7 days after the date of enactment of this Act, the Secretary shall provide the Government Accountability Office with the threat and risk methodology and factors that will be used to allocate discretionary grants funded under this heading.

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.), \$655,000,000, of which \$540,000,000 shall be available to carry out section 33 of that Act (15 U.S.C. 2229) and \$115,000,000 shall be available to carry out section 34 (15 U.S.C. 2229a) of that Act, to remain available until September 30, 2008: 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 Reduction Act of 1977 (42 U.S.C. 7701 et seq.), and Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), \$205,000,000: Provided, That total administrative costs shall not exceed 3 percent of the total appropriation.

RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

The aggregate charges assessed during fiscal year 2007, 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, 2007, and remain available until expended.

UNITED STATES FIRE ADMINISTRATION AND TRAINING

For necessary expenses of the United States Fire Administration and for other purposes, as authorized by the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.) and the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.), \$45,887,000.

INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

For necessary expenses for infrastructure protection and information security programs and activities, as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), \$525,056,000, of which \$442,547,000 shall remain available until September 30, 2008: Provided, That of the amount made available under this heading, \$20,000,000 may not be obligated until the Secretary submits to the Committees on Appropriations of the Senate and House of Representatives the report required in House Report 109-241 accompanying the Department of Homeland Security Appropriations Act, 2006 (Public Law 109-90) on resources necessary to implement mandatory security requirements for the Nation's chemical sector and to create a system for auditing and ensuring compliance with the security standards.

FEDERAL EMERGENCY MANAGEMENT AGENCY

ADMINISTRATIVE AND REGIONAL OPERATIONS

For necessary expenses for administrative and regional operations, \$249,499,000, 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 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.

READINESS, MITIGATION, RESPONSE, AND RECOVERY

For necessary expenses for readiness, mitigation, response, and recovery activities, \$240,000,000, 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 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 made available under this heading, \$30,000,000 shall be for Urban Search and Rescue Teams, of which not to exceed \$1,600,000 may be made available for administrative costs.

PUBLIC HEALTH PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for countering potential biological, disease, and chemical threats to civilian populations, \$33,885,000: Provided, That the total amount appropriated and, notwithstanding any other provision of law, the functions, personnel, assets, and liabilities of the National Disaster Medical System established under section 2811(b) of the Public Health Service Act (42 U.S.C. 300hh-11(b)), including any functions of the Secretary of Homeland Security relating to such System, shall be permanently transferred to the Secretary of the Department of Health and Human Services effective January 1, 2007.

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), \$1,640,000,000, to remain available until expended: Provided, That of the total amount provided, not to exceed \$15,000,000 shall be transferred to the Department of Homeland Security Office of Inspector General for audits and investigations related to natural disasters subject to section 503 of this Act.

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), \$569,000: 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 under section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), \$198,980,000, 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.), and the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), \$128,588,000, which is available as follows: (1) not to exceed \$38,230,000 for salaries and expenses associated with flood mitigation and flood insurance operations; and (2) not to exceed \$90,358,000 for flood hazard mitigation which shall be derived from offsetting collections assessed and collected under section 1307 of the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), to remain available until September 30, 2008, including up to \$31,000,000 for flood mitigation expenses under section 1366 of that Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2008: Provided, That in fiscal year 2007, no funds in excess of: (1) \$70,000,000 for operating expenses; (2) \$692,999,000 for commissions and taxes of agents; (3) such sums as necessary for interest on Treasury borrowings shall be available from the National Flood Insurance Fund; and (4) not to exceed \$50,000,000 for flood mitigation actions with respect to severe repetitive loss properties under section 1361A of that Act and repetitive insurance claims properties under section 1323 of that Act, which shall remain available until expended: Provided further, That total administrative costs shall not exceed 3 percent of the total appropriation.

NATIONAL FLOOD MITIGATION FUND

(INCLUDING TRANSFER OF FUNDS)

Notwithstanding subparagraphs (B) and (C) of subsection (b)(3), and subsection (f), of section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c), \$31,000,000, to remain available until September 30, 2008, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which \$31,000,000 shall be derived from the National Flood Insurance Fund.

NATIONAL PRE-DISASTER MITIGATION FUND

For a pre-disaster mitigation grant program under title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.), \$149,978,000, 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 under title III of the Stewart B.

McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.), \$151,470,000, 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, AND SERVICES

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

For necessary expenses for citizenship and immigration services, \$134,990,000.

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 mobile phones for official duties; and services as authorized by section 3109 of title 5, United States Code; \$207,634,000, of which up to \$43,910,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2008; of which \$300,000 shall remain available until expended for Federal law enforcement agencies participating in training accreditation, to be distributed as determined by the Federal Law Enforcement Training Center for the needs of participating agencies; 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, \$63,246,000, 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.

SCIENCE AND TECHNOLOGY

MANAGEMENT AND ADMINISTRATION

For salaries and expenses of the 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.), \$106,414,000: Provided, That of the amount provided under this heading, \$60,000,000 shall not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive and approve an expenditure plan by program, project, and activity; with a detailed breakdown and justification of the management and administrative costs for each; prepared by the Secretary of Homeland Security that has been reviewed by the Government Accountability Office: Provided further, That the expenditure plan shall include the method utilized to derive administration costs in fiscal year 2006 and fiscal year 2007: Provided further, 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 evaluation; acquisition; and operations; as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.); \$712,041,000, to remain available until expended: Provided, That no university participating in the University-based Centers of Excellence Program shall receive a grant for a period in excess of 3 years: Provided further, That none of the funds provided under this heading shall be made available for management and administrative costs.

DOMESTIC NUCLEAR DETECTION OFFICE MANAGEMENT AND ADMINISTRATION

For salaries and expenses of the Domestic Nuclear Detection Office and for management and administration of programs and activities, \$30,468,000: Provided, That no funds will be made available for the reimbursement of individuals from other Federal agencies or organizations in fiscal year 2008: Provided further, That not to exceed \$3,000 shall be for official reception and representation expenses.

RESEARCH, DEVELOPMENT, AND OPERATIONS

For necessary expenses for radiological and nuclear research, development, testing, evaluation and operations, \$234,024,000, to remain available until expended; and of which not to exceed \$65,000,000 shall be made available for transformation research and development; and of which no less than \$40,000,000 shall be made available for radiation portal monitor research and development: Provided, That of the amount provided, \$80,000,000 shall not be obligated until the Secretary of Homeland Security provides notification to the Committees on Appropriations of the Senate and the House of Representatives that the Domestic Nuclear Detection Office has entered into a Memorandum of Understanding with each Federal entity and organization: Provided further, That each Memorandum of Understanding shall include a description of the role, responsibilities, and resource commitment of each Federal entity or organization for the domestic nuclear global architecture.

SYSTEMS ACQUISITION

For expenses for the Domestic Nuclear Detection Office acquisition and deployment of radiological detection systems in accordance with the global nuclear detection architecture, \$178,000,000, to remain available until September 30, 2009; and of which no less than \$143,000,000 shall be for radiation portal monitors; and of which not to exceed \$5,000,000 shall be for the Surge program: Provided, That none of the funds provided for the Sodium Iodine Manufacturing program shall be made available until a cost-benefit analysis on the Advance Spectroscopic Portal monitors is submitted to the Committees on Appropriations of the Senate and the House of Representatives by the Secretary of Homeland Security and reviewed by the Government Accountability Office.

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 under 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 2007, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies fund-

ed 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 of the Committees on Appropriations of the Senate or House of Representatives for a different purpose; or (5) contracts out any function or activity 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 appropriations Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2007, 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) Notwithstanding subsections (a), (b), and (c) of this section, no funds shall be reprogrammed within or transferred between appropriations after June 30, except in extraordinary circumstances which imminently threaten the safety of human life or the protection of property.

SEC. 504. None of the funds appropriated or otherwise made available to the Department of Homeland Security may be used to make payments to the "Department of Homeland Security Working Capital Fund", except for the activities and amounts allowed in the President's fiscal year 2007 budget, excluding sedan service, shuttle service, transit subsidy, mail operations, parking, and competitive sourcing: Provided, That any additional activities and amounts shall be approved by the Committees on Appropriations of the Senate and the House of Representatives 30 days in advance of obligation.

