

U.S. Department of Justice
Office of Intergovernmental Affairs

Director

Washington, D.C. 20530

February 2, 1998

MEMORANDUM FOR:

Rahm Emanuel
Senior Advisor to the President

Bruce Reed
Assistant to the President and
Director, Domestic Policy Council

Mickey Ibarra
Assistant to the President and
Director of Intergovernmental Affairs

Maria Echaveste
Assistant to the President and
Director of Public Liaison

Jose Cerda
Senior Policy Advisor
Domestic Policy Council

FROM:

NMG
Nicholas M. Gess
Director of Intergovernmental Affairs
Department of Justice

SUBJECT:

Justice Department 1999 Budget Rollout

I am pleased to enclose a copy of the Justice Department's 1999 Budget Rollout materials. These will be distributed by broadcast facsimile to all relevant advocacy groups, all Governors and all state attorneys general. The internal cover memos all detail our plan for directing incoming calls to the proper DoJ officials so that the concerns of local officials can be addressed as expeditiously as possible.

If you have any questions, please do not hesitate to call me on 514-3465.

Enclosure

Antitrust Division

- **\$2.47 million** and 15 positions for the Antitrust Division, which will be funded by a direct appropriation in FY 1999, and offset by fees collected in 1999, which will be made available in 2000. The increase will enable the Division to review increasingly numerous and complex merger proposals, and expand its criminal enforcement efforts against sophisticated internal price-fixing conspiracies and other anti-competitive conduct.

Foreign Claims Settlement Commission

- **\$108 thousand** to fund increased rent costs associated with a planned move to the Ronald Reagan Building, Center for International Trade, in FY 1998. This enhancement will allow the Commission to fund the full-year rent costs of the new space.

United States Trustees

- **\$4.47 million** and 100 positions for the United States Trustees to address the increase in bankruptcy filings that will occur over the 1998 - 1999 period in chapters 7 and 13. The additional resources are critical if the Program is to carry out its long range goals.
- **\$1.05 million** and 20 positions for the United States Trustees to establish a national team of bankruptcy fraud specialists whose expertise would be available across Program regions to support the investigation of bankruptcy fraud. These resources are requested in the Administration of Cases program.
- **\$2.01 million** for the United States Trustees to pursue the implementation of the Justice Consolidated Office Network (JCON) and the redesign of its case management database.
- **\$500 thousand** for the United States Trustees to establish a Bankruptcy Training Center to enhance the knowledge and

professionalism of all United States Trustee personnel and to provide specialized advocacy training for Program attorneys and financial training for bankruptcy analysts. It would, also be used to provide specialized bankruptcy training for personnel from other agencies, private trustees, and others in the bankruptcy system.

- **\$96 thousand** and two positions to provide additional support in the Executive Office for United States Trustees to respond to the growth in the Program's caseload and the requested growth in the caseload staff in the Administration of Cases Decision Unit. As personnel are added to the field program, the workload of the Executive Office also increases.
- **\$49 thousand** and one position for the United States Trustees' Research and Planning Staff to improve the Program's long-range processes and to meet the requirements of the Government Performance and Results Act.

Radiation Exposure Compensation Trust Fund

- **\$11.72 million** to provide payments to claims expected to be approved under proposed amendments to the Radiation Exposure Compensation Act in FY 1999.

Office of Justice Programs

- **\$600 thousand** is requested to allow the Office of Justice Programs' Bureau of Justice Statistics (BJS) to resume its annual collection and reporting of detailed data from local and state governments on employment and expenditures for criminal justice systems. Currently, the most recent data available are 1990. This data is used to determine how amounts awarded to States under the Byrne Formula Grant Program must be allocated between the State government and local governments.
- **\$1 million** to establish the Tuberculosis Prevention Program as a discretionary grant program. The program would increase the number of state and local agencies that

participate in planning efforts to improve coordination and cooperation among correctional and public health agencies.

- \$1.25 million for the Motor Vehicle Theft Prevention Program, which is designed to assist states with the development of a voluntary motor vehicle theft prevention program. This increased funding will expand the program to more states, and will be used to create a national public awareness campaign through the use of print and broadcast media.
- \$500 thousand to expand two of the small data collections the Bureau of Justice Statistics (BJS) has in place on the use of excessive force by law enforcement agencies. The Violent Crime Control and Law Enforcement Act of 1994 requires the Attorney General to collect this data, and this request would allow BJS to provide more complete information.
- 62 positions and 31 workyears to administer the Office of Justice Programs' Violent Crime Reduction Trust Fund Programs.

THE RENO BUDGETS

As illustrated in the attached charts, the Department's funding has shown substantial increases under the Clinton Administration. These increases, as well as our total 1999 Budget Request include:

IMMIGRATION AND NATURALIZATION SERVICE

(Over 165.9 Percent increase since Fiscal Year 1994)

<u>Fiscal Year</u>	<u>Total</u>	<u>Increase</u>
1995	\$2.148 Billion	36.4% over 1994
1996	\$2.590 Billion	20.6% over 1995
1997	\$3.123 Billion	20.5% over 1996
1998	\$3.799 Billion	21.6% over 1997
1999 (Request)	\$4.189 Billion	10.3% over 1998

DRUG ENFORCEMENT ADMINISTRATION

(Over 59.4 Percent increase since Fiscal Year 1994)

<u>Fiscal Year</u>	<u>Total</u>	<u>Increase</u>
1995	\$.814 Billion	3.4% over 1994
1996	\$.870 Billion	6.8% over 1995
1997	\$1.078 Billion	23.9% over 1996
1998	\$1.200 Billion	11.3% over 1997
1999 (Request)	\$1.255 Billion	4.6% over 1998

FEDERAL BUREAU OF INVESTIGATION

(Over 49.3 Percent increase since Fiscal Year 1994)

<u>Fiscal Year</u>	<u>Total</u>	<u>Increase</u>
1995	\$2.280 Billion	10.5% over 1994
1996	\$2.530 Billion	11.0% over 1995
1997	\$2.828 Billion	11.8% over 1996
1998	\$3.033 Billion	7.2% over 1997
1999 (Request)	\$3.081 Billion	1.6% over 1998

FEDERAL BUREAU OF PRISONS

(Over 55.6 Percent increase since Fiscal Year 1994)

<u>Fiscal Year</u>	<u>Total</u>	<u>Increase</u>
1995	\$2.596 Billion	16.3% over 1994
1996	\$2.882 Billion	11.0% over 1995
1997	\$3.184 Billion	10.5% over 1996
1998	\$3.103 Billion	-2.5% over 1997
1999 (Request)	\$3.473 Billion	11.9% over 1998

UNITED STATES ATTORNEYS

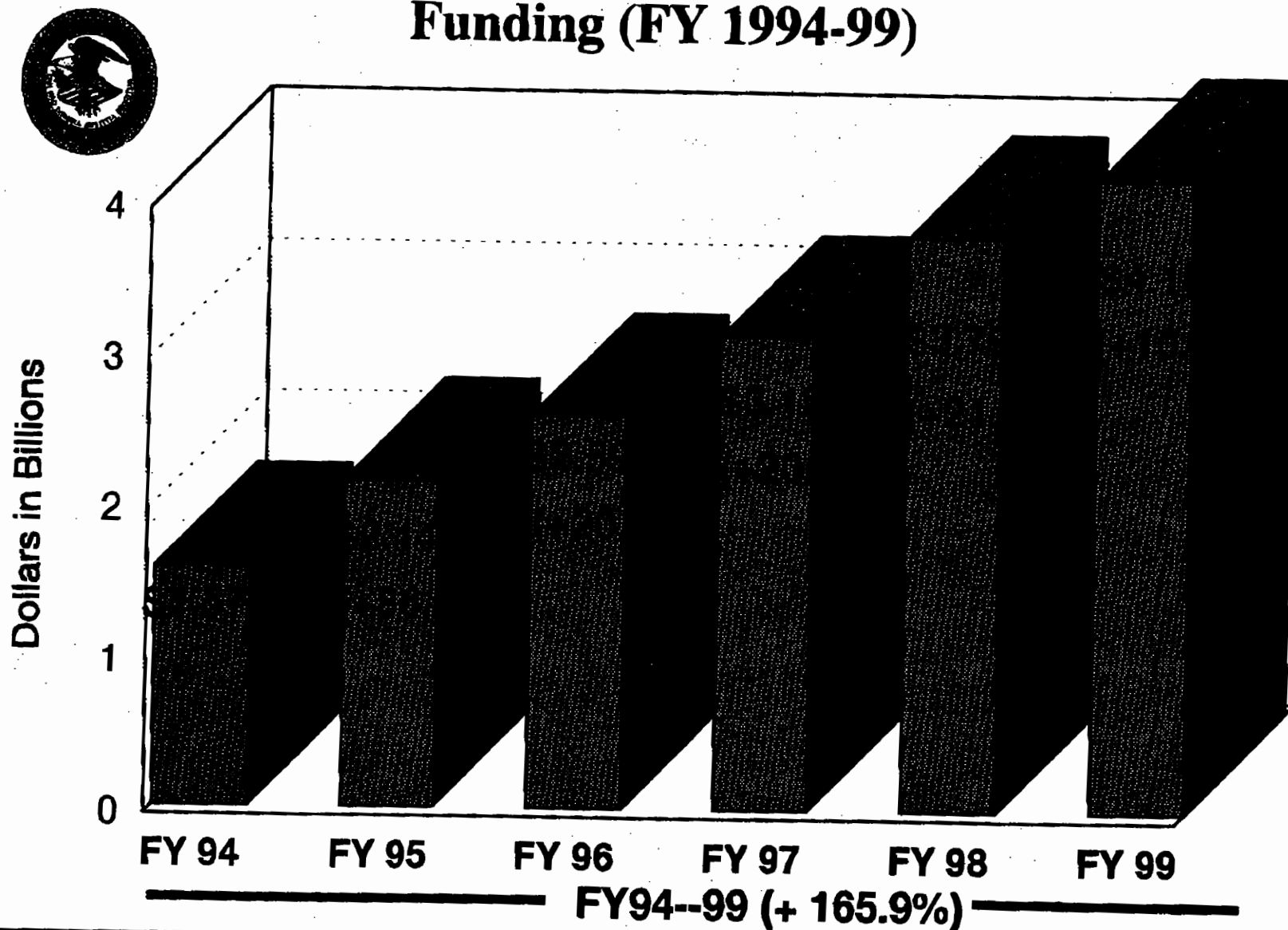
(Over 35.1 Percent increase since Fiscal Year 1994)

<u>Fiscal Year</u>	<u>Total</u>	<u>Increase</u>
1995	\$.881 Billion	7.6% over 1994
1996	\$.940 Billion	6.7% over 1995
1997	\$.994 Billion	5.7% over 1996
1998	\$1.035 Billion	4.1% over 1997
1999 (Request)	\$1.107 Billion	6.9% over 1998

*Figures include High Intensity Drug Trafficking Areas (HIDTA), Health Care Fraud, and Fee-funded resources.

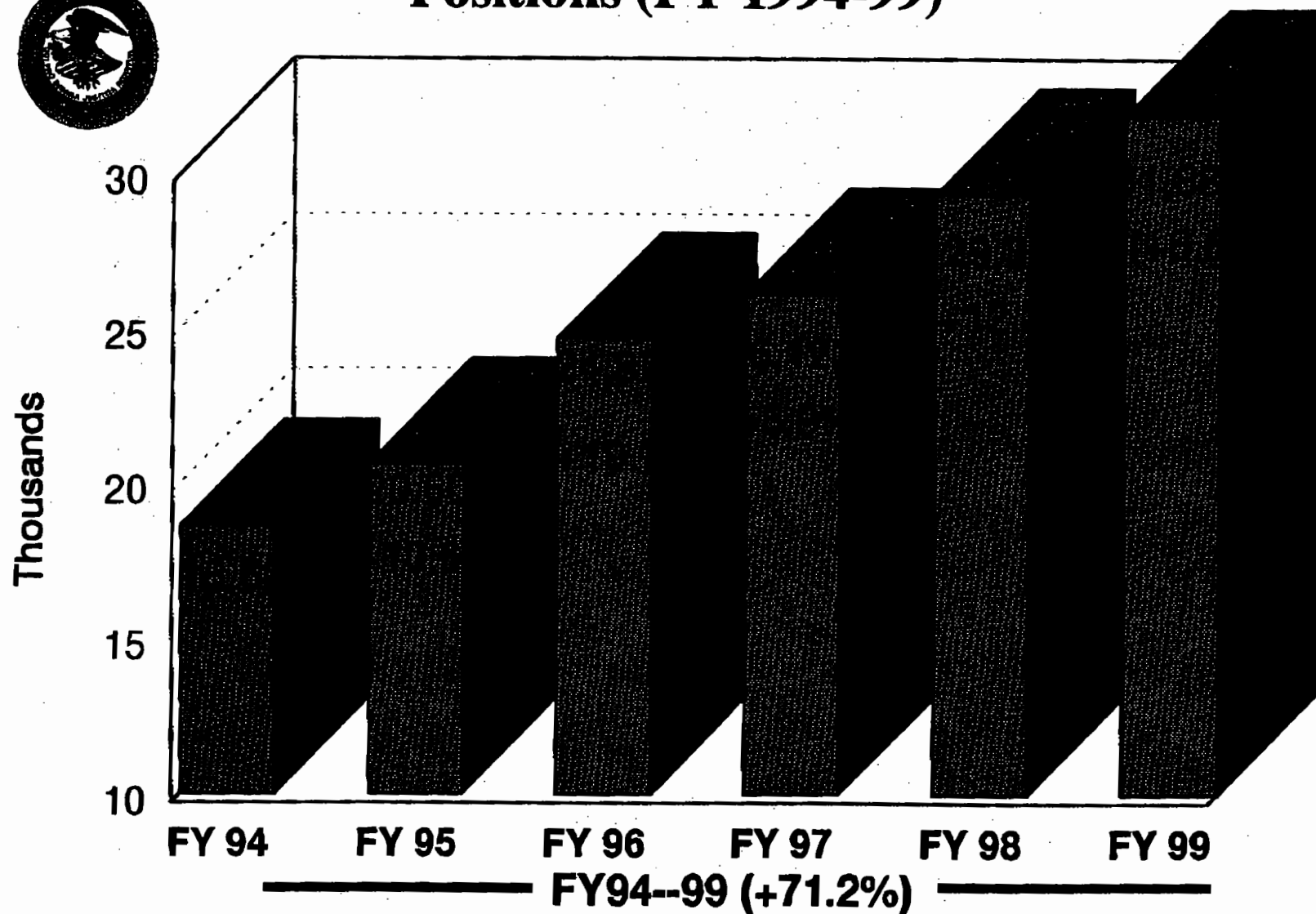
Immigration and Naturalization Service (INS)

Funding (FY 1994-99)



Immigration and Naturalization Service (INS)

Positions (FY 1994-99)



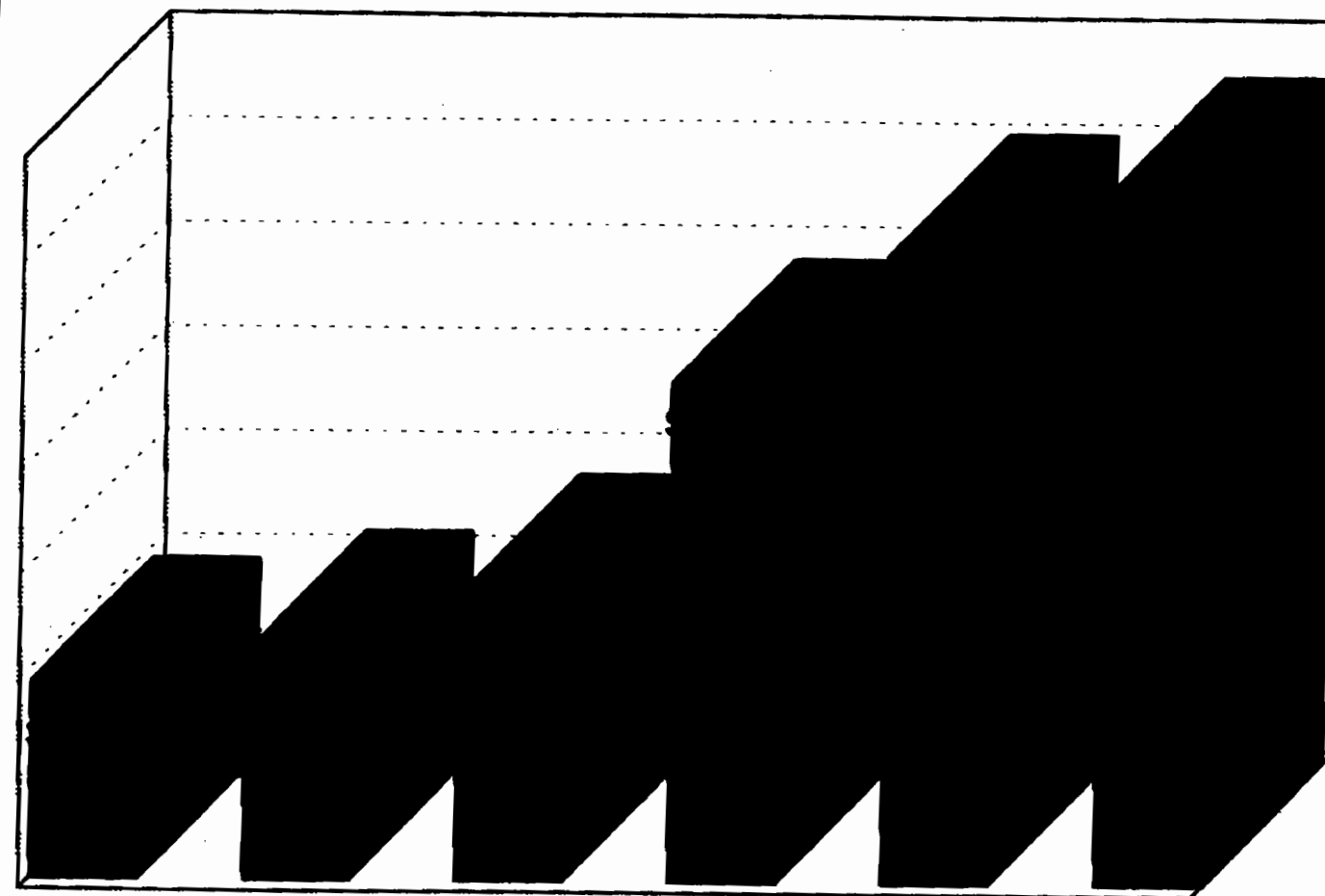
Drug Enforcement Administration (DEA)

Funding (FY 1994-99)