SEC. 505. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2007 from appropriations for salaries and expenses for fiscal year 2007 in this Act shall remain available through September 30, 2008, 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. 506. 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 2007 until the enactment of an Act authorizing intelligence activities for fiscal year 2007.

SEC. 507. The Federal Law Enforcement Training Center shall lead the Federal law enforcement training accreditation process, to include representatives from the Federal law enforcement community and non-Federal accreditation experts involved in law enforcement training, to continue the implementation of measuring and assessing the quality and effectiveness of Federal law enforcement training programs, facilities, and instructors.

SEC. 508. 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, or to announce publicly the intention to make such an award, unless the Secretary of Homeland Security notifies the Committees on Appropriations of the Senate and the 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. 509. 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. 510. The Director of the Federal Law Enforcement Training Center shall schedule basic or advanced law enforcement training (including both types of training) at all four training facilities under the control of the Federal Law Enforcement Training Center to ensure that these training centers are operated at the highest capacity throughout the fiscal year.

SEC. 511. 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 (40 U.S.C. 3301), 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. 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. 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 for Management, Analysis and Operations, Immigration and Customs Enforcement, Directorate for Preparedness, and the Directorate of Science and Technology 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: Provided further, That this section shall cease to be effective at such time as the President has selected a single agency to conduct security clearance investigations under section 3001(c) of the Intelligence Reform and Terrorism Preven-

tion Act of 2004 (Public Law 108-458; 50 U.S.C. 435b) and the entity selected under section 3001(b) of such Act has reported to Congress that the agency selected under such section 3001(c) is capable of conducting all necessary investigations in a timely manner or has authorized the entities within the Department of Homeland Security covered by this section to conduct their own investigations under section 3001 of such Act.

SEC. 514. (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 Secure Flight program or any other follow on or successor passenger prescreening programs, until the Secretary of Homeland Security certifies, and the Government Accountability Office reports, to the Committees on Appropriations of the Senate and the House of Representatives, that all 10 of the conditions contained in paragraphs (1) through (10) of section 522(a) of the Department of Homeland Security Appropriations Act, 2005 (Public Law 108-334; 118 Stat. 1319) have been successfully met.

(b) The report required by subsection (a) shall be submitted within 90 days after the certification required by such subsection is provided, and periodically thereafter, if necessary, until the Government Accountability Office confirms that all 10 conditions have been successfully met.

(c) During the testing phase permitted by subsection (a), 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.

(d) None of the funds provided in this or previous appropriations Acts may be utilized to develop or test algorithms assigning risk to passengers whose names are not on Government watch lists.

(e) None of the funds provided in this or previous appropriations Acts may be utilized for data or a database that is obtained from or remains under the control of a non-Federal entity: Provided, That this restriction shall not apply to Passenger Name Record data obtained from air carriers.

SEC. 515. 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. 516. 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 United States 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. 517. (a) None of the funds appropriated to the United States Secret Service by this Act or by previous appropriations Acts may be made available for the protection of a person, other than persons granted protection under 3056(a) of title 18, United States Code, and the Secretary of the Department of Homeland Security.

(b) Notwithstanding (a) of this section, the Director of the United States Secret Service may enter into a fully reimbursable agreement to perform such service for protectees not designated under 3056(a) of title 18, United States Code.

SEC. 518. The Secretary of Homeland Security, in consultation with industry stakeholders, shall develop standards and protocols for increasing the use of explosive detection equipment to screen air cargo when appropriate.

SEC. 519. (a) The Secretary of Homeland Security is directed to research, develop, and procure new technologies to inspect and screen air cargo carried on passenger aircraft at the earliest date possible.

(b) Existing checked baggage explosive detection equipment and screeners shall be utilized to screen air cargo carried on passenger aircraft to the greatest extent practicable at each airport until technologies developed under subsection (a) are available.

(c) The Transportation Security Administration shall report air cargo inspection statistics within 15 days of the close of each quarter of the fiscal year to the Committees on Appropriations of the Senate and the House of Representatives, by airport and air carrier, including any reasons for non-compliance with the second proviso of section 513 of the Department of Homeland Security Appropriations Act, 2005 (Public Law 108-334; 118 Stat. 1317), within 45 days after the end of the quarter.

SEC. 520. (a) None of the funds available for obligation for the transportation worker identification credential program shall be used to develop a personalization system that is executed without fair and open competition for both the implementation and production of the program and identification cards.

(b) The Transportation Security Administration shall certify to the Committees on Appropriations of the Senate and the House of Representatives not later than December 1, 2006, that the competition required under subsection (a) has been achieved.

SEC. 521. None of the funds made available in this Act may be used by any person other than the privacy officer appointed under section 222 of the Homeland Security Act of 2002 (6 U.S.C. 142) to alter, direct that changes be made to, delay, or prohibit the transmission to Congress of any report prepared under paragraph (5) of such section.

SEC. 522. No funding provided by this or previous appropriation Acts shall be available to pay the salary of any employee serving as a contracting officer's technical representative (COTR) or anyone acting in a similar or like capacity who has not received COTR training.

SEC. 523. Except as provided in section 44945 of title 49, United States Code, funds appropriated or transferred to Transportation Security Administration "Aviation Security", "Administration" and "Transportation Security Support" in fiscal years 2004, 2005, and 2006 that are recovered or deobligated shall be available only for procurement and installation of explosive detection systems for air cargo, baggage, and checkpoint screening systems, subject to section 503 of this Act.

SEC. 524. Not later than 120 days after the date of enactment of this Act, the Secretary of Homeland Security shall report to the Committees on Appropriations of the Senate and the House of Representatives on the progress that the Department has made in implementing the requirements of section 537 of the Department of Homeland Security Appropriations Act, 2006 (Public Law 109-90; 119 Stat. 2088), including information on the current procedures regarding access to sensitive security information (SSI) by civil litigants and the security risks and benefits of any proposed changes to these procedures: Provided, That the Secretary shall revise DHS MD 11056 to provide that when a lawful request is made to publicly release a document containing information designated as SSI, the document shall be reviewed in a timely manner to determine whether any information contained in the document meets the criteria for continued SSI protection under applicable law and regulation and shall further provide that all portions that no longer require SSI designation be released, subject to applicable law, including sections 552 and 552a of title 5, United States Code.

SEC. 525. RESCISSION. From the unobligated balances from prior year appropriations made available for Transportation Security Administration "Aviation Security" and "Headquarters Administration", \$4,776,000 are rescinded.

SEC. 526. The Department of Homeland Security Working Capital Fund, established under section 403 of the Government Management Reform Act of 1994 (31 U.S.C. 501 note; Public Law

103-356), shall continue operations during fiscal year 2007.

SEC. 527. RESCISSION. Of the unobligated balances from prior year appropriations made available for the "Counterterrorism Fund", \$16,000,000 are rescinded.

SEC. 528. RESCISSION. From the unobligated balances from prior year appropriations made available for Transportation Security Administration "Aviation Security", \$61,936,000 are rescinded.

SEC. 529. None of the funds made available in this Act may be used to enforce section 4025(1) of Public Law 108-458 if the Assistant Secretary (Transportation Security Administration) determines that butane lighters are not a significant threat to civil aviation security: Provided, That the Assistant Secretary (Transportation Security Administration) shall notify the Committees on Appropriations of the Senate and the House of Representatives 15 days in advance of such determination including a report on whether the effectiveness of screening operations is enhanced by suspending enforcement of the prohibition.

SEC. 530. RESCISSIONS. Of the unobligated balances from prior year appropriations made available for Science and Technology, \$55,000,000 for "Management and Administration" and \$145,000,000 from "Research, Development, Acquisition, and Operations" are rescinded: Provided, That of the total amount rescinded from "Management and Administration", \$30,000,000 shall be from the contingency fund and \$25,000,000 shall be from the Homeland Security Institute.

SEC. 531. Notwithstanding any other provision of law, the Secretary of Homeland Security shall consider the Hancock County Port and Harbor Commission in Mississippi eligible under the Federal Emergency Management Agency Public Assistance Program for all costs incurred for dredging from navigation channel in Little Lake, Louisiana, sediment deposited as a result of Hurricane George in 1998: Provided, That the appropriate Federal share shall apply to approval of this project.