Dollars in Billions

1300
1200
1100
1000
900
800
700
600



FY 94

FY 95

FY 96

FY 97

FY 98

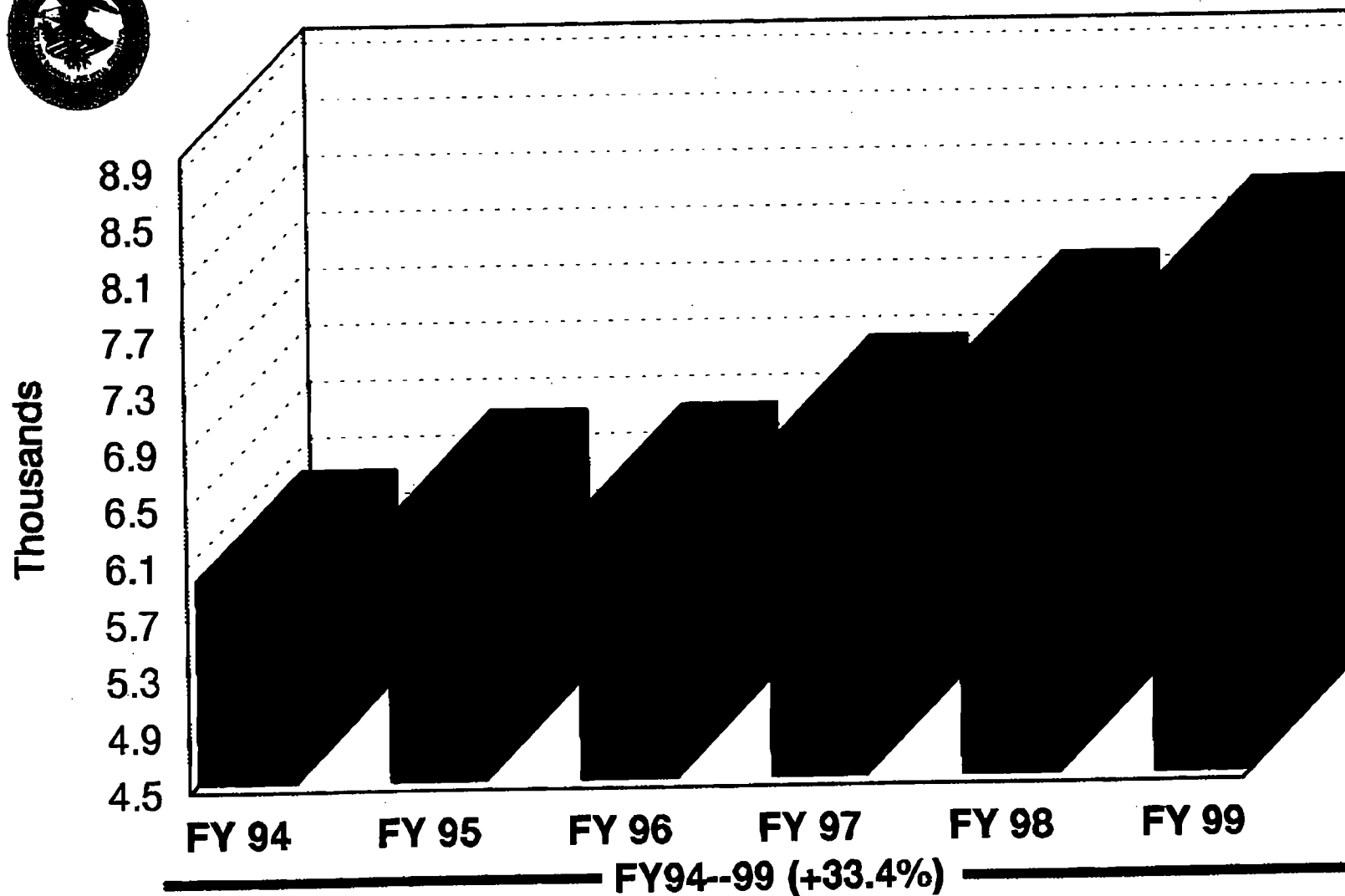
FY 99

FY94-99 (+59.5%)



Drug Enforcement Administration (DEA)

Positions (FY 1994-99)

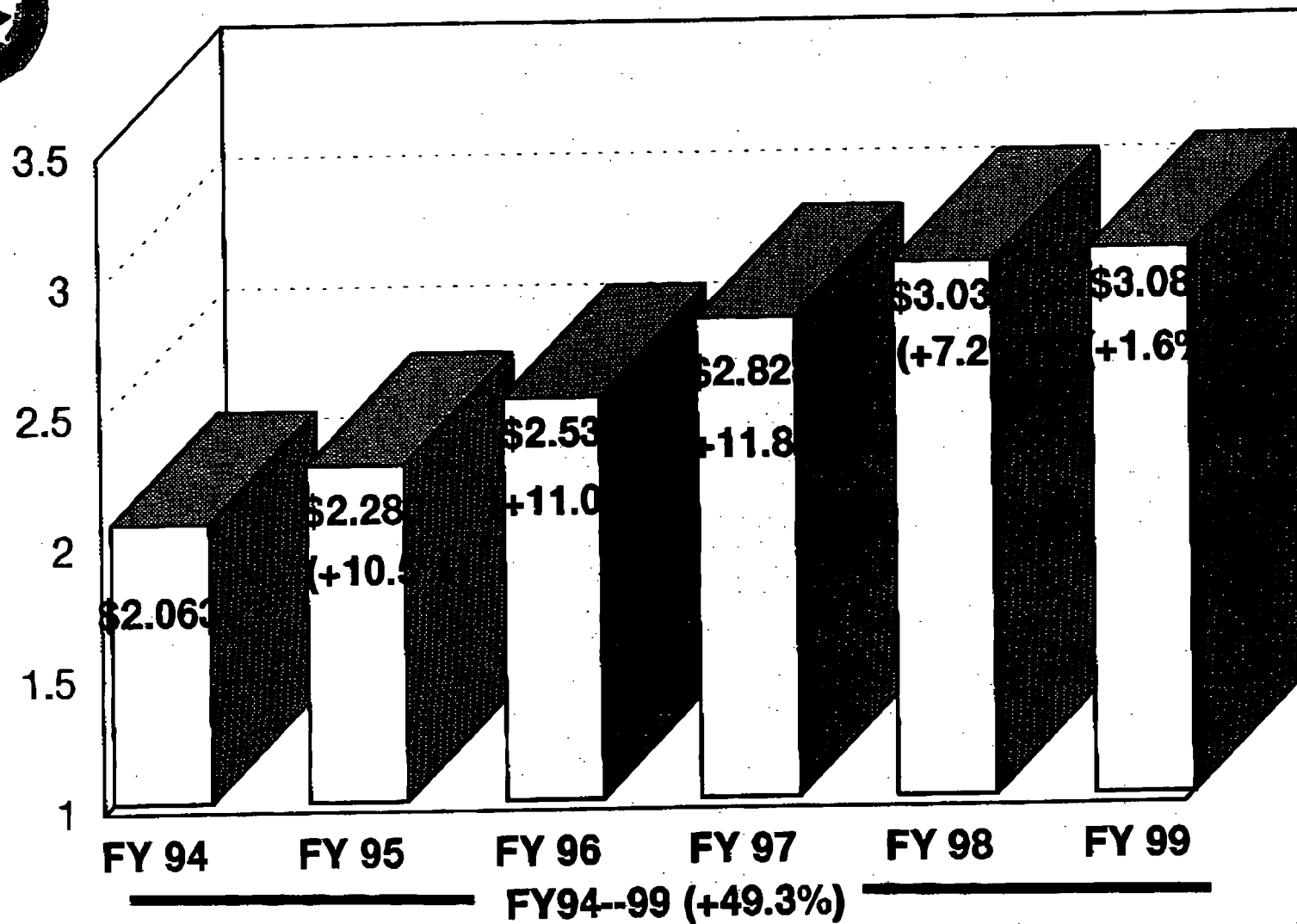


Federal Bureau of Investigation (FBI)

Funding (FY 1994-99)

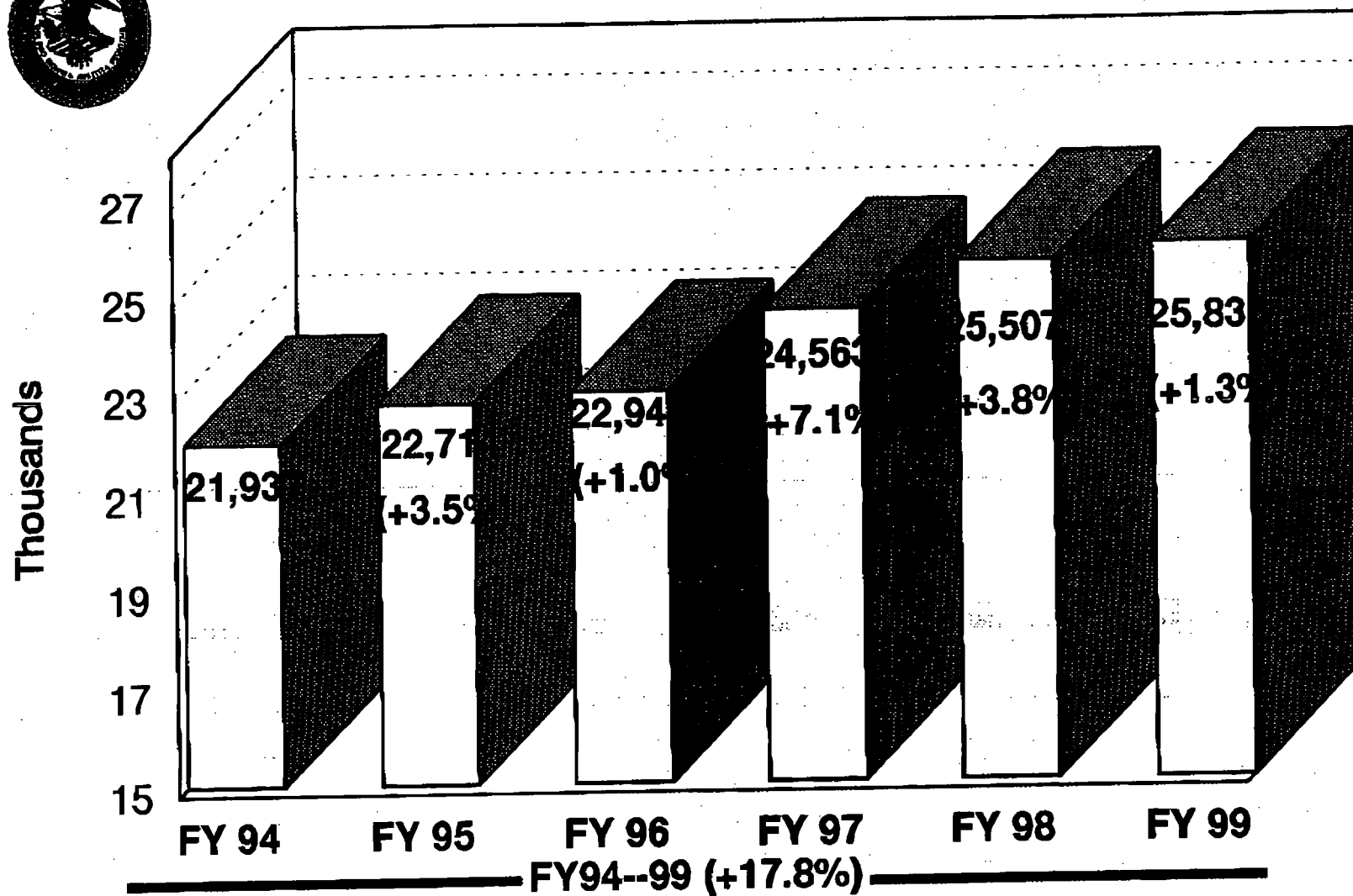


Dollars in Billions



Federal Bureau of Investigation (FBI)

Positions (FY 1994-99)

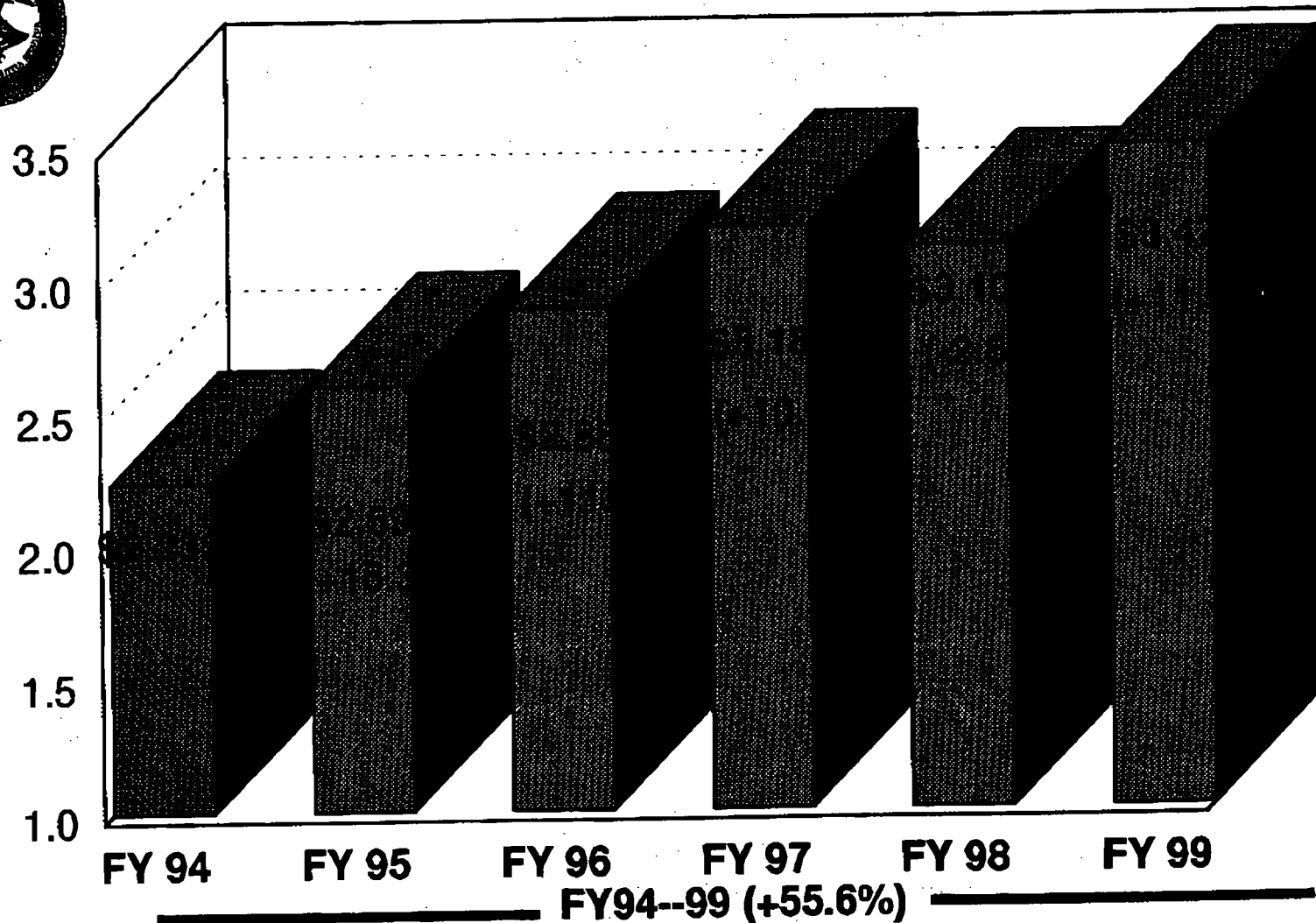


Federal Bureau of Prisons

Funding (FY 1994-99)

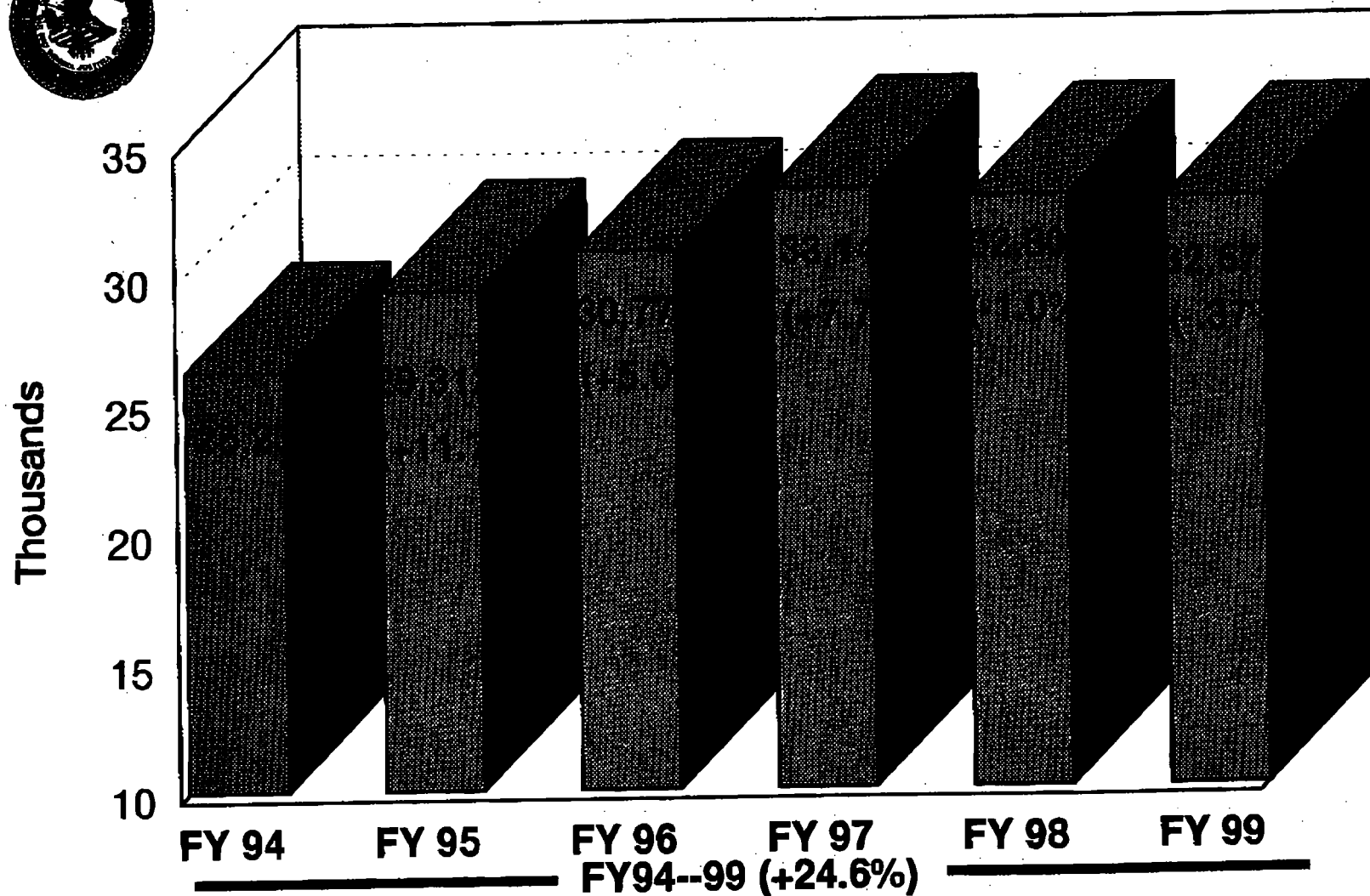


Dollars in Billions



Federal Bureau of Prisons

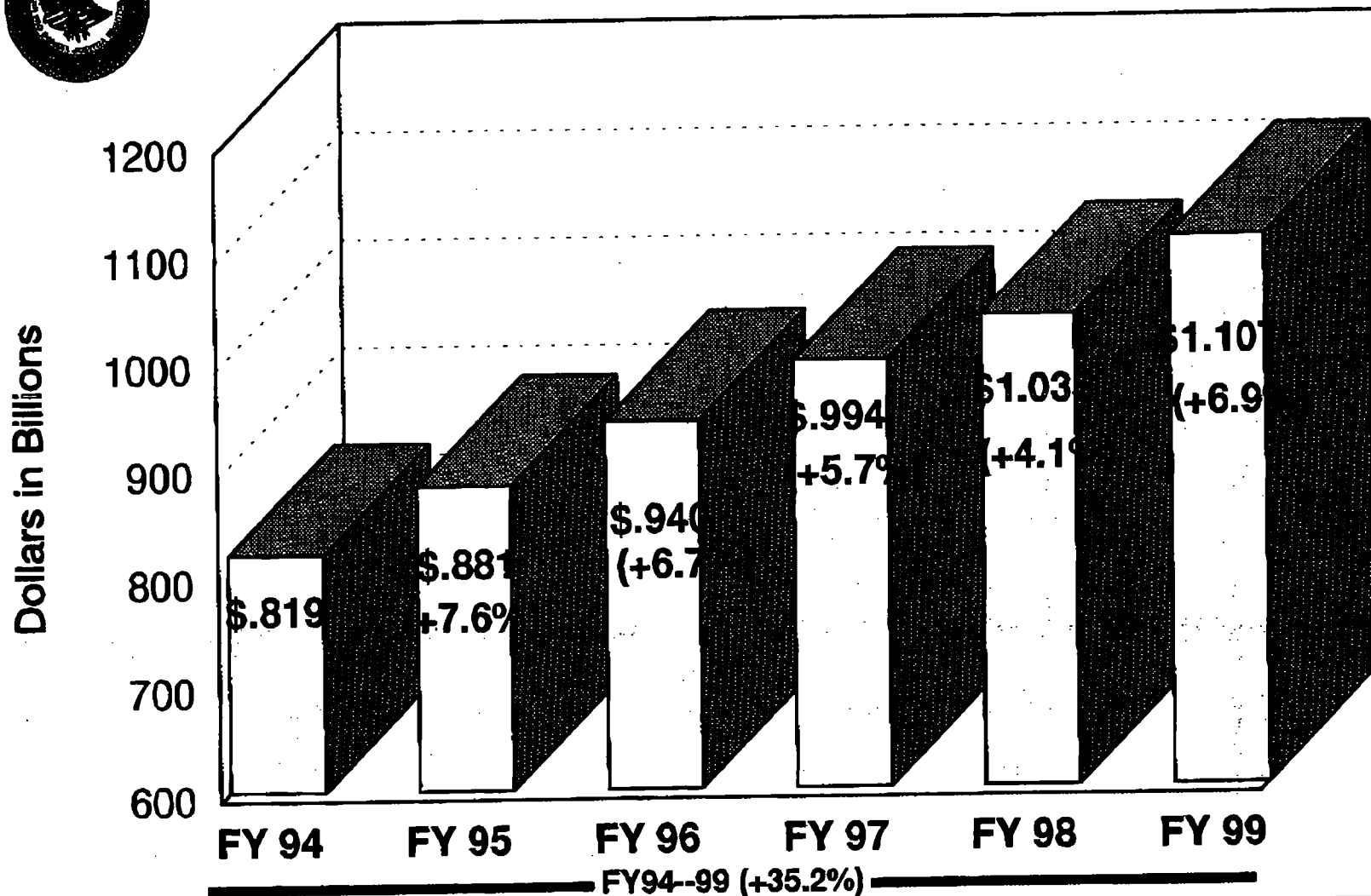
Positions (FY 1994-99)