SEC. 532. The Department of Homeland Security shall, in approving standards for State and local emergency preparedness operational plans under section 613(b)(3) of the Robert T. Stafford Disaster and Emergency Assistance Act (42 U.S.C. 5196b(b)(3)), account for the needs of individuals with household pets and service animals before, during, and following a major disaster or emergency: Provided, That Federal agencies may provide assistance as described in section 403(a) of the Robert T. Stafford Disaster and Emergency Assistance Act (42 U.S.C. 5170b(a)) to carry out the plans described in the previous proviso.

SEC. 533. RESCISSION. From the unexpended balances of the United States Coast Guard "Acquisition, Construction, and Improvements" account specifically identified in the Joint Explanatory Statement (House Report 109-241) accompanying the Department of Homeland Security Act, 2006 (Public Law 109-90) for the development of the Offshore Patrol Cutter, \$20,000,000 are rescinded.

SEC. 534. TRANSFER. All obligated and unobligated balances of funds, totaling not less than \$98,552,000, for the Transportation Security Laboratory shall be transferred from the Science and Technology "Research, Development, Acquisition, and Operations" account to the Transportation Security Administration "Transportation Security Support" account effective October 1, 2006.

SEC. 535. (a)(1) Within 45 days after the close of each month, the Chief Financial Officer of the Department of Homeland Security shall submit to the Committees on Appropriations of the Senate and the House of Representatives a monthly budget execution report that sets forth the total obligational authority appropriated (new budget authority plus unobligated carry-over), undistributed obligational authority,

amount allotted, current year obligations, unobligated authority (the difference between total obligational authority and current year obligations), beginning unexpended obligations, year-to-date costs, and year-end unexpended obligations, of the Department of Homeland Security.

(2) The information required under paragraph (1) shall be provided for each Departmental component and the Working Capital Fund at the level of detail shown in the table of detailed funding recommendations displayed at the end of the Statement of Managers accompanying the conference report on this Act.

(3) Each report submitted under paragraph (1) shall include for each Department of Homeland Security component the total full-time equivalent for the prior fiscal year, the on-board total full-time equivalent on September 30 of the prior fiscal year, the estimated total full-time equivalent for the current fiscal year, and the on-board total full-time equivalent on the last day of the month for the applicable report.

(b) Obligation authority and transfer authority provided under section 503 and 504 of this Act shall not be available unless on the date of a notification under section 503 and 504, the Committees on Appropriations of the Senate and House of Representatives have received the most recent report required by subsection (a) of this section.

SEC. 536. None of the funds provided by this or previous appropriations Acts or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2007, 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 the Office of the Federal Coordinator for Gulf Coast Rebuilding effective October 1, 2006, unless the Committees on Appropriations of the Senate and the House of Representatives receive a reprogramming notification for fiscal year 2006 pursuant to section 503 of Public Law 109-90 and a budget request and expenditure plan for fiscal year 2007 for this office.

SEC. 537. The Federal Law Enforcement Training Center instructor staff shall be classified as inherently governmental for the purpose of the Federal Activities Inventory Reform Act of 1998 (31 U.S.C. 501 note).

SEC. 538. Section 7209(b)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458; 8 U.S.C. 1185 note) is amended by striking from "(1) DEVELOPMENT OF PLAN.—The Secretary" through "7208(k)." and inserting the following:

"(1) DEVELOPMENT OF PLAN AND IMPLEMENTATION.—

"(A) The Secretary of Homeland Security, in consultation with the Secretary of State, shall develop and implement a plan as expeditiously as possible to require a passport or other document, or combination of documents, deemed by the Secretary of Homeland Security to be sufficient to denote identity and citizenship, for all travel into the United States by United States citizens and by categories of individuals for whom documentation requirements have previously been waived under section 212(d)(4)(B) of the Immigration and Nationality Act (8 U.S.C. 1182(d)(4)(B)). This plan shall be implemented not later than 3 months after the Secretary of State and the Secretary of Homeland Security make the certifications required in subsection (B), or June 1, 2009, whichever is earlier. The plan shall seek to expedite the travel of frequent travelers, including those who reside in border communities, and in doing so, shall make readily available a registered traveler program (as described in section 7208(k)).

"(B) The Secretary of Homeland Security and the Secretary of State shall jointly certify to the Committees on Appropriations of the Senate and the House of Representatives that the following criteria have been met prior to implementation of Section 7209(b)(1)(A)—

"(i) the National Institutes of Standards and Technology has certified that the card architecture meets the International Organization for Standardization ISO 14443 security standards, or justifies a deviation from such standard;

"(ii) the technology to be used by the United States for the passport card, and any subsequent change to that technology, has been shared with the governments of Canada and Mexico;

"(iii) an agreement has been reached with the United States Postal Service on the fee to be charged individuals for the passport card, and a detailed justification has been submitted to the Committees on Appropriations of the Senate and the House of Representatives;

"(iv) an alternative procedure has been developed for groups of children traveling across an international border under adult supervision with parental consent;

"(v) the necessary technological infrastructure to process the passport cards has been installed, and all employees at ports of entry have been properly trained in the use of the new technology;

"(vi) the passport card has been made available for the purpose of international travel by United States citizens through land and sea ports of entry between the United States and Canada, Mexico, the Caribbean and Bermuda; and

"(vii) a single implementation date for sea and land borders has been established."

SEC. 539. Notwithstanding any time limitation established for a grant awarded under title I, chapter 6, Public Law 106-31, in the item relating to Federal Emergency Management Agency—Disaster Assistance for Unmet Needs, the City of Cuero, Texas, may use funds received under such grant program until September 30, 2007.

This Act may be cited as the "Department of Homeland Security Appropriations Act, 2007".

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, today we begin consideration of the Homeland Security appropriations bill. I begin by thanking the members of the Committee on Appropriations for helping bring the bill out of committee. It was brought out unanimously.

I especially thank the ranking member of the committee and the senior Senator from the State of West Virginia, but also the senior Senator in the Senate, Senator BYRD, for his support and efforts as ranking member not only of this subcommittee but of the full committee, of course, and his role in authoring and designing this bill. It has been very constructive. Obviously, he does not agree with everything in it. That is inevitable, especially with the allocation we were equipped with, but his help has been significant in moving the bill forward.

I also thank Senator COCHRAN who, once again, has been extremely tolerant of this subcommittee—not only tolerant but supportive. He was put in a very difficult position by the administration in the manner in which they sent up their budget in this area, in that they put in a plug number of about \$1.4 billion, a number that everyone knew was not going anywhere. They knew it wasn't going anywhere when they sent it up here. It didn't go anywhere last year when they sent the same number up here, a number they claimed they could support by increasing the fees on airline travel, and then

taking those moneys and putting them to the border. It was a concept which has been rejected by the Congress before. They knew it would be rejected this time.

They used it basically as a stalking horse to claim expenditures which were not then supported by funding. The reason it is not supported is that it makes no sense to raise the fee on airline passengers for security purposes on airlines and then take that money and put it into the border activity. We have significant fees on airline passengers today. That money is used primarily for TSA and FAA in order to assist in making sure our air traffic is secure. It is an appropriate fee. An increase at this time, which is not related to airline traffic, makes little sense.

Senator COCHRAN was confronted with a situation with this bill where he basically had to find about \$1.4 billion in order to reach the President's level of funding, that the President asked for Homeland Security without any real way to do that except to take it from other accounts. He was very generous with this committee. He was not able to do the full amount, but he did a significant amount, and we very much appreciate his support. He used to be chairman of the subcommittee when it first started and he understands the needs.

The issue of the Homeland Security Department is almost a Dickens story because it takes a lot of twists and turns. Some of it is not very pretty. Some of it is good. Some of it is not. The problem we have is that the Department was put together in haste. A lot of different agencies that had a lot of different cultures, some of which were doing their tasks very well—such as the Coast Guard and the Secret Service—were put into the Department, and others which had always had a problem, a structural problem such as immigration, were put into the Department. Then new responsibility was put on the Department with a new focus.

Every agency theoretically within the Department is primarily focused on the issue of national security and protecting us from an attack such as September 11, but within the agency, in order to have continuity of activity, there were departments put into it which did not have as their primary purpose Homeland Security.