United States Attorneys

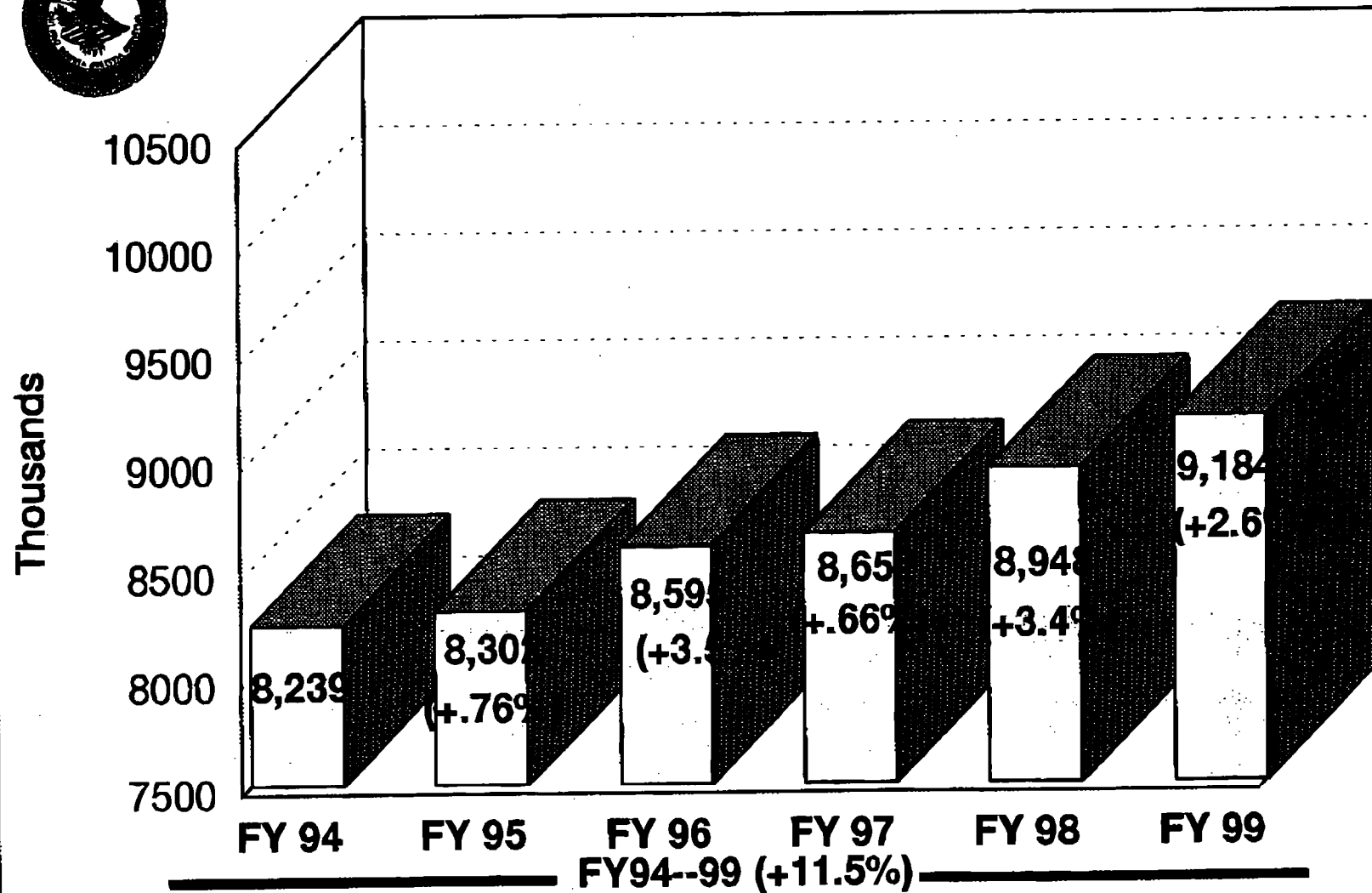
Funding (FY 1994-99)





United States Attorneys

Positions (FY 1994-99)



DRAFT - DRUG BUDGET

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SAUSA - \$100 million
DOD - \$72 million

ATTACHMENT I

FEDERAL DRUG CONTROL FUNDING BY AGENCY

Passback of Base Program Operations and Previously-Announced Presidential Priorities Over FY 1999-2003

(Budget Authority, in millions of dollars)

	1997 Enacted	1998 Enacted	1999 Request	2000	2001	2002	2003
Agriculture:							
Agriculture Research Service Request	4.712	4.700	4.700	4.700	4.700	4.700	4.700
OMB Recommendation	N/A	N/A	4.700	4.700	4.700	4.700	4.700
U.S. Forest Service Request	5.800	6.000	6.800	6.900	7.000	7.100	7.200
OMB Recommendation	N/A	N/A	6.800	6.900	7.000	7.100	7.200
Women, Infants, Children (WIC) Request	15.200	15.700	15.800	15.600	16.000	16.400	16.800
OMB Recommendation	N/A	N/A	16.400	16.600	17.300	17.800	18.200
Total, Agriculture Request	25.712	26.400	27.300	27.200	27.700	28.200	28.700
Total, OMB Recommendation	N/A	N/A	27.900	28.200	29.000	29.600	30.100
Corporation for National and Community Service Request	30.723	34.055	39.800	40.800	41.600	42.600	43.900
OMB Recommendation	N/A	N/A	36.800	36.800	36.800	36.800	36.800
Defense Request:	957.487	868.888	809.014	820.000	845.000	859.000	877.000
OMB Recommendation	N/A	N/A	809.014	820.000	845.000	859.000	877.000
Explanation of Agency Request: Decrease from FY 98 Enacted is largely due to completion of procurement programs. Majority of FY 99 funding is for O&M of existing projects. Explanation of OMB Recommendation: The estimates shown for Agency Request and OMB Recommendation represent the DOD estimates previously provided, without prejudice to the higher estimate recommended by ONDCP. OMB expects that DOD and ONDCP will soon reach a compromise funding level higher than \$809M.							
Intelligence Community Management Account Request	27.000	27.000	27.000	27.000	27.000	27.000	27.000
OMB Recommendation	N/A	N/A	27.000	27.000	27.000	27.000	27.000
Education:							
Safe and Drug Free Schools and Communities Request	556.978	556.000	638.000	678.386	694.185	710.908	702.566
OMB Recommendation	N/A	N/A	556.000	570.500	585.300	600.500	616.100
Explanation of Agency Request: Requests a \$55M increase (9.9%) to support drug and violence prevention programs in 97% of all school districts. Would use \$100M for competitive grants to school districts based on the severity of the drug and violence problems and the quality of their prevention programming. Requests \$27M for a new initiative that would help place drug prevention coordinators in 25% of all middle schools. Explanation of OMB Recommendation: provides level funding (\$556 million) for SDFSC, but \$195 million of this amount would fund the school coordinators initiative, research and demos, and prevention programs in HHS (via a transfer of funds) in order to ensure that the program supports research-based programs. The SDFSC State grant program would award funds competitively rather than by formula.							
Other Request	123.052	129.226	144.099	147.842	151.578	154.097	158.834
OMB Recommendation	N/A	N/A	132.099	135.530	138.928	141.846	145.536
Total, Education Request	680.030	685.226	782.099	826.228	845.763	865.005	861.400
Total, OMB Recommendation	N/A	N/A	688.099	706.030	724.226	742.446	761.636
Health and Human Services:							
Administration for Children and Families Request	59.098	56.538	56.538	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	56.538	56.538	56.538	56.538	56.538

\$100 million
for ONDCP

ONDCP + 27 million
BUDGET WHITE

809.014 + 73 million

638.000 + 27 million

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Passback of Base Program Operations and Previously-Announced Presidential Priorities Over FY 1999-2003

(Budget Authority, in millions of dollars)

	1997 Enacted	1998 Enacted	1999 Request	2000	2001	2002	2003
Centers for Disease Control Request	82.479	106.955	205.479	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	106.955	106.955	106.955	106.955	106.955
Food and Drug Administration Request	5.614	35.000	81.000	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	35.000	35.000	35.000	35.000	35.000
Health Care Financing Administration Request	320.000	360.000	400.000	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	400.000	400.000	400.000	400.000	400.000
Health Resources and Services Administration Request	46.168	47.916	50.772	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	47.916	47.916	47.916	47.916	47.916
Indian Health Service Request	42.761	42.894	45.279	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	42.894	42.894	42.894	42.894	42.894
National Institutes of Health (NIDA/NIAAA/OAR) Request	524.218	554.663	611.668	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	554.663	554.663	554.663	554.663	554.663
Substance Abuse and Mental Health Services Administration Request	1,299.540	1,318.706	1,437.468	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	1,248.706	1,248.706	1,248.706	1,248.706	1,248.706
Explanation of Agency Request: Major increases requested are the SABG (+\$115M/9%) and KDAs (+\$49M/16%). In addition, HHS requested funds for two new activities at SAMHSA, targeted capacity expansion (\$195M) and state data infrastructure development (\$20M). Explanation of OMB Recommendation: The SABG was treated as a priority and maintained at the FY 98 Enacted level. Substance Abuse KDA's are reduced by \$70M (-29%). No funding is provided for targeted capacity expansion or state data infrastructure development programs.							
Total, Health and Human Services Request	2,379.878	2,522.672	2,888.204	N/A	N/A	N/A	N/A
Total, OMB Recommendation	N/A	N/A	2,492.672	2,492.672	2,492.672	2,492.672	2,492.672
Housing and Urban Development Request	290.000	310.000	290.000	295.000	297.000	300.000	303.000
OMB Recommendation	N/A	N/A	310.000	290.000	290.000	290.000	290.000
Interior:							
Bureau of Indian Affairs Request	16.029	23.156	23.156	23.156	23.156	23.156	23.156
OMB Recommendation	N/A	N/A	23.156	23.156	23.156	23.156	23.156
Bureau of Land Management Request	5.000	5.000	5.000	5.000	5.000	5.000	5.000
OMB Recommendation	N/A	N/A	5.000	5.000	5.000	5.000	5.000
Fish and Wildlife Service Request	1.000	1.000	1.000	1.000	1.000	1.000	1.000
OMB Recommendation	N/A	N/A	1.000	1.000	1.000	1.000	1.000
National Park Service Request	8.657	9.393	9.501	9.501	9.501	9.501	9.501
OMB Recommendation	N/A	N/A	9.501	9.501	9.501	9.501	9.501
Total, Interior Request	30.686	38.549	38.657	38.657	38.657	38.657	38.657
Total, OMB Recommendation	N/A	N/A	38.657	38.657	38.657	38.657	38.657

Justice:

Explanation of OMB Recommendation: In keeping with the recent passback tradition for DOJ, we are providing a lump sum figure for the Department as a whole, rather than a component-by-component breakout. The Department has the latitude to distribute drug resources among its bureaus and accounts, provided it funds certain identified items, and is encouraged to determine an optimum program mix from the resources provided. We will require the Department to budget for drug levels that are equal to or higher than FY 98 in the aggregate. Some of the major increases include: +\$167M for prison construction to house DC-sentenced felons, +\$107M for a comprehensive drug intervention program including drug courts, treatment, and testing.

NOTES ON CONTRIBUTORS

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Passback of Base Program Operations and Previously-Announced Presidential Priorities Over FY 1999-2003

(Budget Authority, in millions of dollars)

	1997 Enacted	1998 Enacted	1999 Request	2000	2001	2002	2003
Explanation of OMB Recommendation: Provides \$46M (\$15M for Peru, \$15M for Colombia, \$5M for Caribbean, and \$11M for Hero(n (ONDCP requested \$10M)) of ONDCP's \$83M requested increases in FY 99, and inflationary increases in the out years. Emergencies in the Diplomatic & Consular Service Request							
OMB Recommendation	1.000 N/A	1.500 N/A	3.000 3.000	N/A 3.000	N/A 3.000	N/A 3.000	N/A 3.000
Total, State Request	194.000	215.500	268.000	272.000	279.000	286.000	294.000
Total, OMB Recommendation	N/A	N/A	242.000	248.000	255.000	261.000	268.000
Transportation:							
U.S. Coast Guard Request OMB Recommendation Explanation of Agency Request: Increase drug interdiction assets: buy 7 patrol boats, reactivate 2 cutters and 3 aircraft, convert 2 Navy vessels, and improve technology and intelligence. Explanation of OMB Recommendation: Terminates one-time costs for capital projects funded in FY 98. Funds same program level as FY 98 and allows improvements in surveillance technology, drug detection, and intelligence support (\$29M).							
Federal Aviation Administration Request	19.026	22.460	25.116	25.844	26.594	27.365	28.241
OMB Recommendation	N/A	N/A	25.116	25.844	26.594	27.365	28.241
National Highway Traffic Safety Administration Request	29.250	31.326	37.900	37.100	35.100	35.400	35.800
OMB Recommendation	N/A	N/A	34.100	34.100	34.100	34.100	34.100
Total, Transportation Request	383.945	451.766	534.948	700.244	812.794	841.365	629.441
Total, OMB Recommendation	N/A	N/A	444.216	444.944	445.694	446.465	447.341
Treasury:							
Bureau of Alcohol, Tobacco and Firearms Request OMB Recommendation Explanation of Agency Request: Request is \$45M over FY 98 for mostly violent drug crime related initiatives. Explanation of OMB Recommendation: Provides continued funding for GREAT program and \$22M for Youth Crime and Gun Interdiction Initiative.							
U.S. Customs Service Request	579.000	606.000	772.608	755.400	786.900	823.600	845.900
OMB Recommendation	N/A	N/A	606.000	587.800	593.700	599.600	617.600
Explanation of Agency Request: Includes a \$129M narcotics Initiative. Increased drug funding is also requested for the Automated Commercial Environment and money laundering initiatives. Explanation of OMB Recommendation:							
Federal Law Enforcement Training Center Request	38.885	58.927	68.437	NA	NA	NA	NA
OMB Recommendation	N/A	N/A	58.354	60.747	63.237	65.830	68.529
Explanation of Agency Request: Requests additional training for Master Plan construction, international training, and a variety of other initiatives. Explanation of OMB Recommendation: Provides continued funding for Master Plan construction. Funds \$9M of ONDCP's \$12M priority for law enforcement training in FY 99.							
Financial Crimes Enforcement Network Request	11.694	11.918	14.600	15.100	15.500	16.000	16.500
OMB Recommendation	N/A	N/A	11.960	12.380	12.710	13.120	13.530
Internal Revenue Service Request	70.710	72.016	85.300	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	74.177	74.177	74.177	74.177	74.177
Explanation of Agency Request: Explanation of OMB Recommendation: Does not fund ONDCP's priority Money Services Businesses initiative (\$8M) in FY 99 or the out years.							
U.S. Secret Service Request	80.186	83.313	91.195	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	70.749	73.650	76.669	79.813	83.085

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OMB/ICS DIVISION

DEC-10-1997 09:38

ATTACHMENT I

FEDERAL DRUG CONTROL FUNDING BY AGENCY
Passback of Base Program Operations and Previously-Announced Presidential Priorities Over FY 1999-2003
 (Budget Authority, in millions of dollars)

	1997 Enacted	1998 Enacted	1999 Request	2000	2001	2002	2003
Treasury Forfeiture Fund Request	155.000	192.277	185.320	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	185.320	192.918	200.828	209.062	217.633
Bureau of Interagency Law Enforcement Request	N/A	73.794	76.000	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	73.000	75.993	79.109	82.352	85.729
Total, Treasury Request	1,111.027	1,325.723	1,535.956	N/A	N/A	N/A	N/A
Total, OMB Recommendation	N/A	N/A	1,297.406	1,304.443	1,336.506	1,369.709	1,416.114
U.S. Information Agency Request	7.182	7.332	7.552	N/A	N/A	N/A	N/A
OMB Recommendation	N/A	N/A	7.144	7.144	7.144	7.144	7.144
Veterans Affairs Request	1,056.600	1,097.200	1,139.072	1,183.100	1,226.900	1,275.300	1,375.700
OMB Recommendation	N/A	N/A	1,139.072	1,183.100	1,226.900	1,275.300	1,375.700
Explanation of Agency Request: An additional \$40.5M is requested to maintain current service levels.							
Explanation of OMB Recommendation: VA plans to increase spending on drug treatment programs thru 2002 within the confines of a flat Medical Care budget. Additional funding will come from savings achieved in other "non-drug" areas of Medical Care.							
Total, Drug Control Programs Request	14,952.816	16,005.482	18,163.623	N/A	N/A	N/A	N/A
Total, OMB Recommendation	N/A	N/A	16,290.869	16,107.593	16,025.855	16,373.298	16,784.443



Jose Cerda III

12/09/97 10:04:06 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Leanne A. Shimabukuro/OPD/EOP
Subject: Crime-Related Budget Items

Bruce/Elena:

Here are my reactions to OMB's passback/appeals. Please let me know your reaction. I've shared some of these thoughts w/Deich's folks on a preliminary basis.