The most significant example of that, of course, is FEMA, which basically deals with disasters. Most of the disasters it deals with involve natural disasters, which obviously are not a function of terrorist activity, although it is, obviously, also a lead agency should we have a terrorist event such as occurred on September 11. FEMA played a major role there and did a very good job, by the way. FEMA's management of post-September 11 issues was handled with excellence.

The Department has a lot of different functions within it. It has now been

going for about 3½ years. I have had the good fortune to chair this committee for about 2 years. It is pretty obvious the Department has not yet shaken out all the problems it has. In fact, the problems keep coming at us relative to management.

I asked my staff to take a look at the Department and all the reviews that have been done by outside groups which we basically sanction, such as the Inspector General and the GAO and other accounting agencies which go in and take a look at functions of the Federal Government and conclude whether those functions are being done well.

Homeland Security probably leads the Government in the number of reviews that have been done because it is a new agency and because there are problems obviously. I asked my staff to put together a list of all the different reviews and tie those lists to the management chart of the Department so that we could see just how much the Department has and has not accomplished in the area of reviews. It became an overwhelming task. They put together the chart, but there were so many reviews that had occurred that essentially they had to just summarize by numbers the different reviews.

This is the management chart of the Department of Homeland Security. For example, there have been seven reviews of the chief financial officer. All of them have concluded system failures. The Under Secretary for Management has had eight reviews that have concluded a lack of plan; six reviews, systems management failures; and one review that said there was a mismanagement of funds.

Regarding the Chief Information Officer, the conclusion is that IT management has been lacking in 18 different reviews.

On and on it goes. Of course, the grand prize winner, regrettably, is FEMA, which has had 180 major reviews by GAO or the inspector general or other sources of significant credibility—180 reviews have concluded the process has failed, and 7 reviews have concluded that management controls have failed. In fact, there is such a current problem of mismanagement and ineptness that this chart cannot be kept up to date, regrettably.

Just today we have gotten our most recent review, again, by the Government Accounting Office. They conclude with the US VISIT Program: Contract management and oversight for the Visitor and Immigration Status Program needs to be strengthened. This is US VISIT, an absolutely critical program we have. We have had six reviews of US VISIT of this depth, and all of them have concluded there are significant concerns.

To take an example of the depth of the problem with this Department, agency by agency, there was a review of Federal Protective Services which basically said they lacked strategic planning, that they had no structure

for strategic planning in July of 2004, that they needed to enter into an immediate understanding with GSA as to what they should be doing relative to planning and how they should be resolving billing issues within that Department. On and on the report went, with very specific ideas as to how to improve the Department.

As of today, virtually nothing has happened in the Federal Protective Services Agency to try to correct the problems enumerated in the 2004 GAO report.

What is the result of that? The result is that the Federal Protective Services Agency has a \$42 million structural deficit, which they do not have any idea how they will correct.

That is just one slice of this overall pie which, regrettably, is the Department of Homeland Security. This is not to say that the Department does not have very conscientious, hard-working, dedicated public servants. It does. It has a panoply of them—those folks who are on the front lines on the border, whether they are immigration officers or border agents, the people in TSA who are working very hard to try to straighten out the lines in the airport and still provide security, the Secret Service, the Coast Guard, FEMA people trying to answer the problems of a small flood or issues with what happened in New Orleans. These people are all working very hard, but there is a systematic failure within this Department which is massive. It is, unfortunately, permeating the entire Department. It has to be of significant concern to us as a Congress.

Just a recent report estimated that maybe as much as \$18 billion—that is a staggering number—\$18 billion of the money we spent on Katrina has been misallocated, they believe fraudulently handled, but, clearly, it did not get the results they were supposed to get. Whether it was a trailer sitting in a field somewhere that never got used or whether it was debit cards used to buy bedding, the fact is that is potentially \$18 billion.

I cannot believe the number is that big. I think that has to be an overestimate. There is no way that size number could have been mismanaged. But say it is half; say it is \$9 billion. Do you know what we could do with \$9 billion in this country today? We could do a lot of good things. Just in this Department alone, if we had \$9 billion focused on the Coast Guard and on Border Patrol and immigration, an infusion of that type of money—I had to pull teeth to get an extra \$1.9 billion in the last supplemental. If we got \$9 billion, we could make sure our borders were secure and no one could come into the country illegally. The number of people coming into the country illegally would dry up if we had those resources for the borders. It is a real issue with real implications.

All the reports are not just paper documents. They all mean taxpayers' dollars are not being used effectively.

Even though the people on the front lines are trying their hardest, there are issues that have to be addressed. The main thing we are saying to this agency, this Department—and I know they are trying hard, I know the Secretary is trying hard, everyone down there is trying hard—somehow we have to get ahold of this. We have to get some management structure so we do not get this constant flow of failure, of review.

The way this committee has tried to do it is essentially to try to prioritize. We essentially said: There are some things we have to do right. Even in the context of all these problems we have, we have to do some things right. The first thing we have to do right is to address the threat. The threat, obviously, is weapons of mass destruction. The potential of a weapon of mass destruction being used in America is the single biggest threat we have as a nation today. It is real.

It is regrettable that there are a number of people in the country, especially the press, who do not take it seriously, but it is a serious problem which we have as a nation because there are, unfortunately, people out there who are fundamentally evil who genuinely believe their way to a fuller life and a great existence is to essentially kill hundreds, potentially thousands, of Americans and try to destroy Western culture. That is their purpose. These people are sophisticated. They have the capacity, if given the wherewithal, to use a weapon that could do massive damage to our Nation. We cannot underestimate this threat simply because we have gotten through 4 years.

Let me congratulate those who work on the front line. As I said, there are some hard-working, committed people. Four years of hard work have kept us free from an attack, and that, I guess, is the bottom line. So maybe my statement before was a bit harsh because you have to congratulate the success in the fact that we have not been attacked in the last 4 years. But the documentation is also real that we have real issues with this Department. But if we are to continue to be successful in thwarting a weapon of mass destruction attack, we must put resources in those areas. But they must be used effectively.

We have the Science and Technology Directorate of this group. They have no plan, as far as we can tell. They want more money, and I would be happy to give them more money. I would be enthusiastic about putting more money into their operations if I felt there was some sort of coherent plan as to what they were going to do with those funds. In fact, it is just the opposite. You get just the opposite feeling from the Science and Technology Directorate.

You have the NMDS, the nuclear detection group, which is working hard. They are up and running in Nevada. They are trying to develop systems. Well, they started from nothing. Basically, they wanted a lot of money to

get started. We asked that they give us some directions as to how they were going to do that, and they have started to do that. So they are moving on the right path. But what we basically said is: We will give you the money as you produce the plan that produces the results.

We have to be ready for a domestic nuclear event, and we have to try to stop it before it happens. But it also has to be done in a coherent and comprehensive way rather than an illogical way or in a way that appears to be haphazard. There is progress being made there. That is where we want to focus our dollars, quite honestly. We want to focus our dollars in this effort. I have been joined by Senator BYRD in trying to address the weapons of mass destruction threat. That is the No. 1 thing.

The second thing we want to focus on and we have tried to focus on is the issue of border security because you really have to know who is coming into the country if you are going to be able to claim you have addressed the issue of threat. Because, sure, there are homegrown terrorists in America, unfortunately. There is no question about it. But we also know there are an awful lot of people out there—and we saw it again just this week—primarily coming out of the Mideast but also out of Southeast Asia, who want to do us harm and whose purpose is to do us harm—and they are open about it—who have put out epistles to their followers that their cause should be to attack America and Americans within and outside of our country.

So we really need to know who is coming across our borders. And then, of course, we have the secondary issue, which is we have a large number of people coming into our country illegally who wish us no harm. In fact, it is just the opposite. They wish to take advantage of the American dream, to get a job and support their families. They come here to get work—and especially across the southern border—but they are coming here illegally, and that is not appropriate. So we need to get control over our borders.

So about 2 years ago, when I took over this job, of being in charge of this committee, we started to ramp up significantly our commitment to border security. With this bill, should this bill be successful and be passed, we will have increased the number of border agents by 40 percent; we will have increased the number of detention beds by about 30 percent; we will have dramatically increased our commitment to the Coast Guard; we will have dramatically increased our commitment to ICE; and we will have put in place and started up the US-VISIT Program, which I still have reservations about as to how effective it is going to be, but it seems to be moving in the right direction and people are working hard on it. Our purpose has been to retool the borders so we can be sure within a few years we can control the borders.

Now, I happen to be of the belief that we should put this on the fast track. It should not be 5 years from now, it should be next year. But that has not happened, primarily because of resources. However, we have made dramatic strides in this area.

Now, there has been a disagreement here between ourselves and the administration on this point. In fact, when we brought our first budget forward, which significantly increased the number of border agents by about 1,000—actually 1,500 when you coupled the supplemental with the bill—we were strongly resisted by the administration because we took money out of other accounts—primarily State and local first responder funds—and moved it over to Border Patrol. We did the same thing to add the detention beds. That was done with the support of the Senate and, in the end, with the support of the House. That was a success. It was such a success, in fact, that now the administration claims it was their idea, even though at the time they opposed it.

Now, we have tried to move forward. This year, we put \$1.9 billion into the supplemental to try to address the capital needs of the border issue, such as the aircraft, the fact that our aircraft we are flying down there are 40 years over their useful life, the helicopters are 20 years over their useful life; the fact that the Coast Guard is on a program of building coastal security capability, but it is on a program that won't build out until 2023, and we think that should be accelerated to 2015; the fact that we only had one unmanned vehicle on the southern border—or anywhere on the borders, for that matter—and that one unmanned vehicle crashed, and we need to replace it and add more. And we have a lot of technology needs and also just plain old-fashioned cars and desks and training capability, things we felt we needed on the capital side.

Well, as to that idea, although the Congress thought it made sense, the administration did not. They took the number and converted it. We are happy to have the money. Initially, the Department was not even happy to have the money, but they took the money, and they converted it to operational needs, adding another 1,000 agents, adding another 4,000 beds, adding operational costs, and also some capital needs. I think the helicopters were covered. The planes were not upgraded. There were unmanned vehicles that would be purchased. So that was a point of disagreement, but at least we were on the right track.

But the practical effect of that bill was we created what is known as a fiscal tail, which meant that as you added operational costs in the supplemental, you had to add additional money in the main bill in order to pay for the operational needs which would be ongoing, which meant that the basic bill was stressed, first because it did not have full funding because of the \$1.4 billion hold that was put in it by the setting

up of a fee system, which everybody knew was not going to work, and secondly because of the tail that came out of this supplemental, which meant we had to pick up about \$600 million of cost we had not planned to pick up in this bill in order to maintain the costs which had been put in the supplemental, which we felt should have, instead, been capital costs rather than operational costs.

So the practical effect of that gets us to this bill we have today, which is a bill which continues the movement toward securing the borders but does not do it in as robust a way as I would like. I am not going to be disingenuous about it. I am not going to come to the floor and say this is the greatest thing since sliced bread. It is not. It is a step in the right direction. And because of Senator COCHRAN's and Senator BYRD's support in getting a bigger allocation in this bill than it might have appropriately gotten in light of what was sent up by the administration, it is a fairly significant step. It adds an additional 1,000 agents. It adds an additional 1,000 detention beds. But that means we are still short of where we need to be. Even though we have increased agents by 40 percent and detention beds by 30 percent, we are still way short of where we need to be to be able to say, with confidence, we are going to be able to stop the people who are coming across our borders, especially our southern border, in the near term, detain them, and make sure the bad ones are sent back and the other folks are put through some system that works.

That brings us to another issue involving border security, which is this whole question of immigration reform. There is no question in my mind that you cannot get substantive long-term border control unless you have immigration reform, which means some sort of guest worker program for people who want to come here and work. People who are getting paid \$5 a day in Mexico and can make \$50 a day in the United States, who have a family to feed, are going to come to the United States. That is just human nature. That is what they are going to do. That is what they have to do in order to survive and take care of their families. We have to come up with a way where those people can come across our borders and we will know who they are, why they are here, where they are going, and where they are working.

Now, the Senate has passed an immigration bill, which I voted for, and the House has passed an immigration bill. But the conference process does not seem to be going forward very well. Well, the bill here, ironically, sets out some parameters which might help move this whole thing along, if we want to do a comprehensive immigration bill.

I think there is general consensus developing around here to a concept which was put forward by Senator ISAKSON of Georgia during the immi-

gration debate that we should have a trigger mechanism, basically, which would essentially say: When you accomplish these goals in the area of border security, then you can move to the next step in the area of bringing along a guest worker program.

What this bill does is basically give us some pretty specific ideas as to what those goals should be. What should be the ascertainable standards which we should set that need to be accomplished and, if and when accomplished, should kick in a guest worker program? And there are a couple of ideas of how you approach the guest worker program, but the ascertainable standards are really pretty obvious. They first should be definite. They cannot be vague. They cannot be standards which are gameable. But if you look at what we need on the border, you do not need vagueness. You can be pretty precise. In fact, you can get right down to the numbers.

If we had 20,000 border agents, we know we would have the necessary border agents. If we had about 40,000 detention beds—that doesn't mean firm beds. There are lots of ways to do detention beds. You could use old military bases. You could use present military bases. But if you had the capacity to hold up to 40,000 people who come across our borders illegally, that would give you the necessary numbers to do the process. If you had about five to nine UAVs, depending on whether you were going to use UAVs on the northern border, that would be a number that was ascertainable. If you had a Coast Guard build-out which said it would be completed by the year 2015, that would be a number that would be ascertainable. Those are numbers you could put in. If you had a US-VISIT Program that met certain standards, so that when a person comes across the border they get fingerprinted in a way that would allow the FBI database to be actually activated in real time, that would be an ascertainable standard. And if you had a readable employment card that had biometrics as its base, that would be an ascertainable standard.

If you just did those items as your ascertainable standards, you would have in place what is necessary to put forward an effective border security commitment. And you could follow that, when those had been reached—and they could be reached in a very short time if you wanted to put the resources in it; this is not years, this could be reached very quickly—you could put forward a guest worker program which could follow on rather quickly. I have ideas as to how the guest worker program should work, and other people do, but there certainly is a way to do it that makes sense and is fair to people who want to come into this country and work for a living, even those who are already here illegally, without creating amnesty. So this bill sets out, basically, parameters for accomplishing that. It gives a path

that could be followed to accomplish that goal, and I hope it will be supported for that reason.

As I have said, the bill is not everything we need, and the Department is not clearly where we need to have it. But in the context of the resources which were available to us, this bill is very much a step in the right direction. It will add significantly to the number of border agents.

It will add significantly to the number of detention beds. When you combine it with the supplemental, there will be 2,000 new border agents and 5,000 new beds. It puts in place some of the mechanisms to try to make sure the technology is appropriately addressed.

The place where it is most lacking, to be fair in disclosure, is with the Coast Guard because the Coast Guard buildout remains a 2023 exercise under this bill versus what should have been a 2015 buildout exercise. That is unfortunate. Had we gotten what we needed in the supplemental, we could have changed that. We didn't. So we will come back to that issue. I wouldn't be surprised if there are other supplementals floating through here and the Coast Guard has a fair and legitimate claim on funds for national defense in those supplementals; if not, in the next appropriations rounds.

So that is where we stand today. It is a bill on the right track. It doesn't solve all the problems. It deals with an agency which is trying hard, with good people, committed to the purpose of protecting us but an agency which has very significant issues of management and systems controls.

I appreciate the courtesy of the Senate in listening to me for this length of time. I especially appreciate the courtesy of the Senator from West Virginia for his constructive efforts and his help in bringing the legislation this far.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, the Senate has before it the fiscal year 2007 Homeland Security appropriations bill. I commend our chairman. I am debating whether I should say "who has no peer." I think I will stick with that. He has no peer when it comes to knowledge of the subject matter and as one who cares deeply about his country, his committee, its work, and about the needs that exist for appropriating adequate funds. I commend him. I commend his staff. They have done excellent work on this legislation.

This chairman makes it his business to know what are the facts concerning the needs out there; who makes it his business, once he knows the facts, to go after the weaknesses, the soft spots, and, with a great determination, to do the task ahead.