1. DPC priorities.

Community-Based Prosecutors and Justice. There are currently no funds for our community prosecutors initiative, so it will have to come from the PPR (President's Priority Reserve). Originally, DOJ had \$25 million for compatible items in its budget submission (a \$3 million community justice initiative and \$22 million for a block-by-block program) that, I believe, can be rolled into what we're trying to do with the Community Prosecutors. However, it looks as if DOJ has given up on these items -- or tucked them elsewhere in the budget. If so, this is all new money that we need to find.

Juvenile Justice. The budget retains the funds we proposed last year and adds \$30 million for Indian country -- that means \$100 million for prosecutors, \$60 million for courts (includes \$10 million increase for Indians), and \$95 million for at-risk youth (includes \$20 million increase for Indians). Even though Congress appropriated \$250 million for a juvenile justice block grant (\$110 reserved for prosecutors and courts), I think -- with one exception -- that we should reiterate what we had in last year's budget until a juvie bill passes. Here's my controversial one exception: we should drop the \$95 million for an at-risk youth initiative and consider using that money for prosecutors.

Here's my reasoning: (1) we have not and are not likely to get this money in the CJS bill. The CJS appropriators and Judiciary Committee continue to resist our efforts to use any significant number of crime/juvenile funds for such broad-based/undefined prevention; (2) Rahm continues to make the case to the Hill leadership that our prevention message needs to be school-focused, yet this initiative is anything but school-focused. And (3) DOJ's budget is also not where the real money or battle is at anyway. Safe and Drug-Free Schools already has the district-by-district support Rahm craves and involves serious money (nearly \$600 million) that is at risk in the budget process. More importantly, we DPC are getting ready to launch a \$200 million per year after school program that should be the focus of our message and legislative efforts.

Indian Law Enforcement. DOJ remains opposed to OMB's proposal and, with the exception of OMB's \$40 million earmark in prisons and \$30 million earmark in proposed juvenile funds, is appealing for some \$102 million out of the PPR for Indian Law Enforcement. This includes: \$4.657 million for 50 investigative positions (30 agents) at FBI; \$3.352 million for FBI victims/witness coordinators and support staff; \$3.466 million for 35 positions in USAs offices (26 AUSAs); 12 new grant administrators to manage the proposed prison/juvenile

earmarks (my personal favorite, in light of Ron Klain's e-mail earlier today); and \$90.405 million for BIA law enforcement (part of the Interior, not DOJ, budget allocation). Personally, I think its ridiculous that DOJ -- for such a "high crime priority" -- can't find even part of mere \$11 million in their FBI or USA budget, or cover the costs of administering earmarks that essentially already exists! I leave to the Interior folks whether or not BIA's \$90 million should come out of their base or the PPR.

Hate Crimes. While I don't have a # for what it will take in terms of FBI and USA resources to implement the Hate Crimes enforcement initiative, DOJ is asking for these funds to come out of the PPR. And as with the Indian Directive, we should support DOJ finding at least some of these resources in house.

2. Other Crime Issues

Byrne Grants. The current OMB passback includes two hits to the Byrne program that I believe are sure to lose on the Hill and get us maximum grief from the Govs: (1) a \$100 million earmark in Byrne (\$553 million overall in formula funds to states) for non criminal justice drug treatment. This is not one of Byrne's authorized purposes, and would seen as taking funds from drug enforcement and putting them into treatment -- a "false choice" we have tried to avoid. And (2) a \$25 million earmark for Indian Country law enforcement.

VAWA. VAWA funds for FY 1999 are currently just below last year's appropriation. Given our record on this issue -- and strong Hill support -- we should at least fund VAWA at least year's level. This is only about another \$21 million.

Drug Testing/Treatment and Courts. OMB and I had discussed consolidating some of the drug testing/treatment dollars, so that the President had a larger initiative to point to (\$200 million, instead of 4-5 different programs). Justice is opposed and thinks this will reduce overall funding. OMB and I have backed off.

Safe Start Initiative. DOJ is asking for \$10 million from the PPR to launch a Safe Start initiative for kids exposed to violence. Frankly, unless this is something we or FLOTUS are committed to, I am not inclined to push for it. First, DOJ has discretionary funds to do this (so it shouldn't get bumped up), and HUD has been authorized since '92 to pursue a similar initiative in public housing (about \$4 million). Second, DOJ originally proposed a \$100 million per year initiative -- and none of the numerous and "supportive" agencies have kicked any dollars into the kitty. To me, this initiative looks a lot like "Pulling America's Communities Together (PACT)," "DAWN" (Denver, Atlanta, Washington, Nebraska), "Model Intensive Grants" and "At-risk Youth," and DPC shouldn't adopt another multi-disciplinary prevention initiative unless we're really committed to it (Besides aren't we getting ready to adopt the AG's communities project and link it to our after school effort?) Third, DPC already is proposing a \$200 to \$400 million per year initiative for early learning, and increasing funds for Early Head Start (0 to 3). I know these initiatives aren't the same, but they've got to be better vehicles/opportunities than DOJ's budget.

Local Law Enforcement Block Grant (LLEBG). DOJ has asked that the President fund this \$523 million law enforcement block grant for cities from the PPR. It's strongly supported by the Hill R's, Mayors and police, and is considered by some as part of the deal that preserves COPS funding at the 100,000 level -- or 1.4+ billion per year. Though we have not supported the LLEBG, it has been faithfully included in the CJS approps and DOJ is now pushing to have it included in our budget. I've suggested to OMB that, if we are really going to consider funding it, we should give the President some options on how to better target the LLEBG. For instance, when the Mayors were here last spring for the Drug Summit, one of their primary beefs was access to direct funds to fight the drug war locally.

Maybe we should consider embracing the LLEBG, but asking Mayors to dedicate it to a balanced local drug strategy. Maybe we should look to use these funds for COPS-related initiatives -- technology, retention and other things that they're probably using it for now anyway.

Race. The COPS budget include \$1 million for police recruitment. Also, the Civil Rights budget includes a \$2 million increase for police brutality and misconduct, and the NIJ budget includes \$500,000 for a police use of force study. I asked for the recruitment funds; I take the police brutality and use of force funds to be a DOJ request.

Youth Crime Gun Interdiction (gun tracing, or YOGI, as I call it). I'm going to double check the #s on this tomorrow, but I do know that Treasury is appealing for some additional funds for this initiative (maybe \$4 million more). We -- including Rahm -- should be supportive. We promised to support Treasury's efforts to fund more ATF agents to work on this and to crack down on illegal gun traffickers.

3. Drug Budget

I asked to see the drug cross-cut, but was unable to get my hands on it. I hope to get it tomorrow and pass along some further comments. Several issues have already surfaced. These include: (1) cutting Safe and Drug-Free Schools in half and sending the money to HHS (ouch! Nuff said); (2) cuts to Custom's personnel budget (this speaks to border drug enforcement issues and is likely to be criticized by some on the Hill); (3) McCaffrey's push for another \$100 million in interdiction funds at DOD (I'm uncertain as to whether or not this is close to being resolved); and cuts to Byrne (mentioned above).

Forgive the length of this e-mail, but I hope this info is useful.

Jose'

DEPARTMENT OF JUSTICE
1999 Passback Guidance

Tuesday, November 25, 1997

DEPARTMENT OF JUSTICE
1999 PASSBACK GUIDANCE
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DEPARTMENT OF JUSTICE
1999 PASSBACK GUIDANCE
(Discretionary BA and Outlay Dollars in Millions)

		<i>1997 Actual</i>	<i>1998 Enacted</i>	<i>1999 Recommended</i>	<i>Change 1998-99</i>
Funding Summary:					
<i>Domestic/International</i>	BA	11,563	11,887	11,977	90
<i>Discretionary</i>	OL	10,904	11,582	11,818	236
<i>Defense Discretionary</i>	BA	209	254	261	7
	OL	149	250	230	(20)
<i>Justice Portion of the VCRTF</i>	BA	4,495	5,185	5,463	278
	OL	2,478	4,606	4,940	334
JUSTICE TOTAL	BA	16,276	17,326	17,701	375
	OL	13,531	16,438	16,988	550
Personnel Summary (FTE):		110,967	121,069*	125,574*	4,505*

* FY 1998 and 1999 FTE totals have been developed from the FY 1998 likely enacted. The FY 1999 total reflects FTE enhancements of 1,238 FTE above the estimated FY 1999 staffing base.

DEPARTMENT OF JUSTICE
OUTYEAR PASSBACK GUIDANCE
(Dollars in Millions)

		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<i>Outyear Funding Summary:</i>					
Domestic/International discretionary	BA	12,204	12,085	12,336	12,676
	OL	11,973	13,128	12,462	12,703
Defense Discretionary	BA	261	261	261	261
	OL	261	261	261	261
Justice Portion of the VCRTF	BA	4,164	4,064	4,164	4,276
	OL	5,482	4,850	4,229	3,927
Justice Total	BA	16,629	16,410	16,761	17,213
	OL	17,716	18,239	16,952	16,891
<i>Total Departmental FTE:</i>		128,897	130,031	132,098	133,046

DEPARTMENT OF JUSTICE 1999 PASSBACK GUIDANCE

Overview

The recommended funding level for FY 1999 is \$17,701 million in BA and \$16,988 million in outlays, a 2.2 percent increase over the FY 1998 enacted level and a 3.3 percent over the 1998 President's request. This passback level includes a Federal civilian pay raise of 3.1 percent and an increase in GSA rental rates for FY 1999. In addition to this passback level, funding for possible Presidential initiatives will be considered for funding from the Presidential Priority Reserve (discussed further on page 4).

Account-by-account allocations are not provided for the \$17,701 million in budget authority. Except for the specific guidance on bureau programs noted in the following pages, the Department has latitude to distribute resources among its bureaus and accounts and is encouraged to determine an optimum program mix from the resources provided. However, the Department's overall spending on drug programs must remain at or above the 1998 enacted drug spending level. A calculation of total drug spending suggests that \$7,265 million was enacted in FY 1998 versus the 1999 passback level of \$7,522 million. Defense discretionary funding included in the total is designated for the National Drug Intelligence Center (\$27 million), FBI salaries and expenses (\$153 million), telecommunications carrier compliance (\$50 million), and radiation exposure (\$31 million).

Appeals of total resource levels or the guidance provided in this document must be must be transmitted in writing no later than Thursday, December 4, 1997. Appeals of resource levels should be listed in priority order, by program or project, and include outyear estimates for budget authority, outlays, and FTE.

Presidential Priority Reserve

The President has agreed that the process of deciding budget levels for the FY 1999 President's Budget will be different than past years. Instead of passing back a single set of budget authority and outlay estimates for each agency -- composed of funding for both base programs and new initiatives -- the OMB passback includes two sets of estimates.

The first set of estimates will be OMB's assessment of what the agency requires for base program operations and previously-announced Presidential priorities over FY 1999-2003.

- The Department may discuss the composition of this passback level with OMB. The Department may appeal this level; however, all appeals for base program operations will compete against initiatives for funding from the Presidential Priority Reserve (see below). Thus, agencies are urged to discuss with their RMO financing additional spending for important base programs within this first passback level. Presidential priorities cannot be adversely affected by this process.
- Base program levels (including previously announced Presidential priorities) will be considered final for agencies that do not appeal these levels. Base program levels will remain open if agencies appeal, and those levels may be increased, decreased or remain unchanged during the final portion of the budget process.

The second set of estimates is a list of candidates (and their associated funding levels) for the Presidential Priority Reserve. This list includes OMB's judgement of which of the initiatives submitted by the agencies or by others should be presented to the President for decision. The items on this list do *not* represent decisions on what will be included in the FY 1999 budget; rather, they are candidates that will be presented to the President for his decision. The combined cost of the items on the list of candidates greatly exceeds funding available in the Presidential Priority Reserve. Agencies may appeal to add additional items to the list or to increase the funding for items already on the list.

OMB will review the comprehensive list of candidates for the Presidential Priority Reserve, by programmatic category (e.g. antiterrorism, health crime and drugs, etc.) Funding for Departmental appeals -- both for base programs and proposed new initiatives - will compete with new initiatives already identified by OMB for possible funding from the Presidential Priority Reserve. The following are the new initiatives identified for possible funding from the Presidential Priority Reserve:

DEPARTMENT OF JUSTICE
PROPOSED PRESIDENTIAL PRIORITY RESERVE FUNDING CANDIDATES
(Dollars in Millions)

		<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
• Fund 1,000 new Border Patrol Agents	BA	103	118	121	126	129
	OL	82	106	119	124	128
• Fund Law Enforcement Block Grant	BA	523	523	523	523	523
	OL	115	298	497	523	523
• Indian Country Law Enforcement	BA	205	144	147	25	25
	OL	107	173	146	73	13
• Western Regional High-Security Prison	BA	125	0	0	0	0
	OL	13	50	56	6	0
• Increase Byrne Anti-Drug Grants	BA	100	100	100	100	100
	OL	22	57	95	100	100
Counter-terrorism Initiatives:						
• Purchase FBI Helicopters	BA	31	0	0	0	0
	OL	31	0	0	0	0
• State & Local First Responder Training	BA	16	0	0	0	0
	OL	12	3	1	0	0

Funding Highlights by Bureau or Activity

Immigration Initiative

Controlling the Nation's borders and removing illegal aliens remains a Presidential priority. Funding initiatives in FY 1999 for the Immigration and Naturalization Service's Salaries and Expenses, VCRTF, and Construction accounts and the Administrative Review and Appeal Account are highlighted below:

- Items Funded

- \$32.5 million to support institutional infrastructure including: \$10 million for vehicle and bus replacements; \$9.4 million to activate Port Isabel Detention expansion; and, \$13.1 million for juvenile and Public Health Service support.
- * -- \$4.7 million to support data clean-up and records centralization.
- * -- \$14.7 million to support enhanced accountability including: \$5 million for financial management; \$2 million and 16 positions for the Office of Internal Audit; and \$4.5 million and 65 positions for additional legal staff to handle expanding INS caseloads.
- * -- \$9 million to redefine the land border strategy including: \$8 million and 105 positions for expedited removals at land ports-of-entry and \$1 million for U.S. Customs reimbursement.
- \$26.7 million for the Border Control Strategy including: \$15 million for the deployment of ISIS, FLIRS, scopes and sensors along the border. \$10 million in additional funding is provided for narrowbanding and communications/radio upgrades. This \$10 million and \$6.7 million in base "enhancement" funds will be consolidated within a separate account managed centrally by the Department to ensure all components have an appropriate strategy and methodology before proceeding with narrowband equipment and communications acquisitions.
- \$26 million for interior enforcement initiatives including: \$2.9 million and 21 positions for strategy development; 103 positions and \$10.3 million to enhance INS anti-smuggling efforts; 43 positions and \$6.5 million for detention support; and 46 positions and \$6.3 million to assist local law enforcement efforts.

-- \$46 million to support criminal alien removals including: \$31 million and 294 positions for the institutional review program; \$10.5 million for use of JPATS to remove illegal aliens; and 46 positions and \$4.5 million to effect final removal orders.

-- \$97.9 million for construction and renovation. This funding is provided as an enhancement to the \$20.3 million base in the Construction Account to renovate and construct Border Patrol and detention facilities and border barriers including: 48 positions and \$35.4 million for real property R&A and one-time construction initiatives; \$3.5 million for Border Patrol planning, site and design projects; \$38.7 million for Border Patrol construction; \$7 million for Defense assisted projects; \$1.9 million for detention planning, site and design; and \$10.7 million for detention construction.

Detention funding is based on the assumption that the Administration will resubmit appropriations language to extend section 245(i) of the Immigration and Nationality Act permanently in FY 1999. The receipts from this penalty should be used to fund alien transportation costs, detention construction and detention support requirements above those approved in this passback.

-- \$10.3 million for the Administrative Review and Appeals to fund expanded INS removal proceedings including: 72 positions and \$9.3 million to coordinate INS initiatives; and \$1 million for video conferencing -- after consultation with INS.

-- Funding for INS' mandatory fee and fine accounts is provided at the request levels, adjusted to reflect the FY 1998 appropriations language. With the completion of two fee studies, we expect INS' program offices, under the leadership of the Budget office, to evaluate base funding in these accounts using the cycle time data developed by the contractor. Cycle time for work processes will help identify and compare cost components to ensure efficiency and costs savings are factored into future fee increase requests. It is unlikely that future requests for fee increases will be considered without an evaluation of the efficient use of base resources.

• Items Redirected/Targeted within Base

-- INS has estimated that approximately 240 land border inspectors will be "freed" from issuing Border Crossing Cards at land ports-of-entry when this process is consolidated within the Department of State. Up to 100 of these inspectors should be dedicated to primary inspection at pedestrian crossings. Land ports-of-entry inspection will become the sole responsibility of the INS in FY 1999. Customs inspectors freed from pedestrian inspection will support additional pre- and post-inspection roving operations.

- INS needs to enhance its intelligence capabilities. While no additional resources have been specifically provided as requested, dedicated staff at the sector and district level should be targeted to address this deficiency. Agents and inspectors should be selected for a one/two year rotational program and dedicated to field intelligence. These resources should report to the sector, district and regional intelligence officers and assist headquarters in coordinating intelligence gathering and analysis agency-wide. This program will: (1) improve INS' intelligence capabilities; (2) ensure field operatives are dedicated to intelligence gathering for a specific time period; and (3) result in enhancing agent and inspector job opportunities, performance and satisfaction.

- Items Not funded

- \$36.9 million for the establishment of a land port-of-entry departure management pilot. This request has been deferred until a study that analyzes the total costs and benefits of a departure management system, as required by Congress, is completed.
- \$40 million for the San Francisco detention facility from discretionary sources. INS may proceed with the first phase of this project (\$14 million) from a combination of User Fee and Detention account funds, revenues permitting.

Prisons and Detention

The FY 1999 budget continues the President's D.C. revitalization initiative that consolidates all D.C. sentenced felons within the Federal Prison system. The recommendation includes the following:

- Items Funded:

- * -- \$300 million to fund prison construction in support of the D.C. revitalization initiative.
- \$25 million for the US Marshals Service including: \$12 million to support protection of the Judiciary (courthouse personnel, security and juveniles); \$2.2 million for D.C. Superior Court; \$1.6 million for USMS' Electronic Surveillance Unit; \$3 million for vehicle replacement, the IGA program and to contract with the Public Health Service; and \$2.8 million for ADP and telecommunications. Of the \$2.8 million provided above, \$2 million is for the replacement of digital narrowband equipment. This amount will be consolidated within a separate account managed centrally by the Department to ensure all components have an appropriate strategy and methodology before proceeding with communication system procurement. An additional \$3 million is provided, as an enhancement to the \$2.3 million base, for an above standard construction program as agreed to by

GSA and USMS. In FY 1999, the \$2.3 million in base funds should be transferred from BOP's Building and Facilities account and consolidated with the FY 1999 enhancement in a U.S. Marshals construction account.

- \$10 million and 118 positions for the Justice Prisoner and Alien Transportation System (JPATS). These funds and positions are transferred as base funding for the JPATS revolving fund that will be established in FY 1999. In FY 1999, \$5 million is provided to the Fund to acquire a replacement Saberliner aircraft and an additional 55 positions are provided to support the expanded mission of JPATS. The base funding transfer represents a \$15.3 million reduction in the USMS S&E base. Of this \$15.3 million total, \$5.3 million in base resources transferred to USMS from INS upon the creation of JPATS is returned to the INS to fund illegal alien movements on JPATS in FY 1999. By 1999, the Fund should have a management team lead by a Director who should be selected based on qualification as a transportation expert. An additional four staff members qualified in transportation management and revolving fund budgeting, finance, procurement and cost analysis should be added to the Fund's management structure.