I commend the thousands of men and women who are on the front lines defending America's homeland. They do serve the Nation every hour of every day. Senator GREGG has tried to allocate limited—and I say limited, I stress

the word “limited”—resources to respond to those threats that present the greatest risk. He does not have the funds to deal with all the threats, but he has sought to respond to those threats that present the greatest risk. In doing so, Senator GREGG has included a number of improvements to the President’s budget, particularly with regard to border security, baggage explosives detention, fire grants, and emergency management. However, there is a limitation to the ability of this chairman, or any chairman—a limitation to the ability of the Appropriations Committee—to address the problems in the President’s budget.

The bill is \$515 million below the President’s request, and only 4 percent higher than last year. There are funding shortfalls for port security, border security, rail security, and first responder grants. These shortcomings are largely a result of the administration’s ill-considered proposal for the Appropriations Committees to enact an increase in the aviation passenger tax. While the President claims credit for a robust budget for securing our borders, his actual budget is hollow, hollow, hollow. The White House knew when it sent the budget to the Congress that the funding relied on a tax hike on air travelers—a tax hike that the Congress had already rejected. How about that.

The Appropriations Committees lack jurisdiction to increase the aviation passenger tax and, of course, we could not do so in this bill. As a result of the President’s proposal, the funding for homeland security in this bill is not only lean, it is also very lean. So I again commend Chairman GREGG for his masterful work in putting together this bill, but serious security problems remain.

The Department of Homeland Security is now in its fourth year of existence, as Senator GREGG has explained. While many of its legacy agencies, such as the Coast Guard, Customs and Border Protection, and the Secret Service, continue to operate effectively, the Department itself certainly has become the gang that can’t shoot straight. Nearly 5 years after 9/11, key issues, such as fixing FEMA, such as establishing chemical security standards, such as inspecting cargo on commercial aircraft and inspecting air passengers for explosives, such as securing our ports and making sure that State and local governments have effective mass evacuation plans, are all languishing at the Department. The list of issues that are festering at the Department goes on and on, and these problems are not merely bureaucratic hassles. These are issues that imperil the safety of Americans—Americans—as they go about their daily lives. That is you and you and you and you out there in the plains, the prairies, the Rockies, the Alleghenies, you citizens, the safety of you citizens as you go about your daily lives.

Only 5 percent of the 11 million cargo containers coming into this country

are opened for inspection. We know that terrorists desire to bring a dirty bomb into this country. Over 6 billion pounds of cargo is placed on commercial airlines each year, and virtually none of that cargo is inspected. How about that. Do you feel any safer? How do you feel about that, now that I have said that?

The Environmental Protection Agency reports that 123 chemical plants located throughout the Nation—and in particular in the Kanawha Valley in southern West Virginia—could each potentially expose more than a million people if a chemical release occurred. How does that make you feel? Yet according to the Government Accountability Office, only 1,100 of the 15,000 chemical facilities in this country are known to comply with voluntary security standards. Yet the administration has done virtually nothing to either require compliance or create incentives for the chemical industry to secure its facilities. Only 37 of the 448 airports in this country have acquired new technology to inspect airline passengers for explosives as they board airplanes. Does that make you nervous when you go up to the ticket counter to buy a plane ticket?

There are in this country, in prisons, more than 550,000 criminal aliens in prisons in this country who have not been identified by the Department for removal from the country. Does that make you feel any safer? How about that. When they get out of prison, they may be walking the streets in your neighborhood. Where? In your neighborhood. They need to be removed from this country as soon as they finish their prison terms.

The so-called millennium bomber crossed the U.S.-Canadian border in Washington State intending to blow up the control tower at Los Angeles International Airport. Just last month, 17 homegrown—get that, 17 homegrown—alleged terrorists were arrested in Toronto. Yet there are only 1,000 Border Patrol agents stationed along the northern border. That means that one lonely Border Patrol agent is responsible for patrolling 5.5 miles of the border.

Nearly 5 years after 9/11, most of our first responders still do not have interoperable communications equipment.

Can you believe that? Nearly 5 years after 9/11, most of our first responders still do not have interoperable communications equipment. Can you believe that? I have pressed for that most basic need for our first responders for nearly 5 years. This subcommittee is on top of its work, but it needs more resources.

We all learned after Hurricane Katrina that FEMA is no longer up to the task of responding to a catastrophic disaster, whether the disaster is a terrorist attack or a natural disaster. According to the administration’s own statistics, only 27 percent of State and 10 percent of urban area plans were rated as adequate to cope with a catastrophic event.

In addition to failing to address known vulnerabilities, the Department of Homeland Security is turning into a case study for failed management. The GAO and the DHS inspector general have documented numerous financial management and procurement failures at the Department. The Department of Homeland Security information systems are not secure. The GAO alone has completed 494 evaluations of DHS programs. The DHS Office of the Inspector General is spread so thinly that it was unable to follow through on 616 different allegations of wrongdoing last year.

The Department continues to allow valuable homeland security dollars to gather dust in the Treasury rather than getting the money out to State and local governments where the money can actually be used to secure our ports and mass-transit systems or to purchase interoperable communications equipment.

In the fiscal year 2006 Homeland Security appropriations report, we directed the Department to send Congress a report by February 10 providing an expedited schedule for awarding homeland security grants. Last week, 5 months late, we got the report. The report detailed the Department’s plan to award 20 different grant programs in the last month of the fiscal year. Congress approved funds last October, yet the funds will sit here in Washington for almost a year. Last week was the 1-year anniversary of the London train bombing. Yet under the Department’s plan rail and transit security funding that was appropriated by Congress last October will not be awarded until this September. The same malaise applies to grants to secure our ports, our buses, for securing buffer zones around nuclear and electrical plants, and grants to hire more firefighters. What is the administration waiting for? Does there have to be another horrendous attack with thousands of deaths before this Department will shake out of its nearly comatose state?

The Department’s record should cause every citizen—that is you and you and you and you—alarm. The Department’s record should cause every citizen alarm. It is a record that was entirely predictable. While I supported the creation of a Department of Homeland Security, I voted against the legislation that created this unwieldy behemoth. In consolidating 22 agencies into 1 department, the Congress created an organization that was destined from the beginning to have failures. This was a department that was created out of political expediency in the basement of the White House, not through careful analysis.

In the months following 9/11, the President feared that the Congress was taking the initiative on securing the homeland. So the President directed a small White House team, cloaked in secrecy in the bowels of the White House, to draft a reorganization of homeland security agencies. No security experts

were present. The political wizards conjured up this witch's brew. The result was a massive governmental reorganization rushed through the Congress in a matter of months. Do you remember that? I remember it. I expressed my concerns about it.

As I said in the fall of 2002—did you get that—in the fall of 2002, 4 years ago:

If we take this giant step, our homeland defense system will likely be in a state of chaos for the next few years.

People may begin to read in the newspapers about startup problems in this vast new Department. These kinds of high-profile debacles could carry over to the Transportation Security Administration, the Customs Service, FEMA, the Coast Guard, or any of the agencies.

That is what I said.

For this administration, the illusion of security—like seeing a waterfall in the desert, an illusion—created by this Department and spawned in the White House cellar was more important than a careful plan for actually making Americans safer. Perhaps I should say that again. For this administration, the illusion of security created by this Department and spawned in the White House cellar was more important than a careful plan for actually making Americans safer. For this administration, it is OK to do homeland security on the cheap. For years, I have come to this floor, and others have come to this floor, and documented examples of the ways in which the administration relegates homeland security to a low priority—border security, rail and transit security, port security, chemical security, funds for firefighters, and the list goes on and on.

This year, the administration proposed to cut the firefighter grant program by 45 percent. It was proposed to eliminate the SAFER Program, a congressional initiative that helps local governments hire more firefighters. The Department failed to transmit to the Congress the statutorily mandated needs assessment of our firefighters. I wonder whether the report is locked in someone's desk because it concluded that our fire departments still lack the resources necessary to purchase equipment capable of responding to a terrorist attack.

Nearly 5 years after 9/11 and nearly 1 year after Hurricane Katrina proved that our first responders are not ready to deal with a catastrophic disaster, the President proposes to cut first responder grants by 13 percent below fiscal year 2006 and 33 percent below fiscal year 2005.