- Items Not Funded:

- 7 -- The proposed \$35 million base enhancement for BOP operations and maintenance has not been funded. Better management and prioritization of existing base resources can meet most short-term improvements. We will work with BOP to proposed legislation to permit a higher threshold for line-item project funding.
- 7 -- No funds are provided for the USMS "uncontrollable" workload model. Such a model is only useful if the base or existing staff resources are measured by the standards set in this model for new hires. Until the current workforce is measured against workload and performance criteria that show they are being used most effectively, it is difficult to base enhancement on this proposed model.

Federal Bureau of Investigation

- Items Funded

- \$50.0 million for Telecommunications Carrier Compliance (function 054). Given the continuing delays and uncertainties with implementation of CALEA, as well as available unobligated balances, the full request of \$100 million is not being funded. The

? Issue Fed Insurance (FBI)?

FBI should seek transfers of unobligated balances from other law enforcement and intelligence agencies if additional funds should prove to be needed in 1999.

- \$61.0 million for narrowbanding of wireless radio systems (7 positions). The amount provided is less than the \$131 million requested because of the uncertainties associated with the procurement process and the ability of the FBI to obligate the full amount requested for 1999. In addition, private sector competition should reduce unit costs for mobile and handheld radios, and FBI management initiatives should result in infrastructure costs below those projected in the budget request. Narrowbanding funds for all Justice components will be appropriated to a new account managed by the Department to ensure that all components have an appropriate strategy and methodology before proceeding with procurement of narrowbanded equipment and infrastructure improvements.
- \$50.0 million for information sharing initiative. (20 positions). This provides full up-front funding for Phase 1 of the initiative, and includes resources to implement activities planned for both 1999 and 2000 (including that portion of Phase 2 related to establishment of basic networking capability). None of the amount provided may be recurred. A request for Phase 2 funding must be treated as an enhancement in the FY 2000 budget.

The amount provided is significantly below the requested amount because of concerns about network design assumptions and costing methodology, including: (1) over-estimation of the number of staff that require access to the system and all of its planned capabilities (which dramatically affects hardware and software requirements); (2) less than full application of base resources, including current hardware, to satisfy the resource requirements for the initiative; (3) questionable need for, and inability of the FBI to use, all of the requested scanners; and (4) insufficient justification for the increase in printers.

Given the lack of experience within the FBI in implementing a network of this type and magnitude, use of this funding is conditioned as follows. First, in FY 1998 the initiative must be reviewed by the inter-agency Information Technology Resources Board (ITRB). The ITRB review must include an assessment of whether: (1) the proposed network will be sufficiently integrated into the Department's overall IT architecture; (2) Phase 1 is sufficiently "modularized" to ensure a high likelihood of success and value-added at its completion; (3) the implementation strategy and schedule are appropriate, milestones and delivery dates are achievable, and Phase 1 can be completed within 24 months; and (4) the issue of user acceptance has been adequately addressed in the design of the system. The ITRB must present the results of its review to the Department and OMB no later than June 30, 1998.

A second condition for the use of these funds is for the FBI to enlist the services of an experienced and independent consultant that has successfully implemented such a project. Experts from other Federal agencies may be considered. The ITRB should be requested to provide recommendations for candidates to be considered.

Finally, the FBI, DOJ, and OMB should review the status of the project on a quarterly basis after the ITRB review is completed.

- \$10 million for completion of Phase II of the renovation of the Quantico firearms range. This includes a 50-yard partially baffled range, obstacle and combat training facility, 200-yard rifle range, and partial lead abatement.
- \$3 million for Quantico master plan, architectural and engineering services, and support staff for construction/facilities maintenance (3 positions). The master plan must provide a medium to long range proposal for the use of the Quantico complex, including new buildings proposed or under consideration (e.g., CIRG facility and Technical Support Center). The master plan should give emphasis to approaches that: (1) minimize infrastructure costs (including traditional infrastructure such as roads, parking lots, and power plants, as well as cafeterias, auditoriums, and conference facilities); and (2) ensure the efficient use of land and facilities, including the sharing of firing ranges and other special purpose facilities. The completed master plan must be submitted to OMB before consideration will be given to any future construction funding.
- Items Redirected/Targeted Within Base
 - \$10.0 million for Indian Country crime. See next section on Indian Country crime.
 - \$13.0 million for hate crimes. The Bureau is expected to redirect base resources in 1998 and 1999 to implement the President's commitment to assign up to 50 more FBI agents and DOJ prosecutors to investigate hate crimes.
- Items Funded in 1998
 - \$11.6 million for tactical helicopters (\$23.2 million funded)
 - \$2 million for aviation hanger
 - \$1.2 million for Computer Analysis Response Teams (\$0.9 million funded)
 - \$0.9 million for bomb technician equipment (\$1.6 million funded)

- \$15.0 million for two Nightstalkers (\$10 million funded)
- \$0.9 million for HRT operational airlift support (\$1.5 million funded)

- Other Guidance

The 1999 appropriations bill includes authority for the Federal Bureau of Investigation to develop a three year pilot program for compensation of non-Special Agents in scientific, technical, and similar positions. Authority is also provided for the Treasury Department to implement demonstration programs for such positions in the Bureau of Alcohol, Tobacco, and Firearms, the United States Customs Service, and the United States Secret Service. While OMB strongly support efforts to ensure the highest quality workforce for law enforcement agencies, the new authority appears not to be necessary. Little evidence of recruitment and retention problems for these occupational categories has been provided to OMB, and if there are problems, it appears that they could be solved by the use of existing authorities. In addition, the budget impact of implementing the provisions is not known. The two departments are requested to work with the Office of Personnel Management and OMB to resolve these issues before developing any plan to implement the new authority.

Indian Country Law Enforcement

While this item is included in the list of potential funding increases from the Presidential Reserve, the Passback level includes the requested funding by redirecting and targeting existing programs toward Indian Country. Unless additional funds are provided from the Presidential Reserve, increased funding for Indians should be provided in the following manner:

- Items Funded

- \$10 million for tribal courts
- \$10 million for drug programs
- \$20 million for youth crime prevention programs

- Items Redirected/Targeted Within Base

- \$165 million for the Indian Country law enforcement initiative, to be achieved by targeting existing COPS, OJP, FBI, and U.S. Attorneys' resources towards Indian Country. The chart below shows how OJP and COPS grants should be targeted. In two

cases -- Tribal Courts and Juvenile Justice At-Risk -- new programs for Indian Country would be created. Within existing resources, the FBI should increase its spending on Indian Country from \$13 million to \$23 million, and the U.S. Attorneys should increase Indian Country funding from \$10 million to \$14 million.

Components w/ Indian Programs	Total 1999 Recommendation	Current allocation for Indians (\$)	Current allocation for Indians (%)	Proposed allocation for Indians (\$)	Proposed allocation for Indians (%)
COPS	1,420	2	0.1%	54	3.8%
Prison Grants	711	3	0.4%	78	11.0%
Byrne Grants	553	1	0.2%	25	4.5%
At-risk	20	n/a	n/a	20	100.0%
Drug Programs	200	1	0.5%	11	5.5%
Tribal Courts	10	n/a	n/a	10	100.0%

- Items Not funded

-- No funds are provided for the transfer of existing programs from the Bureau of Indian Affairs to the Justice Department. Interior will continue to provide funds for law enforcement to tribal governments.

Drug Enforcement Administration

- Items Funded

* -- \$7.5 million for methamphetamine. This amount provides \$1.0 million for clandestine laboratory trucks, \$392,000 for laboratory intelligence, \$1.975 million for chemical control, and \$4.1 million for clandestine laboratory hazardous waste cleanup. While this level is lower than the amount requested, this funding provides infrastructure support to DEA to enhance its current efforts, as well as those provided for in FY 1998 (including 60 agents and \$11.046 million), and is in keeping with the drug-related priorities of the Attorney General and the Office of National Drug Control Policy (ONDCP).

- \$2.5 million for international organized crime. This level provides funding for half the requested level for intelligence analysts for Mexico (\$1.415 million and 5 positions) and funding to improve international security (\$1.075 million and 5 positions).

These funding levels are directed towards infrastructure improvements, rather than agent increases, in order to increase productivity of DEA's current agent staffing. Despite DEA's recent funding increases (including the FY 1998 increase of \$48 million over the President's request), it is unable to articulate probable outcomes associated with particular levels of funding. DEA should strive to demonstrate not only a linkage between its goals and those of the Department and the Office of National Drug Control Policy but also a linkage between its resource allocation and its performance.

- Items Redirected/Targeted Within Base

- \$1.8 million for National Drug Pointer Index System (NDPIX)
- \$1.5 million for Mobile Enforcement Team (MET) intelligence analysts
- \$10 million in base for narrowbanding conversion will be consolidated within a separate account managed centrally by the Department to ensure that all components have an appropriate strategy and methodology for procurement of narrowbanded equipment and infrastructure improvements.

State and Local Assistance/VCRTF

State and local assistance and VCRTF spending remain Presidential priorities. Funding for Justice Assistance, Juvenile Justice, COPS and other VCRTF programs are highlighted below:

- Items Funded

- Justice Assistance. The total includes \$600,000 for a criminal justice expenditure and employment survey, \$3.4 million for Census COLA increases, and \$1 million for Hate Crime initiatives.
- \$95 million for After-school Crime Prevention, \$20 million should be used to improve coordination and cooperation of tribal governments, Federal agencies and other organizations serving Indian youth.
- \$6 million for D.C. Revitalization The guidance includes \$6 million to provide criminal justice research expertise and technical assistance to DC. This includes a project to help the District develop a state-of-the-art crime mapping capability. The

recommendation does not include \$5 million for a proposal to create a public non-profit corporation to provide the District with the capability to mount its own program evaluations. The Department should work with the District to create this capability in-house including in the Metropolitan Police Department.

-- Violent Crime Reduction Trust Fund. VCRTF spending is detailed on the attached chart and all changes must be appealed or approved by OMB. Total VCRTF spending for DOJ is \$5,463 million, which is the full amount authorized for DOJ by the Bipartisan Budget Agreement. The following VCRTF programs are of particular interest to the Administration:

- \$1.42 billion for Community Oriented Policing Services (COPS), which includes \$1 million in COPS non-hiring funding for police recruitment efforts in support of the President's Hate Crime initiative.
- \$711 million for Violent Offender Incarceration and Truth-in-Sentencing (VOI/TIS). The total includes \$536 million for construction, \$150 million for the State Criminal Alien Assistance Program, and \$25 for the Cooperative Agreement Program.
- \$350 million for Reimbursements to States for Costs Associated with Incarcerating Criminal Illegal Aliens. This level of funding, combined with the \$150 million provided from State Prison Grants, provides a total of \$500 million in FY 1999.
- \$200 million for a Comprehensive Drug Intervention program. This funding consolidates a number of anti-drug programs into one comprehensive drug intervention proposal, which could be used to fund drug testing and treatment programs as well as Drug Courts. \$10 million of the total must be used to provide drug intervention on Indian lands.
- \$250 million for Violence Against Women Programs.
- \$553 million for Byrne Law Enforcement Assistance. Within Byrne, \$100 million is allocated to drug treatment away from drug law enforcement assistance. This funding is targeted primarily for individuals not currently under the supervision of the criminal justice system. While the Passback level redirects \$100 million withing Byrne from law enforcement to drug treatment, additional funding (+\$100 million) for Byrne is also included in the list of potential funding increases from the Presidential Reserve. Additional funds provided from the Presidential Reserve for Byrne should also be allocated towards drug treatment.

- \$40 million for the Office of Weed and Seed.
- \$100 million for Prosecutorial Grants.
- \$60 million for Violent Youth Courts, which includes \$10 million for tribal courts on Indian lands.

- Items Not funded

- ✖ -- \$523 million for the Local Law Enforcement Block Grant

Other Justice Components

- Items Funded

- ✖ -- \$2 million program increase for the Civil Rights Division for police brutality and misconduct, and for information technology; and a \$1 million increase for the Civil Rights Division for Coordination and Review.

- \$10 million for the Joint Automated Booking System

- \$27 million for the National Drug Intelligence Center and \$9 million in ICASS expenditures for DEA, FBI, and INS.

- Passback assumes 6 percent growth in Hart-Scott-Rodino fee revenue, resulting in collections of \$81,687,000 in 1998 and \$86,588,000 in 1999.

- Items Not funded

- \$29 million requested for Counterterrorism Fund is not funded given the large unobligated balance available; \$33 million in new 1998 funding is not recurred.

- \$33 million in program enhancements for the Interagency Crime and Drug Enforcement (ICDE). Despite the progress ICDE has made with regards to establishing an annual performance plan, like the DEA, ICDE appears unable to articulate measurable outcomes (other than numerical outputs such as numbers of arrests, joint investigations initiated, etc.) associated with

particular levels of funding. We expect ICDE, in conjunction with the Treasury ICDE counterparts, to consider reallocation of its base resources (e.g., strategic geographic placement of investigative resources) in order to maximize productivity of the law enforcement personnel involved in the program.

- The \$51 million request for Winstar litigation is not funded within the Department's discretionary total. The Department should prepare a legislative proposal to fund Winstar litigation expenses from mandatory spending. The Department should attempt to identify an offset, as an offset has yet to be identified.

Management Issues

INS Reorganization

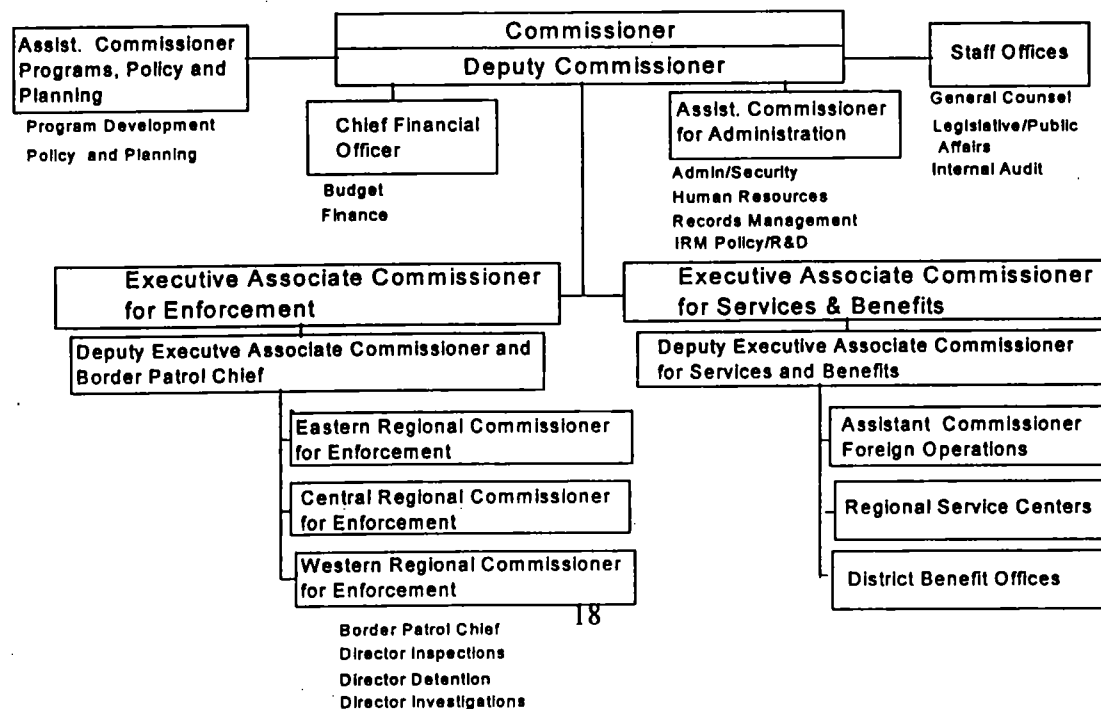
In response to the September 1, 1997, release of the final report of the Commission on Immigration Reform (CIR), the President directed the Domestic Policy Council (DPC) to review the CIR report and recommend ways to improve and streamline Federal immigration policy development and management. The DPC working group will use the President's FY 1999 budget as the vehicle to transmit the President's proposal to the Congress. Towards that end, the following organizational option for the INS has been developed. This reorganization proposal permits INS to meet the fundamental programmatic challenges facing the agency in a way that addresses the concerns identified by the CIR and permitting INS' core functions to remain intact. The Department and INS are requested to address this organizational proposal as part of any appeal.

Restructure Headquarters:

Up until 1993, INS operated with insufficient resources, weak or non-existent management systems and processes, and lackluster internal management. Since then INS has made progress implementing major changes to enforcement and benefit systems, improving management practices, and upgrading staff capabilities at a time when resources and responsibilities have grown significantly. Instead of dismantling an improved INS as recommended by the CIR, an effort should be made to build on the accomplishments of the past four years. What INS requires is a streamlined organizational structure based on programmatic priorities and clear lines of authority, responsibility and accountability. Such a structure would focus attention and assign responsibilities to those charged with carrying out INS' dual enforcement and benefit roles. We believe these dual but interrelated responsibilities should remain within one agency and properly within DOJ. A future INS organization should have these features:

INS Headquarters, lead by a Commissioner and Deputy Commissioner, would focus on policy, strategic planning and management support (finance, records, Information Resource Management (IRM) policy and R&D); budget formulation; and compliance with policy and procedures. All line management and operational authority for agency-wide support systems like finance, budget, IRM policy, R&D, and records management would be consolidated in Headquarters.

- Reflecting the importance of INS' fee and fine account receipts (\$1.4+ billion) and the deficient condition of INS' financial operations, a separate Chief Financial Officer (CFO) would be established and report directly to the Commissioner. The CFO organization would include agency-wide budget formulation and execution.
- IRM policy and standards and all R&D initiatives would be consolidated within Headquarters. Operational and support IRM functions would report to the respective program offices.
- A small policy and planning office would develop long-range strategic plans, perform GPRA implementation and monitoring, and improve INS' important statistically policy and measurement responsibilities.
- Headquarters Administration should focus on consolidating records management, improving agency facilities, and managing a streamlined administrative service center operation to effectively meet the needs of field operations.



Programmatic Focus:

While the CIR recommends splitting the agency, a programmatic split that maintains the enforcement/benefit link necessary to function effectively accomplishes the same goal. The reorganization would separate **Enforcement** and **Services** under the leadership of two **Executive Associate Commissioners (EAC)**. The creation of these two EACs would ensure that clear lines of authority, responsibility and accountability exist in program operations, help bring a field perspective to Headquarters decision making, and reduce stovepipe operations currently prevalent in enforcement operations. The CIR recommendation to merge INS' enforcement agents (Border Patrol, inspection and detention) into one uniform service and a white-collar investigative service should be implemented. This reorganization supports this evolutionary initiative by putting the Border Patrol Chief in a direct line of authority for all enforcement activities and operations organized along Border Patrol sector and regional boundaries. The CIR also calls for higher visibility and focused management attention on the provision of services and benefits to immigrants, and to ensure organizational safeguards exist so that fee account receipts support fee-related activities. The division of responsibilities as proposed under this reorganization and improved financial systems will help achieve these goals. Under this proposed organizational structure, the EACs for Enforcement and Services would be responsible for the following:

Executive Associate Commissioner for Enforcement would coordinate all enforcement operations and staff (Border Patrol, investigation, inspections, intelligence and detention).

- A Deputy Executive Commissioner, who is also the Border Patrol Chief, would have line authority for all enforcement activities to ensure coordination between enforcement components.
- Three Regional Enforcement Commissioners would be responsible for coordinating INS enforcement functions within the regions. A Deputy Regional Commissioner would also be the Regional Border Patrol Chief with line authority in that region.
- INS enforcement functions would be organized along the Border Patrol sector model with sector chiefs for each function reporting to the region.

Executive Associate Commissioner for Services and Benefits would be responsible for providing efficient service and effective and accurate delivery of benefits to the immigration community.

- Regional Service Centers, which will play an expanded role as direct mail benefit processing comes on line, will report to this EAC.

- Foreign Operations, which has dual benefits and enforcement responsibilities for refugees, asylees and international anti-terrorism efforts would report to this EAC.
- All existing District Office operations (31 district offices or the expanded 80 suboffices currently under development) would report directly to the Deputy EAC. This direct reporting relationship will ensure that standards are consistent agency-wide and these standards and operating procedures are understood and applied consistently within all of INS' districts.

Procurement Reform:

As discussed during the General Administration budget hearing this fall, DOJ will conduct a past performance measurement review to identify problems and/or impediments inherent in the collection and utilization of past performance information. DOJ should apprise OMB of its progress on a quarterly basis and complete the review by the end of FY 1999.

Financial Management:

While DOJ continues to make improvements in its financial management, OMB expects DOJ to implement financial systems and accounting policies which comply with Federal requirements and provide DOJ managers with accurate and useful financial information. In order to achieve this objective, OMB expects DOJ to:

- Submit its FY 1997 Department-wide audited financial statement to OMB by March 1, 1998;
- Achieve unqualified financial statements by FY 2000;
- Migrate INS to a new core accounting system, complete with interfaces to other financial management systems, by the end of FY 1999; and,
- Achieve substantial compliance with FFMIA in the 1999 financial statement audit.

Year 2000 Computer Problem:

OMB is concerned about the progress of the Department in renovating, validating and implementing fixes to its mission-critical systems. We urge the Department to accelerate its efforts. By December 15, OMB requests that the Department provide a list of the 125 mission critical

systems the Department has identified as being repaired, and a schedule for completion of renovation, validation and implementation of each. In addition, please include Departmental component detail in the February and subsequent Year 2000 quarterly reports to OMB. Finally, OMB would like to receive copies of status reports from the Department's soon to be hired IV&V contractor.

OMB is concerned that the cost of fixing this problem for the Department may increase significantly as progress is made. Therefore, OMB will evaluate each component's progress in the February and subsequent reports, and will apportion funds as necessary to assure that each component has sufficient funding and is making adequate progress on fixing the Year 2000 problem.

Data Center Consolidation

The Office of Information and Regulatory Affairs (OIRA) estimates that \$43 million could be saved by further consolidation of Departmental and FBI data centers. The Department should submit, by March 1, 1998, an analysis of consolidation opportunities. The analysis should include an option for consolidation at the Clarksburg, West Virginia facility, as well as use of the private sector. This evaluation must be reviewed with OMB. The results of this evaluation, including any anticipated savings, will be reflected in the FY 2000 budget.

Asset Forfeiture Management

The management and quality of the Department's asset disposal process continues to be a concern. As currently organized, the asset forfeiture function has bifurcated management within the Department. This structure is further fractured as oversight and management of the asset forfeiture program is dispersed to the 94 US Marshal Service districts. While standards exist, the level of attention, expertise and management varies widely between districts. Over the next year, performance measures should be reported under the Asset Forfeiture Fund for DOJ-held assets, by asset type, that compare DOJ performance against comparable commercial standards for timeliness of disposal, percent of market value captured on disposal, ratio of costs incurred to proceeds of sale, timely identification of problem properties for special handling, or similar relevant factors. The Department should provide the leadership to develop a methodology for documenting commercial standards, defining and publicizing comparable DOJ standards, and reporting DOJ performance.

Credit Management

This passback assumes full implementation of the Debt Collection Improvement Act requirements, specifically referring delinquent debt to Treasury for offset. Debt that is over one year old that is not referred to a private collection agency or to Treasury for collection should be considered for sale beginning no later than 1999. Credit subsidy estimates will be adjusted to presume asset sales of delinquent debt that is

more than one year overdue. Agencies will be expected to participate in a governmentwide financial advisory services contract sponsored by GSA which will provide agencies asset sales support. In addition, the Department should provide to OMB a list of those districts which meet the threshold criteria for expansion of the Private Counsel Program for debt collection.

National Archives and Records Administration Reimbursable Program

In FY 1999, the National Archives and Records Administration (NARA) will establish a reimbursable records storage program that will begin to charge Federal agencies for the cost of storing their temporary records in FY2000. NARA will also establish criteria that Federal agencies may use to store their own temporary records or to secure the services of private sector records storage providers. NARA has pledged to work with Federal agencies over the coming months to provide estimates of the current costs associated with storing individual agencies' temporary records.

Census Reimbursable Program

Starting in FY 2000, the Census Bureau will more fully allocate costs associated with its demographic surveys by allocating costs for sample redesign to the Agency for Health Care Policy and Research; Bureau of Justice Statistics; Bureau of Labor Statistics; Food and Consumer Service; HUD's Office of the Assistant Secretary for Policy Development and Research; National Cancer Institute, National Center for Education Statistics; and National Center for Health Statistics. The Census Bureau will work with the affected Federal agencies over the coming months to determine estimates of the outyear funding requirements of this activity.

VIOLENT CRIME REDUCTION TRUST FUND
(In millions of dollars)

Agency/Programs						
	Authorized	1995	1996	1997	1998	1999
	Total ('95-'00)	Enacted	Enacted	Enacted	Enacted	Recmd.
DEPARTMENT OF JUSTICE						
General Administration (GA).....	0	17	0	0	0	0
Administrative Review and Appeals.....	0	0	48	48	59	65
Community Oriented Policing Services (COPS).....						
Community Policing.....	8,800	1,300	1,390	1,400	1,400	1,400
Police Corps.....	100	0	10	20	30	20
Police Scholarship Program.....	100	0	0	0	0	0
Police Recruitment.....	24	0	0	0	0	0
Subtotal, COPS.....	9,024	1,300	1,400	1,420	1,430	1,420
General Legal Activities (GLA).....	0	5	8	8	8	8
U.S. Attorneys (USA).....	54	7	30	44	63	54
U.S. Marshals Service (USMS).....	0	0	25	25	26	26
Federal Bureau of Investigation (FBI).....	776	0	218	169	179	374
Drug Enforcement Administration.....	322	0	60	220	404	405
Immigration and Naturalization Service (INS).....	1,211	255	316	500	607	737
Bureau of Prisons (BOP).....	113	0	14	25	26	27
Office of Justice Programs (OJP).....						
Justice Assistance:						
Comprehensive Drug Intervention Program.....						200
Local Crime Prevention Block Grant.....	377	0	0	0	0	0
Model Intensive Grants.....	626	0	0	0	0	0
Weed and Seed.....	0	0	0	0	0	40
Res. Substance Abuse Treatment For State Prisoners.....	270	0	27	30	63	0

VIOLENT CRIME REDUCTION TRUST FUND
(In millions of dollars)

Agency/Programs						
	Authorized	1995	1996	1997	1998	1999
	Total ('95-'00)	Enacted	Enacted	Enacted	Enacted	Recmd.
Violence Against Women:						
Grants To Combat Violence Against Women	800	26	130	145	172	165
Grants To Encourage Arrest Policies.....	120	0	28	33	59	55
Rural Domestic Violence Enforcement.....	30	0	7	8	25	17
Victims of Child Abuse Grants:						
Court-Appointed Special Advocate Program.....	38	0	6	6	7	7
Training for Judicial Personnel & Practitioners.....	8	0	1	1	2	2
Grants for Televised Testimony.....	4	0	0	1	1	1
National Stalker & Domestic Violence Reduction.....	6	0	2	2	3	3
Victims Counselors.....	1	0	0	0	0	0
Training Programs.....	2	0	1	1	2	0
State Data Base Study.....	0	0	0	0	0	0
National Study/Campus Assault.....	0	0	0	0	0	0
Sub-total, Violence Against Women	1,010	26	175	197	271	250
Rural Law Enforcement.....	240	0	0	0	0	0
Assist for Delinquent & At-Risk Youth.....	36	0	0	0	0	0
Family Unity Demo Projects.....	20	0	0	0	0	0
Boys and Girls Clubs.....	80	0	0	0	0	0
Missing Alzheimer's Grants.....	3	0	1	1	1	1
Terrorism Act:						
Firefighter & Emergency Services Training.....	5	0	0	0	0	5
Foreign Assistance in Counterterrorism Technology.....	20	0	0	0	0	0
R&D in Counterterrorism Technology.....	10	0	0	0	0	0
Byrne Grant--Anti-Terrorism Training Programs.....	100	0	0	0	0	10
Subtotal, Justice Assistance/Crime Prevention.....	3,805	26	202	227	335	506
State and Local Assistance:						
State & Local Block Grant.....	0	0	503	523	523	0
Prosecutor Grant Program.....	0	0	0	0	0	100
Juvenile Justice Block Grant Program.....	0	0	0	0	250	0
Police Corps.....	0	0	0	0	0	0
Local Crime Prevention Block Grant.....	0	0	0	0	0	
Brady Handgun Violence Prevention.....	150	100	25	50	45	45
Byrne Grant Program.....	1,000	450	147	199	42	553

VIOLENT CRIME REDUCTION TRUST FUND
(In millions of dollars)

Agency/Programs						
	Authorized	1995	1996	1997	1998	1999
	Total ('95-'00)	Enacted	Enacted	Enacted	Enacted	Recmd.
Incarceration of Undocumented Criminal Aliens.....	1,800	130	300	330	420	350
State Court Assistance/Violent Youth Courts.....	150	0	0	0	0	60
Drug Courts.....	1,000	12	0	30	30	0
Ounce of Prevention Council.....	0	0	0	0	0	0
Certain Punishment for Young Offenders.....	150	0	0	0	0	0
Violent Offender Incarceration Grants.....	10,443	25	618	670	721	711
Community Based Grants for Prosecutors.....	50	0	0	0	0	0
Law Enforcement Family Support.....	25	0	1	1	1	2
DNA Identification State Grants.....	40	0	1	3	12	15
Tuberculosis in Prison.....	5	0	0	0	0	1
Improved Tng & Tech Automation.....	100	0	9	0	0	0
Other Law Enforcement - Federal:						
Gang Investigation Info. Collection.....	1	0	1	0	0	0
Motor Vehicle Theft Protection.....	5	0	1	1	1	2
Senior Citizen Marketing Scams.....	10	0	0	2	3	2
Presidential Summit on Crime.....	1	0	0	0	0	0
Subtotal, State & Local Assistance.....	14,930	716	1,605	1,809	2,048	1,841
Subtotal, OJP.....	18,735	742	1,808	2,036	2,383	2,347
Total, Department of Justice.....	30,234	2,326	3,926	4,495	5,185	5,463

VIOLENT CRIME REDUCTION TRUST FUND
(In millions of dollars)

Agency/Programs						
	Authorized	1995	1996	1997	1998	1999
	Total ('95-'00)	Enacted	Enacted	Enacted	Enacted	Recmd.
<u>INDEPENDENT AGENCIES</u>						
Ounce of Prevention [OIA].....	90	2	0	0	0	0
State Justice Institute.....	1	0	0	0	0	0
<u>EDUCATION</u>	243	0	0	0	0	0
<u>HEALTH & HUMAN SERVICES</u>						
Public Health Service (PHS).....	215	0	32	41	51	51
Administration for Children & Families (ACF).....	1,195	11	21	20	93	93
Total, HHS.....	1,411	11	53	61	144	144
<u>HOUSING & URBAN DEVELOPMENT (HUD)</u>	1,620	0	0	0	0	0
<u>INTERIOR</u>	32	0	0	0	0	0
<u>JUDICIARY</u>	242	0	30	30	40	60
<u>TRANSPORTATION</u>	10	0	0	0	0	0
<u>TREASURY</u>	721	39	77	97	131	133
TOTAL, CRIME CONTROL ACT.....	34,603	2,378	4,085	4,683	5,500	5,800

VIOLENT CRIME REDUCTION TRUST FUND
(In millions of dollars)

Agency/Programs	Authorizations		1995	1996	1997	1998 Appropriations Action				1999
	1999	Total	Enacted	Enacted	Enacted	Budget	House	Senate	Enacted	Request
DEPARTMENT OF JUSTICE										
General Administration (GA)	0	0	17	0	0	0	0	0	0	0
Administrative Review and Appeals	0	0	0	48	48	59	59	59	0	65
Community Oriented Policing Services (COPS)										
Community Policing.....	1,700	8,800	1,300	1,390	1,400	1,400	1,400	1,400	0	1,400
Police Corps.....	20	100	0	10	20	20	20	40	0	20
Police Scholarship Program.....	20	100	0	0	0	20	0	0	0	20
Police Recruitment.....	6	24	0	0	0	5	0	0	0	6
Prosecutor Grants.....	0	0	0	0	0	0	0	0	0	0
Subtotal, COPS.....	1,746	9,024	1,300	1,400	1,420	1,445	1,420	1,440	0	1,446
General Legal Activities (GLA)	0	0	5	8	8	8	8	8	0	8
U.S. Attorneys (USA)	13	54	7	30	44	51	63	46	0	52
U.S. Marshals Service (USMS)	0	0	0	25	25	26	26	26	0	26
Federal Bureau of Investigation (FBI)	165	776	0	218	169	179	179	179	0	177
Drug Enforcement Administration	85	322	0	60	220	400	310	441	0	405
Immigration and Naturalization Service (INS)	9	1,211	255	316	500	732	691	720	0	752
Bureau of Prisons (BOP)	27	113	0	14	25	26	26	6	0	27
Office of Justice Programs (OJP)										
Justice Assistance:										
Local Crime Prevention Block Grant.....	76	377	0	0	0	0	0	0	0	0
Model Intensive Prevention Grants.....	125	626	0	0	0	0	0	0	0	0
Weed and Seed.....										
Res. Substance Abuse Treatment For State Prisoners.....	72	270	0	27	30	63	63	61	0	72
Violence Against Women:										
Grants To Combat Violence Against Women	165	800	26	130	145	160	160	160	0	212
Grants To Encourage Arrest Policies.....	0	120	0	28	33	59	116	59	0	0
Rural Domestic Violence Enforcement.....	0	30	0	7	8	15	15	25	0	0
Victims of Child Abuse Grants:										
Court-Appointed Special Advocate Program.....	9	38	0	6	6	7	7	7	0	12

VIOLENT CRIME REDUCTION TRUST FUND
(In millions of dollars)

Agency/Programs	Authorizations		1995	1996	1997	1998 Appropriations Action				
	1999	Total	Enacted	Enacted	Enacted	Budget	House	Senate	Enacted	Request
Training for Judicial Personnel & Practitioners.....	2	8	0	1	1	2	2	7	0	0
Grants for Televised Testimony.....	1	4	0	0	1	1	1	1	0	0
National Stalker & Domestic Violence Reduction.....	0	6	0	2	2	3	3	3	0	0
Victims Counselors.....	1	1	0	0	0	0	0	0	0	0
Training Programs.....	0	2	0	1	1	2	2	2	0	0
State Data Base Study.....	0	0	0	0	0	0	0	0	0	0
National Study/Campus Assault.....	0	0	0	0	0	0	0	0	0	0
Sub-total, Violence Against Women	178	1,010	26	175	197	249	306	264	0	224
Rural Law Enforcement.....	60	240	0	0	0	0	0	0	0	0
Assist for Delinquent & At-Risk Youth.....	8	36	0	0	0	8	0	0	0	0
Family Unity Demo Projects.....	4	20	0	0	0	0	0	0	0	0
Boys and Girls Clubs.....	20	80	0	0	0	0	0	0	0	0
Missing Alzheimer's Grants.....	0	3	0	1	1	1	1	1	0	1
Terrorism Act:										
Firefighter & Emergency Services Training.....	0	5	0	0	0	0	0	0	0	0
Foreign Assistance in Counterterrorism Technology.....	0	20	0	0	0	0	0	0	0	0
R&D in Counterterrorism Technology.....	0	10	0	0	0	0	0	0	0	0
Byrne Grant--Anti-Terrorism Training Programs.....	25	100	0	0	0	0	0	0	0	0
Subtotal, Justice Assistance/Crime Prevention.....	745	3,805	26	202	227	321	370	326	0	297
<u>State and Local Assistance:</u>										
State & Local Block Grant.....	0	0	0	503	523	0	523	503	0	523
Prosecutor Grant Program	0	0	0	0	0	100	0	0	0	100
Juvenile Justice Block Grant Program.....	0	0	0	0	0	0	300	145	0	0
Police Corps.....	0	0	0	0	0	0	0	0	0	0
Local Crime Prevention Block Grant.....	0	0	0	0	0	0	0	0	0	0
Brady Handgun Violence Prevention.....	0	150	100	25	50	45	45	45	0	45
Byrne Grant Program.....	70	1,000	450	147	199	580	13	128	0	553
Incarceration of Undocumented Criminal Aliens.....	350	1,800	130	300	330	350	420	350	0	350
State Courts Assistance.....	32	150	0	0	0	50	0	0	0	50
Drug Courts.....	200	1,000	12	0	30	75	30	40	0	75
Ounce of Prevention Council.....	0	0	0	0	0	0	0	0	0	0
Certain Punishment for Young Offenders.....	35	150	0	0	0	0	0	0	0	0
Violent Offender Incarceration Grants.....	2,660	10,443	25	618	670	711	723	741	0	741
Community Based Grants for Prosecutors.....	11	50	0	0	0	0	0	0	0	0
Law Enforcement Family Support.....	6	25	0	1	1	2	1	1	0	2
DNA Identification State Grants.....	14	40	0	1	3	15	10	15	0	15
Tuberculosis in Prison.....	1	5	0	0	0	1	0	0	0	1
Improved Tng & Tech Automation.....	23	100	0	9	0	0	0	0	0	0

VIOLENT CRIME REDUCTION TRUST FUND
(In millions of dollars)

Agency/Programs	Authorizations		1995	1996	1997	1998 Appropriations Action				Request
	1999	Total	Enacted	Enacted	Enacted	Budget	House	Senate	Enacted	
Other Law Enforcement - Federal:	0	0								
Gang Investigation Info. Collection.....	0	1	0	1	0	0	0	0	0	0
Motor Vehicle Theft Protection.....	0	5	0	1	1	1	1	3	0	3
Senior Citizen Marketing Scams.....	3	10	0	0	2	2	2	2	0	2
Presidential Summit on Crime.....	0	1	0	0	0	1	0	0	0	0
Subtotal, State & Local Assistance.....	3,404	14,930	716	1,605	1,809	1,932	2,068	1,973	0	2,460
Subtotal, OJP.....	4,149	18,735	742	1,808	2,036	2,253	2,438	2,299	0	2,757
Department of Justice:										
General Crime Support.....	40	199	0	0	0	0	0	0	0	0
Terrorism Act.....	10	41	0	0	0	0	0	0	0	0
Total, Department of Justice.....	6,244	30,474	2,326	3,926	4,495	5,179	5,220	5,224	0	5,715
INDEPENDENT AGENCIES										
Ounce of Prevention [OIA].....	19	90	2	0	0	9	0	0	0	9
State Justice Institute.....	0	1	0	0	0	0	0	0	0	0
EDUCATION	58	243	0	0	0	0	0	0	0	0
HEALTH & HUMAN SERVICES										
Public Health Service (PHS).....	45	215	0	32	41	45	45	45	0	45
Administration for Children & Families (ACF).....	285	1,195	11	21	20	99	99	99	0	99
Total, HHS.....	330	1,411	11	53	61	144	144	144	0	144
HOUSING & URBAN DEVELOPMENT (HUD)	356	1,620	0	0	0	0	0	0	0	0
INTERIOR	1	32	0	0	0	0	0	0	0	0
JUDICIARY	50	242	0	30	30	50	40	0	0	50
TRANSPORTATION	0	10	0	0	0	0	0	0	0	0
TREASURY	164	721	39	77	97	118	97	97	0	133
TOTAL, CRIME CONTROL ACT.....	7,221	34,843	2,378	4,085	4,683	5,500	5,501	5,465	0	6,051

5,528

- BUDGET ISSUES

- ① 22 million for Block-by-Block Initiative
 - ↳ SPEAK TO JEREMY
- ② Action #
- ③ Crime Mount / DNA Research
 - ↳ 55% increase from last year

BSS - NIBBS → huge increase!
↳ states not that interested

Sex offender * moved to Brady

RSS - How important? Overall Funding Levels

Terrorism Funding *

Comm. just initiative? What's This
JCP cities

Drug Policy for S+L - 85 million

JC Project for Mapping + Research

— Safe Start? New Study Project

↳ But no money for At-risk youth

① Cops — 4-part

↳ training, recruitment — larger

② Prosecutors — AT-risk

③ Juvenile — Treatment

④ Drug Testing

⑤ Brady *

Next
Budget / 10 days

Mtg. w/ Jeremy Travis
@ NCT. w/ Boden

BUDGET MFG.