There is another example of the rob-Peter-to-pay-Paul approach the administration takes to securing our homeland. Last week, the administration notified the Congress of a serious shortfall within the Federal Protective Service, the agency that secures over 1 million Federal employees and visitors to our Federal buildings. Rather than request additional funding for the shortfall or increase the fees charged to Federal agencies to cover the short-

fall, the administration is proposing that we cut funding for explosives countermeasures and for detaining and removing illegal aliens to pay for the shortfall. Can you imagine that? The President tells the Nation that border security is a critical priority for our national security—and he is right, that is what it is. The President pushes the Congress to get tough on illegal immigration, and then his administration proposes to cut funding for detaining and removing illegal aliens. And in a world where we see explosions of improvised explosive devices killing American soldiers every day and with the Madrid and London train bombings, the administration wants to cut funds for developing explosives countermeasures here in the United States. What kind of confusion reigns at the other end of the avenue, at the White House? Does Presidential rhetoric now excuse rolling the dice with the safety of millions of Americans?

Today, the Senate has before it the fourth Homeland Security appropriations bill that the Senate has considered since the Department was created. Under the leadership of the first chairman of the subcommittee, THAD COCHRAN, and under the leadership of the current chairman, Senator JUDD GREGG, the Senate has striven to provide the Department with the resources it needs to do its job and to give clear direction for improving its efforts to secure the homeland. And it has been an uphill fight.

I am pleased that, in this bill, Chairman JUDD GREGG included a number of provisions that will improve the operations of the Department of Homeland Security. I hope that the administration downtown will listen to his lead and that the administration will follow his lead.

Hardly a week goes by that the administration does not remind Americans of the continuing threat of terrorist attacks. As we debate the bill this week, I will offer two amendments to fill some of the gaps in border security and port security that were created as a result of the administration's unworkable proposal to finance \$1.2 billion of the Department's budget through increased aviation passenger taxes. I will also support amendments that will be offered to increase funding for first responders and for rail and transit security. I encourage Congress to demand more of the Department of Homeland Security and more than rhetoric from the President.

Again, I applaud Chairman GREGG for the expertise he brings to the bill, for the labor he expends, for his determination, his concern, and for the foresightedness he brings to the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I appreciate the kind comments of the Senator from West Virginia. I especially appreciate his very insightful review of

the issues here, most of which I agree with, some of which I may have some disagreement with, but mostly I am in total agreement. He used the analogy of a hill. I sometimes feel that he and I are like Sisyphus on this hill. I am not sure we are going to make it to the top, because they keep pushing the stone back down on us.

In any event, the effort is being made. We are trying to secure our borders and make sure that we are safer from weapons of mass destruction. And the Department, as he said—and I think it is important to stress this—is filled with people conscientious and committed to protecting America, and the issues which are raised are ones of resources and systems and support. Those can be resolved when you have good people working, and I think we can resolve them.

I look forward to hearing more from the Senator as he brings forward his amendments.

I ask unanimous consent that the committee substitute to H.R. 5441 be considered and agreed to; provided that no points of order are waived thereon and that the measure, as amended, be considered original text for purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

Mr. GREGG. I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I listened to my colleague from West Virginia in his description of amendments he intends to offer. It is a description of the legislation. This Appropriations subcommittee is a very important subcommittee and raises a good many issues dealing with the security of our country. I want to talk about them briefly, and then I want to talk about something that occurred last week.

First, with respect to homeland security, a book was written a while back about October 11, 2001. We talk about September 11, 2001. On 9/11/2001, a tragedy was visited on this country when airplanes loaded with fuel crashed into the Trade Centers, the Pentagon, and a field in Pennsylvania, and thousands died. It was a devastating terrorist attack against our country. That was on 9/11/2001.

According to information in a book printed some while ago, on October 11 of that same year, a CIA agent with a code name Dragonfire reported, and apparently through the Presidential daily briefings, the head of the CIA, Mr. Tenet, reported to the President, that they had picked up a rumor or intelligence had gathered information that a 10-kiloton nuclear weapon had been stolen from the Soviet arsenal, or the Russian arsenal, and had been taken to New York City and was to be detonated in a major American city by a terrorist organization.

Graham Allison, who wrote the book "Nuclear Terrorism," described the

plot that was told to the CIA by an agent called Dragonfire. As a result of that description 1 month after 9/11 that there might be a 10-kiloton Russian nuclear weapon in this country already set to be detonated in an American major city, there was great concern, obviously. Many people were apoplectic about what was happening. This did not become the product of news stories, for obvious reasons. But the administration and others responded to it with some concern.

About a month later, it was apparently discerned that this was not a credible threat, or at least the circumstances that brought that threat were not credible. But as they post-mortemed that period, they discovered it was probably perfectly credible: We know the Russians had 10-kiloton nuclear weapons; they had built them. They don't have the best command and control of their nuclear weapons. It is perfectly plausible that someone might have stolen or purchased a 10-kiloton nuclear weapon and it was not outside the scope of probability that someone might have brought a nuclear weapon into this country and a terrorist organization could well have detonated a nuclear weapon, all of which caused great concern.

We have roughly 30,000 strategic and tactical nuclear weapons in this world. The disappearance of one to a terrorist organization, in the hands of a terrorist organization will cause a terrorist act in a major city unlike any we have ever seen.

It is interesting that when the Defense authorization bill comes to the floor of the Senate, we spend billions and billions of dollars defending against a rogue nation or a terrorist acquiring a nuclear weapon, putting it on the tip of an intercontinental ballistic missile and shooting it at our country at 18,000 miles an hour. So we are spending billions on an anti-ballistic missile system to try to hit a bullet with a bullet. It is my judgment—and I think the judgment of most people who evaluate what is the most likely threat against our country—that the most likely threat is a container ship pulling up to a dock at a seaport in this country at about 3 miles with a container on board, with a weapon of mass destruction inside that container that has not been inspected. That is a far more likely threat to this country than a nuclear-tipped intercontinental ballistic missile acquired by a rogue nation or a terrorist organization. Yet we are spending thousands of times more money on the anti-ballistic missile program than we are on port security.

It is why port security is of such great importance to this country. We have a large border, and we had some discussion with respect to the immigration bill about border security—border security with respect to immigration, yes, but also with respect to keeping terrorists out. But our borders not only include the landmass between

Mexico and the U.S. and Canada and the U.S., our borders include port facilities and a substantial number—I believe the number is close to 6 million containers on ships each year come into this country, with a very small percentage of them actually investigated or inspected. That is why port security is so very important.

It is also the case, as my colleague from West Virginia has described, that first responders in this country will almost inevitably be first to respond to not only a terrorist act should one occur in the future, but first responders will likely be first in contact with the terrorists. It is a fact that one of the terrorists who flew an airplane into a building in this country on 9/11/2001 was apprehended for speeding in the State of Maryland but apparently was not on a watchlist and so was given a speeding ticket and then drove off.

It is likely that the first acquaintance with a terrorist or a terrorist act will be someone in local government—local police, county sheriff, a local emergency crew, an ambulance. That is the first responder.

We have just had testimony from sheriffs and local police officers about the issue of critical interoperability of communications. Is the local police organization able to communicate with the highway patrol? Can the highway patrol communicate with the fire department? Can the police communicate with the fire department? All of that is very important. Yet at the same time we ask these questions, the President is recommending very substantial cuts in these programs—Byrne grants, law enforcement block grants, COPS Program, and others. It is exactly the wrong time, in my judgment, to retreat. At the same time violent crime is increasing, by the way, the President is recommending those same cuts.

With respect to this issue of the Department of Homeland Security, it is very important we get it right. My colleague, Senator JUDD GREGG, I know works hard on these issues, as does my colleague from West Virginia, Senator BYRD. I hope this week, as we work our way through this legislation, we can thoughtfully consider amendments and evaluate those that will strengthen this bill and perhaps discard those that will not we will come out of it with legislation that will give us the feeling that we have improved substantially homeland security in our country.

Homeland security is also about hometown security because that is where homeland security starts—with first responders.

Mr. President, I ask unanimous consent to speak as in morning business. I would like to speak for a few minutes about a drought tour I took last week.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE DISASTER RELIEF

Mr. DORGAN. Mr. President, we have a portion of North Dakota, and it extends down into South Dakota, parts of Missouri, Illinois, all the way down to

Texas, where a very severe drought is occurring. I want to talk about meetings in Flasher, ND, Moffit, ND, and Zeeland, ND. Zeeland is a town of 118 people. I drove up to Zeeland the other day and 170 farmers and ranchers were there, in a town of 118 people. As we drove into that town and looked off to the left, we saw what looks like the gravel infield or sand infield of a baseball diamond, a field that is supposed to have grass where cows can graze. There is no grass. It looks like a bowling ball. That is because there is a devastating drought occurring in that region.