IONS of
\$5 million initiative
\$200 million
\$22 million
Block-by-Block

I. CRIME

- juvenile #
- Prosecutors — \$, SIG IDEN
- prisons/drugs
- ATF Agents for gun traffickers? — 162 Agent? Comm. Just
- BRADY # — 130 million (NIBLS)
- 4-CITIES INITIATIVE - 85%
- INDIAN LAW ENFORCEMENT \$ 300 M
- DC CRIME PROPOSAL

OTHER:

- TECHNOLOGY COUNTERVALLANCE
- PDYS - HAND HELD COMPUTERS / SMART CARS / CITY Mapping

II. DRUGS

- MAYORS - PIECE
- ↳ Mc CAFFREY CONCERNS w/ PMS?
- ↳ TREATMENT BUDGET? BORDER BUDGET?

III. CITIES

- SPENDING - EZs \$ ¹²⁰70 million w/ car on mandatory side

- Housing vouchers — mobility / affordability
- ↳ bc to school-choice

TAX SIDE

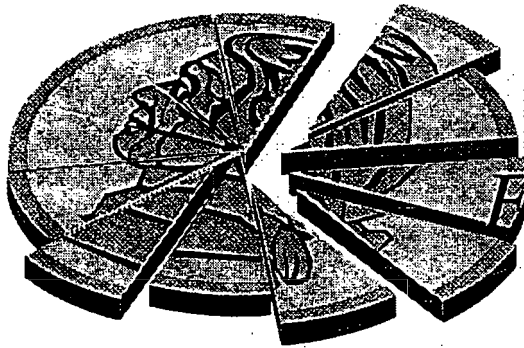
- RAIL HOUSING
- SCHOOL
- ① LITAC
- ② COTC — even demo

ATF FY 1999 Budget

FY 1999 OMB Budget Highlights



Planning & Budget Linkage



*“OLD”
Framework*

★Criminal

⇒Alcohol
⇒Tobacco
⇒Firearms
⇒Explosives

★Regulatory

⇒Alcohol
⇒Tobacco
⇒Firearms
⇒Explosives

“NEW” Framework

Reduce
Violent
Crime

Collect
Revenue

Protect
the
Public

*Program
Admin
& Support*

Performance Goals & Measures

ACTIVITY	Strategic Goals	99 Annual Performance Goal	99 Performance Measures
REDUCE VIOLENT CRIME	Effectively contribute to a safer America by reducing the future number and cost of violent crimes.	1. Impose on violent offenders. 2. Reduce the criminal misuse of firearms, explosives, and fire. 3. Through partnerships, increase exposure from community outreach efforts.	1. Crime-related costs avoided (in billions). 2. Future crimes avoided. 3. People exposed to community outreach. 4. Number of persons trained/developed.
COLLECT REVENUE	Maintain a sound revenue management and regulatory system that continues reducing payer burden, improves service, collects the revenue, and prevents illegal diversion.	1. Efficient and effective collection of the revenue due. 2. Reduce tax and fee payer and regulatory burden.	5. Taxes and fees collected from alcohol, tobacco, firearms, and explosives industry. 6. Alcohol and tobacco taxes owed (in gap/compliance rate). 7. Ratio of taxes and fees collected vs. amounts expended to collect. 8. Burden reduced.
PROTECT THE PUBLIC	Protect the public and prevent consumer deception in ATF's regulated commodities.	1. Ensure regulated industries meet their eligibility, product and safety standards. 2. Maintain compliance and qualification system that are effective, easy to use, an efficient for industry and the government. 3. Educate the public and the others on regulated commodities.	9. Response time to unsafe conditions and product deficiencies discovered. 10. Percentage of industry members inspected who have been identified as potential suppliers of the tools for criminal enterprise. 11. Satisfaction level of industry with ATF oversight and responsiveness. 12. By commodity, the number of seminar hours.

Fiscal Year Comparison

Funds

Fund	FY 1997 Enacted		FY 1998 Conference Action		FY 1999 OMB Submission		FY 1998/FY 1999 Difference	
	<u>\$000</u>	<u>FTEs</u>	<u>\$000</u>	<u>FTEs</u>	<u>\$000</u>	<u>FTEs</u>	<u>\$000</u>	<u>FTEs</u>
Direct	\$461,578	3,893	\$478,934	3,894	\$584,489	4,310	\$105,555	416
Crime	<u>44,595</u>	<u>25</u>	<u>29,421</u>	<u>44</u>	<u>25,665</u>	<u>44</u>	<u>-3,756</u>	0
Sub-Total	\$506,173	3,918	\$508,355	3,938	\$610,154	4,354	\$101,800	416
Construction	6,978	0	55,022	0	114,495	0	+59,473	0
Reimb. (TAFE)	-	-	8,979	26	0	0	-8,979	-26
Total	\$513,151	3,918	\$572,356	3,964	\$724,649	4,354	\$152,300	390

Fiscal Year Comparison

Staffing

	FY 1997 Enacted	FY 1998 Conference Action	FY 1999 OMB Submission	FY98-FY99 Difference
Direct	3,893	3,894	4,310	+416
Crime	25	44	44	0
Sub-Total	3,918	3,938	4,354	+416
Construction	0	0	0	0
Reimb (TAFF)	-	26	0	-26
Total	3,918	3,964	4,354	+390
Agent	1,809	1,743	1,951	+208
Inspector	708	736	769	+33
Other	1,401	1,485	1,634	+149
Total	3,918	3,964	4,354	+390

FY 1999 Changes

- **Maintain Current Levels (\$35.8 million & 26 FTE)**
 - » Pay (\$15.2 million)
 - » Pay - Explosives Inspections Annualization (\$2.7 million & 26 FTE)
 - » Non-Pay (\$17.9 million)
- **Program Initiatives (\$69.8 million & 390 FTE)**
- **VCRTF (\$25.7 million & 44 FTE)**
 - » GREAT (\$15.0 million & 24 FTE)
 - » Explosives Repository (\$1.6 million & 3 FTE)
 - » Canine Program (\$3.9 million & 17 FTE)
 - » CEASEFIRE (\$5.2 million)
- **Construction Fund - Headquarters Move (\$114.5 million)**

Illegal Firearms Trafficking

(Program: Deny Criminals Access to Firearms)



\$mil

FTEs

* \$46.5

312

- Establish electronic batch downloading of firearms trace requests from 27 city police departments to the ATF National Tracing Center (NTC) & 1 data entry clerk per department
- Provides community, national and customized trace analysis reports
- Establishes National Crime Gun Information Center (NCGIC) with a 5 day turnaround on all trace requests
- Focuses on illegal firearms traffickers to gangs & youth
- Train ATF and State/Local law enforcement

automation

Illegal Firearms Trafficking

(Continued)

	\$mil	FTEs
» Comprehensive Crime Gun Tracing	\$1.1	0
» Rapid High Volume Crime Gun Tracing	\$4.7	52
» NTC Crime Gun Analysis	\$1.2	11
» Breaking the Chain of Illegal Supply	\$34.6	219
» Illegal Firearms Trafficking Training	\$4.9	30
Total	\$46.5	312

→
? SACS?
WHERE?

*27 cities

Violent Crime Coordinators (VCC)

(Program: Imprison Violent Offenders)

	\$mil	FTEs	Significant full-time responsibility of each FTE
	\$3.0	15	
● Problem with inconsistent laws to effectively address investigations involving a violent criminal ● VCCs will assist in identifying best route for prosecution of cases involving firearms violations ● Placed in Federal judicial districts based upon need and priority order guidelines, utilizing criminal statistics from the FBI 1995 Uniform Crime Report ● Expects 10% increase in prosecutions, 10 % increase in tracing requests & IBIS hits			armed career criminals drug traffickers (firearms) (also)

Post Incident Response

(Program: Imprison Violent Offenders)

\$mil

FTEs

\$10.2

39

- Lab Equipment: Base erosion due to aging equipment and rapidly changing technology
- 2 Additional Mobile Forensic Labs: Requires additional forensic examiners and mobile laboratories

Investigative Expertise Partnerships

(Program: Prevent Violence Through Community Outreach)

\$mil

FTEs

\$2.0

16

- Support cooperative efforts with other law enforcement agencies
- Resource requirement heretofore unrecognized in ATF budget
- Preserves successful partnerships and training activities with other law enforcement agencies
- Expand internal ATF & external training

Bureau-wide Information Technology

	\$mil	FTEs
	\$1.6	0
● <u>Enterprise Architecture</u> : Acquire software to centralize databases and manage software deployment. Support Y2K project.		

Integrated Personnel System

\$mil

FTEs

\$6.4

8

- System is key to meeting data collection and reporting requirements under the settlement agreement
- Existing human resources databases are inadequate to meet these requirements

(Part of The base)

Explosives Repository

(Clearinghouse)

Info-sharing
w/FBI?

\$mil

FTEs

\$1.6

3

- Three additional special agent personnel will be added to assess and refine the data for tactical investigative purposes
- Continue system refinements and maintenance
- Focus on capturing the broadest possible universe of data
- Full operation of the clearinghouse will be underway

GREAT

(Program: Prevent Violence Through Community Outreach)

\$mil

FTEs

\$15.0

24

- Expand grant funds to additional communities
 - » Increase by approximately 40 localities
 - » Nearly double the current total
- More aggressive pursuit of the program
- All funding to state and local agencies
- Will not require additional resources for ATF program administration

(Crime Unit)

Canine Program

→ Trained
on a
reimbursable
basis?
Antinomom
→ NO COST

\$mil

FTEs

\$3.9

17

- Will establish the infrastructure and personnel to train 100 canines annually
- Canines will need to be purchased, dog trainers, kennel assistants, and support staff will need to be hired
- To be fully operational, canine transport vans as well as kennel supplies, dog food, grooming, mission travel, per diem travel (per dog trained), etc. will be necessary

CEASEFIRE

(not an add)

\$mil

FTEs

\$5.2

0

- Provide investigative, technical and forensic support to cities experiencing serious firearms-related violence
- Enables the Bureau to add 4 to 6 additional sites
- Will network Integrated Ballistic Identification System (IBIS) to the National Firearms Tracing Center and provide high tech automation needed by the law enforcement community

for 1998
+ 1999

Headquarters Move

(assump DC*
NOVA)

\$mil

FTEs

\$114.5

0

- Must move to provide the proper level of security
- Failure to fully fund the initiative will result in continued threats to ATF personnel and mission security.
- Requires Year 2000 commitment of \$32 million for total cost of project: \$153.3 million

→ 1 yr behind

STATE OF THE UNION

October 27, 1997

Environmental changes affecting health care include, changes in the health care delivery system, a new revolution in biology and genetics, demographic changes, and new challenges in providing a healthy future for our children.

Challenge Congress to Pass National Tobacco Legislation. In so doing, make a compelling case of the human and financial cost of doing nothing.

Announce Commitment to Establish New Research Trust Fund. Challenge Congress to use revenue from the tobacco legislation as a new funding source for biomedical research that would help us understand and treat some of our most devastating diseases, such as cancer, and heart disease.

Call for National Effort to Enroll the Millions of Uninsured Children Eligible for the New Children's Program. Challenge Congress, governors, foundations, states, providers, schools child care centers to reach out to enroll the eligible kids for the new children's health program or Medicaid so more children get the health care they need to grow strong and healthy. Highlight innovative public/private partnerships in various states and recognize the First Lady's leadership in this initiative. By then her involvement hopefully will have been illustrated in a public event highlighting outreach efforts.

Call for 'Consumer Bill of Rights' and Other New Consumer Protections. Charge Congress to pass comprehensive consumer protections to ensure high quality care as we undergo rapid changes in the health care delivery system as well as a whole new revolution in biology and genetics. Bipartisan legislation should:

Eliminate Genetic Discrimination. New protections should ensure important advances in genetics are used only to improve how we treat and understand diseases, not to discriminate against or stigmatize individuals.

Protect Confidentiality of Medical Records. New protections should ensure strong federal standards that ensures the confidentiality of medical records. These protections would assure that changes which have given entire networks of insurers and health care professionals access to this now computerized private and personal information, does not leave patients vulnerable.

Ensure That Every Plan Abides by a Consumer Bill of Rights. New protections would guarantee, for example, that consumers get necessary information about all of their treatment options, are assured open discussions with their physicians unencumbered by financial pressures, and are granted access to necessary emergency room care.

Propose New Initiatives to Improve Medicare. While the Medicare Commission will just be underway, establish the President as the leader of long-term entitlement reform by calling for immediate action to improve and strengthen Medicare.

Propose an Income-Related Premium. Ask Congress and the American public to support the first ever income-related premium, which asks high-income seniors to contribute more for Medicare benefits.

Call for New Efforts to Combat Fraud and Abuse. Challenge physicians and hospitals to self-police and throw out bad apple providers. Announce a new legislative agenda to build on unprecedented record of fraud enforcement.

The Income-Related Premium and Efforts to Combat Fraud and Abuse Could Produce Savings That Could Be Used to Strengthen and Improve Medicare. Such reforms could:

Establish New Medicare Coverage for Beneficiaries in Approved Clinical Trials. Urge Congress to pass bipartisan legislation that provides for Medicare coverage of clinical trials, giving many vulnerable Americans access to cutting edge treatments while vastly enhancing research efforts.

Establish New Demo to Extend Coverage to the Uninsured Elderly. Create a demo which would assess the feasibility and advisability of providing coverage to Americans ages 60-65, the most difficult to insure population.

Create Long-term Care Medicare Demo. In preparation for unprecedented demographic changes which create significant health care and long-term care challenges facing the nation, announce a new Medicare demonstration which will examine how Medicare can begin to address the issues of long-term care.

...

DEPARTMENT OF JUSTICE - 1999 OMB RANKING
RANKING by DEPARTMENT RANKING ORDER NUMBER
(In thousands of dollars)

ORGANIZATION		INITIATIVE	RANKING ORDER #	PROGRAM CHANGE DESCRIPTION	TOTAL POS	AGENT/ ATTORNEY POSITIONS	TOTAL FTE	BUDGET AUTHORITY	CUMULATIVE TOTALS - DOJ			
05-Dec-97		10:30 AM							TOTAL POS	AGENT/ATTNY POSITIONS	TOTAL FTE	BUDGET AUTHORITY
DIRECT FUNDING												
ATD	ATD	Other	1	Elimination of Direct Funding	-48	—	-44	-5,495	-48	—	-44	-5,495
OJP	VCRP	Other	2	Drug Intervention Program	—	—	—	-200,000	-48	—	-44	-205,495
OJP	VCRP	Other	3	VAWA - Grants to Encourage Arrest Policies Program	—	—	—	-25,000	-48	—	-44	-230,495
OJP	VCRP	Other	4	VAWA - Access to Federal Criminal Information (Stalker)	—	—	—	-3,000	-48	—	-44	-233,495
GLA	CIV	Other	5	WinStar - 1998 Request Not Enacted	15	12	15	5,489	-33	12	-29	-228,006
OJP	VCRP	Other	6	Residential Substance Abuse Treatment (RSAT) Program	—	—	—	72,000	-33	12	-29	-156,006
OJP	VCRP	Other	7	Drug Courts	—	—	—	30,000	-33	12	-29	-126,006
OJP		Indian Country/Drug Test	8	Drug Testing and Treatment Initiative	—	—	—	85,000	-33	12	-29	-41,008
OJP	JJ	Other (Drug Prevention)	9	Juvenile Justice Substance Abuse Prevention	—	—	—	5,000	-33	12	-29	-36,006
OJP	S&LLE	Other	10	Law Enforcement and Prosecution STOP Grants	—	—	—	35,750	-33	12	-29	-256
OJP	VCRP	Other	11	Rural Domestic Violence Enforcement Program	—	—	—	8,000	-33	12	-29	7,744
OJP	VCRP	Other	12	VAWA Training Programs	—	—	—	5,000	-33	12	-29	12,744
FBI	CALEATCC	Other	13	Telephone Carrier Compliance (TCC)	—	—	—	50,000	-33	12	-29	62,744
FBI	S&E	Infrastructure	14	Microwave Radio Replacement Funding	—	—	—	6,000	-33	12	-29	68,744
FBI	S&E	Infrastructure	15	Drug Evidence/Confidential Case Funds	—	—	—	14,625	-33	12	-29	83,369
FBI	S&E	Cybercrime	16	CITA Squads	124	75	62	11,607	91	87	33	94,976
FBI	S&E	Cybercrime	17	CITAC HQ	9	—	4	10,412	100	87	37	105,388
GLA	CRM	Cybercrime	18	Computer Crime Initiative	17	13	9	1,552	117	100	46	106,940
USA	S&E	Cybercrime	19	Computer Crimes	36	24	18	3,630	153	124	64	110,570
OJP	S&LLE	Other	20	Byrne Discretionary Grants funding for National District Attorney Association	—	—	—	2,100	153	124	64	112,670
FPD	S&E	Infrastructure	21	Increased Jail Day Costs	—	—	—	25,000	153	124	64	137,670
DEA	S&E	Infrastructure	22	Special Intelligence Project - Classified	28	3	14	7,002	181	127	78	144,672
DEA	S&E	Drugs	23	METH - Domestic Enforcement	156	100	78	13,679	337	227	156	158,351
DEA	S&E	Drugs	24	METH - Chemical Control	67	—	34	3,313	404	227	190	161,664
DEA	S&E	Drugs	25	CARB - Caribbean Offices and Special Operations Division	90	54	45	9,844	494	281	235	171,508
DEA	S&E	Drugs	26	Heroin Domestic Enforcement	148	95	74	12,920	642	376	309	184,434
DEA	S&E	Drugs	27	Asian Heroin Trafficking	7	5	4	1,966	649	381	313	186,400
USA	S&E	Drugs	28	Narcotics and Dangerous Drugs	98	64	48	8,912	745	445	361	195,312
GLA	CRM	Drugs	29	Drug Strategy	5	5	3	465	750	450	364	195,777
FBI	S&E	Infrastructure	30	WV Complex Operations & Maintenance	—	—	—	4,074	750	450	364	199,851
BOP	B&F	Infrastructure	31	Base Adjustment for Modernization and Repair	13	—	13	35,452	763	450	377	235,303
USA	S&E	Other	32	Defensive Civil Litigation (1998 Request Denied)	115	52	58	10,343	878	502	435	245,646
GLA	ENR	Other	33	Containing Federal Liability	29	19	15	3,958	907	521	450	249,604
GLA	ENR	Other	34	ALS Base Restoration	—	—	—	1,950	907	521	450	251,554
GLA	ENR	Other	35	Protecting Children's Health	2	1	1	206	909	522	451	251,760
GLA	ENR	Indian Country	36	Safeguarding Indian Sovereignty and Lands	4	2	2	634	913	524	453	252,394
GLA	CRT	Other	37	Voting Rights	6	5	3	383	919	529	456	252,777
USA	S&E	Other	38	Information Technology	100	—	50	14,745	1,019	529	506	267,522
OJP	JA/NIJ	Drugs	39	Arrestee Drug Abuse Monitoring (ADAM) System	—	—	—	3,800	1,019	529	506	271,322
OJP	JA/NIJ	Other	40	DNA Research and Technology Development Initiatives	—	—	—	5,000	1,019	529	506	276,322
OJP	JAVNIJ	Other	41	Police Use of Force Statistics	—	—	—	500	1,019	529	506	276,822
OJP	JA	Other	42	National Incident - Based Reporting System (NIBRS) Implementation	—	—	—	25,000	1,019	529	506	301,822
OJP	JA/NIJ	Other	43	Developing & Testing Promising Programs	—	—	—	10,000	1,019	529	506	311,822
USA	S&E	Other	44	Debt Collection	—	—	—	11,600	1,019	529	506	323,422
USA	S&E	Infrastructure	45	Mission Support - Various EOUSA Staff Increases	10	2	5	793	1,029	531	511	324,215
GLA	TAX	Other	46	International Compliance Initiative - Criminal Prosecution	5	3	3	278	1,034	534	514	324,493
GLA	TAX	Other	47	International Compliance Initiative - Civil Litigation	5	3	3	278	1,039	537	517	324,771