We have a lot of folks who have cattle, and you either feed cattle or you have to sell them. It is just that simple. People are very concerned.

No. 1, we need hay and grazing opened on CRP land so farmers can get at forage to feed these cows. I had people stand up at meetings and say: I have 200 to 300 cows, and I have nothing to feed them. The pasture is bare.

Those cows are either going to be fed or put on a truck and sent to market immediately.

There was a man, Wes Mastel, a 24-year-old rancher who just started 2 years ago. He had to sell his herd of 114 cows. He had nothing to feed them. The stories are pretty devastating.

The thermometer on the MacIntosh County Bank the other day read 100, 101 degrees with wind just drying out the soil, sucking out the moisture—what little moisture that does exist in the soil.

We have this developing, abiding drought that is devastating to ranchers. I raise the question because I have offered three times now disaster relief for 2006 when we had torrential rains and 2 million acres couldn't be planted or were planted and washed away completely.

We had a disaster in the gulf region. That was called Katrina. The torrential rains in North Dakota didn't have a name, but they were torrential rains. They destroyed crops. The drought doesn't have a name. It destroys crops.

The question is: What can we do about it? We have always, prior to this, reached out to family farmers and said: We want to help you; in times of trouble, we want to help.

Last December, the Senate passed a disaster relief bill. The House would not accept it. The President, in fact, very frontally said: If it comes to me, I will veto it. Usually it is a Presidential adviser who recommends a veto. That wasn't the case. The President said: I will veto it, so it didn't go anywhere.

A couple of months ago on the emergency supplemental, I attached, once again, a disaster relief bill. It got to conference with the House, and it was again jettisoned. The President again said he opposed it.

So I attached a disaster relief bill to the Agriculture appropriations bill that was marked up in the full committee just recently. We are going to

see again. Times change, things change. My hope is the President will understand this is a very serious problem and will relent and decide he wants to help.

I am informing the chairman and ranking member of the full Appropriations Committee today that it is my intention to modify the amendment I added to the Agriculture appropriations bill to include the 2006 drought because we must, it seems to me, respond to this disaster. The failure to respond to it means that fewer and fewer people will be living out on the land in this country, and that takes something significant away from the character of this country. This is not new. We have always reached out in times of trouble.

I would ask anybody who thinks there is not trouble out there to just take a drive—take a drive in the drought area and then ask yourself, if you had 300 cows that were your responsibility on your ranch, what on Earth would you feed them? And if there is nothing to feed them, you are going to market and you are out of business. It is that simple.

So, first and foremost, my colleague, Senator CONRAD, and I, and others, have asked the Secretary of Agriculture to release haying and grazing opportunities on CRP lands. That is very important. It is important that it be done now, not later. The Department of Agriculture always drags its feet and always opens CRP land for haying and grazing too late, after the major 4-H opportunities are gone or after the 4-H capability is dramatically diminished. So my hope is that the Secretary of Agriculture will heed the call this time and open that land for haying and grazing immediately to give some relief to those ranchers.

As I said, this is not just about North Dakota. My colleague, Senator BOND from Missouri, and our colleagues from Illinois and others—Illinois, last year, had the third driest year since 1895. There are other areas of this country that are suffering the ravages of drought. Again, my hope is that this Congress will understand the urgency.

I was at this meeting in Zealand, ND, of 170 ranchers. They talked about the drought. Even without the drought, what is happening to them, the average farmer and rancher in North Dakota is spending \$18,000 a year in additional energy costs. The big, major integrated oil companies are walking to the bank with bundles of money sucked right out of the pocketbooks of working Americans, ranchers, and farmers, especially because they are heavy users of energy. It is unbelievable the toll it is imposing all across this country. But when you add a drought, which has destroyed pastures and destroyed the ability to feed your cattle, and then continue to impose this additional burden of energy costs, in my judgment, it is a recipe for destruction all across rural America.

Some people may think it doesn't matter. I have spoken before to my col-

leagues about a fellow named Rodney Nelson in North Dakota who is a cowboy poet and who wrote a long question for this country: Does part of this country's character depend on having folks on the farm and on the ranch as well? Farmers and ranchers, small towns and big towns, isn't all of that together part of the character of this country? He asked the question: What is it worth? What is it worth for a kid to know how to weld a seam? What is it worth for a kid to know how to overhaul a tractor, how to plow a straight furrow, how to teach a calf to suck from a pail? What is it worth for a kid to know all of these things? What is it worth for a kid to know how to grease a combine, how to hang a door, how to build a lean-to? What is it worth?

There is only one university in this country where that is taught and that is on the family farm. Those kids who come off our farms and go to small towns and big cities, who bring with them that nourishment of family values from America's farms and ranches to small towns and big cities is what renews our country. If this Congress ever decides that farms don't matter, those Americans who live out under a yard light trying to raise a family and raise a crop and raise some livestock, if this Congress ever decides they don't matter, we will have lost something very substantial for this country.

So for now, we need the Secretary of Agriculture immediately to release CRP land for haying and grazing so we can get some feed to those cattle in drought areas. No. 1. No. 2, we need this President to back away from his threat to veto disaster aid, and we need to amend the provision that I put in the Agriculture Appropriations Subcommittee to extend it to 2006, which I intend to do.

Mr. President, we have a lot of choices to make in this country. Our country has a responsibility in this world to respond to all kinds of things. We are a world leader. I think that it is important for us to respond around the world. But first and foremost, it is important for us to respond here at home and take care of things here at home.

I am just telling you when the sign at the bank and the sign downtown in your town shows 105 degrees or 102 degrees and the wind is blowing 30 miles an hour and the pasture looks like a bowling ball and there is nothing for the cattle to eat and you are suffering through a drought, this Congress has a responsibility to act—and sooner rather than later.

Mr. President, I yield the floor.

MORNING BUSINESS

Mr. GREGG. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPREME COURT DECISION REGARDING TERRORISTS

Mr. GREGG. Mr. President, I will take the first 10 minutes to speak about the recent Supreme Court decision on the treatment of terrorists we are holding and their rights relative to trial. This is a classic example of a court that has seen the trees but has failed to see the forest.

We are confronted with a situation where individuals, whose purpose it is to kill Americans and destroy our Nation, are being held by our country in order to protect our country. These are individuals who don't function as part of an organized nation. There is no Nation to which they are accountable or which would be accountable to us should we be functioning in a state of war that was formal, such as occurred during World War II when the Nazi government and Germany and the German soldiers that were captured were held under the rules of the Geneva Convention and the people who were in that government were tried under the rules of Nuremberg. There is no such government. These individuals function separately from any formal structure that could be called governance. And there is no right to the Geneva Convention because the Geneva Convention presumes certain statuses of combat and that there are certain engagements, even though it is in war, that have rules relative to what can and should be done in a war that is appropriate.

None of these people are signatories to the Geneva Convention; they have no rights under the Geneva Convention; and they disavow the purposes of the Geneva Convention. Their purpose is to kill for the reason that they believe their life will be improved and their afterlife, as they see it in their perverse view of Islam—which is a great religion but is being perverted by these fundamentalists. Their purpose is to kill Americans and destroy Western culture. To ascribe to them certain rights, as if they were citizens of our Nation or citizens of some other nation that we were at war with, or as if they were participants in a group that was signatory to the Geneva Convention, is to undermine, first, the legitimacy of nations and what nations stand for; and, secondly, the legitimacy of treaties and what treaties stand for because you are essentially ascribing to these people rights and values which they reject and which they are fighting against.

Their purpose is to not support the Constitution or be governed by the Constitution of America. Their purpose is to destroy America and the Constitution. Their purpose is not to support the government of whatever Islamic nation they come from. Their purpose is, in most instances, to take that government over and to establish a religiously fundamentalist state which isn't governed at all by rules of Western or traditional civil societies. And their purpose certainly isn't to subscribe to the Geneva Convention.