*Moved to PPR
PERMANENT*

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DOJ BUDGET STAFF

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12/05/97

DEPARTMENT OF JUSTICE - 1999 OMB RANKING
RANKING by DEPARTMENT RANKING ORDER NUMBER
 (in thousands of dollars)

ORGANIZATION		INITIATIVE	RANKING ORDER #	PROGRAM CHANGE DESCRIPTION	TOTAL POS	AGENT/ ATTORNEY POSITIONS	TOTAL FTE	BUDGET AUTHORITY	CUMULATIVE TOTALS - DOJ			
		10:30 AM							TOTAL POS	AGENT/ATTNY POSITIONS	TOTAL FTE	BUDGET AUTHORITY
05-Dec-97												
		DIRECT FUNDING										
GLA	LAOA	Other	48	JCON Upgrades	—	—	—	7,100	1,039	537	517	331,871
GLA	IPOL	Infrastructure	49	Automation Initiative	—	—	—	1,039	1,039	537	517	332,910
GLA	IPOL	Other	50	Information Technology	3	—	2	127	1,042	537	519	333,037
FBI	S&E	Other	51	Legat Expansion	13	9	7	3,808	1,055	546	526	336,845
FBI	S&E	Infrastructure	52	Replacement of 1 Nightstalker Aircraft	—	—	—	5,000	1,055	546	526	341,845
FCSC	FCSC	Other	53	Adjudication of International Claims	—	—	—	108	1,055	546	526	341,953
CRS	S&E	Other	54	Additional Conciliation Work	15	—	8	1,200	1,070	546	534	343,153
OIG	S&E	Other	55	Audits	10	—	5	564	1,080	546	539	343,717
OIG	S&E	Other	56	Investigations	45	30	22	2,822	1,125	576	561	346,539
GLA	CRT	Other	57	Disability Rights - Mediation	—	—	—	500	1,125	576	561	347,039
OJP	M&A	Other	58	New Crime Bill Activities	40	—	20	—	1,165	576	581	347,039
GA	EXEC	Other	59	Restoration of the Associate's Office	9	—	9	1,307	1,174	576	590	348,346
GLA	CRT	Other	60	Disability Rights - Enforcement	8	4	4	507	1,182	580	594	348,853
GLA	CRT	Other	61	Disability Rights - Certification	5	2	2	263	1,187	582	596	349,116
GA	EXEC	Other	62	Executive Support Program	7	—	4	623	1,194	582	600	349,739
GLA	IPOL	Other	63	International Notice Program	11	—	6	607	1,205	582	606	350,346
FBI	S&E	Infrastructure	64	Information Sharing Initiative	30	—	15	30,000	1,235	582	621	380,346
FBI	S&E	Other	65	Special Projects	5	—	2	6,688	1,240	582	623	387,034
FBI	S&E	Hate Crimes	66	Investigations & Town Hall Meetings	66	32	33	6,412	1,306	614	656	393,446
FBI	S&E	Hate Crimes	67	Civil Rights Analytical Center	3	1	2	196	1,309	615	658	393,642
OIG	S&E	Other	68	Investigative Attorneys	4	4	2	289	1,313	619	660	393,931
USA	S&E	Other	69	Victim's Rights - V/W Coordinators	41	—	20	2,613	1,354	619	680	396,544
TOTAL, DISCRETIONARY					—	—	—	5,000	1,354	619	680	396,544
FEW	FEW	Other		Expert Witness Costs	—	—	—	—	—	—	—	5,000

PPR FERRERIS

0003/003

DOJ BUDGET STAFF

202 616 1903

13:19

12/05/97

**OFFICE OF UNDER SECRETARY FOR ENFORCEMENT
OFFICE OF FINANCE AND ADMINISTRATION**

202-622-0370

FAX 202-622-7343

Page__ of __

DATE: 12/10TO: Jose Cardo

FAX NUMBER: _____

COMMENTS: 12 Doty Lynch**SENDER:**

ANNA DICKEY
SANDY TURNER
LORIE MUDD
CASSANDRA WILLIAMS
BILL MILLER
KIMBERLY MIKA



DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

December 4, 1997

The Honorable Frank Raines
Director
Office of Management and Budget
Washington, D.C. 20502

Dear Frank:

Thank you for your extensive analysis of the Department of Treasury's (Department) FY 1999 budget. I recognize the difficult decisions that were made to meet Administration priorities within the Balanced Budget Agreement ceiling. I am pleased that OMB, recognizing our critical role in advancing those priorities, secured budget authority beyond the initial target level for the Department. Nevertheless, the levels provided threaten our ability to carry out our core operations.

We are well aware that, over time, each federal agency will experience declining budgets. The request we originally submitted included investments that would prepare us to operate within those future budget constraints. Our appeal level, as you will see, is much lower than our original request and it represents some tough choices, both operationally and programmatically.

Of the \$11.6 billion OMB proposed for the Department's FY 1999 budget, over \$600 million is tied to new initiatives, the bulk of which is capital. I articulated these concerns in the Department's FY 1999 Budget Submission to OMB. Aside from these initiatives, OMB granted the Department a current services level of \$11.0 billion, about \$400 million less than what we need just to meet mandatory pay increases and inflation. This level raises three major operational concerns.

OPERATIONAL CONCERNS

1. Base cuts result in staff reductions

I have discussed this first issue with you in the past. The Department's cost structure is primarily driven by personnel -- we provide essential public service government programs, not grants. Moreover, most Department bureaus play a role in safeguarding, in diverse ways, the strength and stability of both domestic and international economies. When economic activity expands, as it has during this Administration, many aspects of the Department's workload increase also. An example of this is the dramatic increase in the workload of the Customs Service as a result of the NAFTA. Failure to provide adequate funding for mandatory cost increases translates into reductions in force. To meet OMB's target of \$11.0 billion, we would need to reduce our workforce by approximately 4,000 FTE, with the predominant burden falling on the Internal

- 2 -

Revenue Service (IRS). Given the customer service, problem resolution, and modernization challenges ahead of us, such a workforce reduction would be devastating. This reduction could result in a failure of the Department's core business lines. Furthermore, attempting to fund initiatives on top of base cuts amounts to making promises that cannot be kept.

2. Keeping Administration commitments to improve Department operations

The second concern is that the proposed level of funding undermines commitments the President and the Department have made to Congress for improvements in IRS and in Departmental law enforcement operations. President Clinton, over the past year, has repeatedly voiced his commitment to improve customer service at the IRS and to expand crime and drug enforcement efforts. Without additional funding over our current services levels, these Administration commitments cannot be maintained.

3. Investing for future productivity

The third concern is that, at the proposed funding level, the Department cannot make the kinds of capital investments required to function under future budget reductions. Many of our bureaus are modernizing their business processes, systems, and management structures. As in the private sector, it will take several years for those investments to generate productivity gains and savings at the Department. However, without this investment, future budget reductions will necessarily translate into program reductions.

The Department remains committed to its roles of promoting global and domestic economic stability, protecting the nation's financial systems and leaders, and fostering a safe and drug-free America. Unfortunately, OMB's proposed funding level does not begin to cover the Department's performance goals and objectives for FY 1999. This year, the Department faces some important programmatic challenges -- challenges to which OMB has given inadequate consideration.

PROGRAMMATIC CHALLENGES

1. The IRS's Focus on Modernization

Charles Rossotti, the new Commissioner of the IRS, is committed to modernizing not only the IRS's systems, but the entire organization and workforce. In addition to ensuring a successful IRS filing season, implementing all of this year's tax law changes, and meeting the challenges of the Year 2000 Date Conversion, IRS and Department management want to begin making the customer service improvements that the President and Vice President committed to undertake. Our original request did not fully reflect the resources needed to accomplish their objectives. As a result of Commissioner Rossotti's review, our appeal includes the resources that are necessary both to keep those promises made by the President and Vice President to improve customer

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service and to modernize the organization.

2. Improved Law Enforcement

The safety of our nation's leaders, our monetary system, our trade, and our people depend in large part on our law enforcement bureaus. If the Department's bureaus are to effectively carry out these important missions, we must ensure that their employees have sufficient resources, efficient processes, and modern tools. Responsibilities such as protecting the President and the first family as well as political leaders from around the world, and investigating transnational financial crimes and counterfeiting of U.S. currency, require that Treasury's core law enforcement responsibilities be adequately funded. Key components of the Department's enforcement strategies cannot be implemented without approval of this appeal. Customs' narcotics initiative, which includes enhanced border interdiction and anti-money laundering efforts and deployment of state-of-the-art cargo examination technologies, will suffer at the funding levels proposed in the Passback. In addition, implementation of Presidential initiatives to address juvenile crime such as the Youth Crime Gun Interdiction Initiative may have to be further scaled back. Lastly, a new Headquarters building to protect the safety and security of ATF employees needs to be taken into consideration in the process. An additional key program is Customs' Automated Commercial Environment.

While we have scaled back our appeal request, the Department continues to seek funding for essential activities and initiatives to enable a more vigorous and sustained approach to the enforcement of federal criminal statutes.

3. Sound Financial Management

The Department maintains the nation's checkbook. This responsibility is an integral part of the Department's mission and as such, is one of our highest priorities. This has been an area where some of our greatest productivity gains have been realized, even without budget increases in the past. We are dismayed to see the deep cuts proposed by OMB for the Financial Management Service (over nine percent) and the Bureau of Public Debt (almost five percent), with no clear understanding of how further productivity gains can be realized.

The cuts as proposed will result in a degradation of service at Public Debt, a bureau that is recognized for its outstanding record of operation and that has aggressively sought and achieved a productive and streamlined organization. The Financial Management Service is facing significant new duties, supporting debt collection and the government-wide audit, along with modernizing its core payment services and ensuring that systems that interface with other government agencies are Year 2000 compliant.

Our original requests were very modest; they did not fully fund current levels, and requested only increases for required system improvements that would produce future productivity gains. Our

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appeal level maintains our original request for the Bureau of Public Debt and scales back our request for the Financial Management Service to a minimum operational level.

4. Departmental Management and Management Oversight

The Department faces perhaps its greatest near-term challenge in ensuring the successful completion of the Year 2000 date conversion. We are also in the midst of repairing our building to meet code requirements, modernizing internal financial systems, and implementing a Department-wide human resource system. These investments are vital to the continued safe and effective operation of the Department, and our appeal level funds these projects at a modest and realistic level.

STUDY ON THE EFFICIENCY OF U.S. COMMODITY MARKETS

In the Passback, OMB directs the Department to conduct a study on the efficiency of U.S. Commodity markets. However, due to other Departmental projects and its current resources, it would be overly burdensome for the Department to contract and oversee such a study. It would require a substantial commitment of time by staff and senior officials, diverting them from other initiatives. As a result, the Department objects to conducting this study.

APPEAL LEVEL

The Department is appealing for a FY 1999 budget level of \$12.3 billion to cover our operational and programmatic concerns. Included in this level is \$312.5 million in Presidential initiatives, leaving the base appeal level at \$12.0 billion. Anything less than the amount in our appeal will mean program reductions and fewer services for the American people. I am fully aware that accommodating this appeal within the budget restrictions will be a challenging task.

I look forward to working with you to reach a final agreement on the Department's FY 1999 budget. My staff is available for any technical assistance you may require.

Sincerely,



Robert E. Rubin

FY 1999 OMB Passback Appeal
(In thousands)

Appropriation Account	FY 1998 Appropriation	FY 1999 Request	FY 1999 OMB Passback	FY 1999 Appeal	FY 1999 Revised Appeal
Tax Administration	\$7,668,183	\$8,219,174	\$8,015,207	\$8,364,051	\$8,364,051
Processing & Assistance	2,825,874	3,120,284	3,019,023	3,112,545	3,112,545
Tax Law Enforcement	3,142,822	3,332,708	3,142,802	3,263,285	3,263,285
Information Systems & Business Line Investments	1,272,487	1,868,164	1,367,382	1,498,021	1,498,021
Information Technology	325,000	198,000	323,000	197,700	197,700
Pending Presidential Initiatives:					
IRS Customer Service			73,000	212,500	212,500
IRS Tax Law Addback			91,000	...	...
IRS Organizational Modernization			...	80,000	80,000
Law Enforcement	\$3,030,322	\$3,619,162	\$3,139,783	\$3,244,000	\$3,275,032
FinCen	23,835	29,461	25,000	24,000	24,000
FLETC	98,211	114,131	87,383	90,413	92,024
ATF	683,377	725,595	588,307	558,914	588,335
CUSTOMS	1,680,977	1,888,048	1,683,073	1,844,383	1,844,383
SECRET SERVICE	588,878	674,578	805,000	628,943	628,943
Treasury Forfeiture Fund	---	9,500	---	---	---
Office of Professional Responsibility	1,250	1,885	---	1,854	1,884
Interagency Crime & Drug Enforcement (OCDETF)	73,784	76,208	73,000	75,713	76,713
[Reprogramming from Super Surplus TFF]	[28,179]		[35,200]	[35,200]	[35,200]
Pending Presidential Initiatives:					
USCS Commercial and Operational Support			33,000	...	...
USCS Narcotics			28,000	...	...
ATF Youth Crime Gun			18,000	20,000	20,000
Financial Service Operations	\$371,818	\$382,688	\$355,000	\$380,639	\$380,639
Financial Management Service	202,480	209,588	180,000	207,439	207,439
Bureau of the Public Debt	189,426	173,100	185,000	173,100	173,100
Management	\$280,863	\$361,230	\$308,083	\$347,937	\$347,937
Departmental Offices	114,771	121,768	124,198	124,199	124,199
Trees Bldg & Annex Repairs & Restoration	10,484	36,829	15,484	30,000	30,000
Automation Enhancement Account	26,889	40,810	12,400	38,080	38,080
Office of Inspector General	28,719	32,222	28,000	30,878	30,878
Comm. Devel. Fin. Inst. Fund	80,000	130,000	125,000	125,000	125,000
Subtotal with Pending Presidential Initiatives	\$11,329,284	\$12,582,254	\$11,816,053	\$12,336,527	\$12,367,559
Pending Presidential Initiatives: (included above)	---	---	(242,000)	(312,500)	(312,600)
TOTAL w/o Pending Presidential Initiatives	\$11,329,284	\$12,582,254	\$11,574,053	\$12,024,027	\$12,055,059
Earned Income Tax Credit (Outside Caps)	138,000	143,000	143,000	143,000	143,000
NAD Bank			9,000	9,000	9,000
TOTAL Program Level w/o Pres. Initiatives	\$11,467,284	\$12,725,254	\$11,726,053	\$12,176,027	\$12,207,059

Mr. Michael Deich
Program Associate Director
General Government and Finance
Office of Management and Budget
Old Executive Office Building
Room 246
Washington, D.C. 20503

Dear Mr. Deich:

We have reviewed the Office of Management and Budget's (OMB) FY 1999 Passback for the U.S. Department of the Treasury, dated November 25, 1997 (the "Passback"). We have concerns about several of the recommendations and assertions set forth in the Passback, and write separately both to relay these concerns and to request a meeting with you to discuss these issues, as well as our bureaus' requests for resources necessary to fulfill their vital law enforcement missions.

The Office of Enforcement

The Treasury Department's Office of Enforcement oversees well over a third of the Federal Government's criminal investigators. Among other things, Treasury's bureaus prevent narcotics smuggling, trafficking, and use; protect the President; combat violent crime; and deter money laundering and financial crimes. They are also primarily responsible for enforcing laws at the border that protect the health and safety of American citizens and the U.S. economy. The mission of the Office of Enforcement, one recognized as vital by the Treasury Department, the Administration, and Congress, is to ensure that our bureaus execute these functions safely and efficiently. A number of the proposals in the Passback would inhibit our ability to accomplish this mission.

The Office of Professional Responsibility

The Passback proposes that the Office of Professional Responsibility (OPR) be transferred to the Office of the Inspector General (OIG). We object to this transfer and believe that OPR should remain within the Office of the Under Secretary (Enforcement) and should be funded at the requested amount. It appears that the current mission of OPR, as formulated by Treasury and endorsed by Congress, has not been adequately communicated to OMB.

The Office of Enforcement's primary mission is to provide effective oversight of our law

enforcement bureaus. Since the beginning of my tenure, we have attempted to ensure that our staffing is sufficient to provide for the appropriate level of oversight. This need was recognized by Congress which, in the FY 1997 appropriations bill, provided for increased staffing by formally establishing the Office of Professional Responsibility within the Office of Enforcement. The new OPR positions will allow Enforcement to perform increased oversight of operational and policy matters, in particular in the areas of training, internal affairs, equal employment opportunity, and technology issues, while not impinging on the functions of the OIG in any way.

We recognize that the OIG has a vital investigative and audit role. However, the functions that Treasury's OPR would perform are primarily management in nature. Therefore, the Office of Enforcement, which has a direct supervisory and oversight role over the affected bureaus and can systemically respond to concerns raised, is in the best position to perform the OPR functions.

The Office of Enforcement has worked aggressively to give life to OPR. We have developed an organizational structure and prepared individual job descriptions, which were approved by Congress in July. Since then, Treasury has advertised these positions and received over 400 applications. Enforcement has been actively interviewing candidates and expects to make offers of employment in the near future.

I understand that since issuance of the Passback, your staff was briefed on Treasury's OPR and have agreed that it properly resides within the Office of Enforcement. We are confident that commitment will be honored and ask that it be funded at the amount requested.

Financial Crime and Related Issues

We also object to the assertions that the Office of Enforcement does not adequately coordinate anti-financial crimes efforts and has no plan to address these issues. Not only has Enforcement been coordinating the efforts of our bureaus to battle financial crimes, we have also finished phase one of the development of a financial crime review.

With respect to law enforcement matters generally, the Office of Enforcement ensures the coordination of policies and procedures and, when necessary, monitors operations. Our involvement includes the creation of a Treasury Enforcement Council for policy development coordination; and daily meetings bringing together senior officials from Enforcement and bureau representatives to discuss ongoing operations -- particularly those of a sensitive nature.

In recent years, this level of involvement and coordination has been particularly active in combating financial crimes. The Office of Enforcement is the Department's lead office supporting Secretary Rubin's vigorous efforts promoting stronger anti-money laundering measures domestically and internationally, including his lead role in the Summit of the Americas process. In addition, I chair the Bank Secrecy Act ("BSA") Advisory Group that brings together representatives of federal law enforcement, federal regulators and members of the banking and financial services communities to address issues raised by BSA enforcement. Moreover, Enforcement, together with the Justice Department's Criminal Division, sponsors conferences at

which law enforcement agents, prosecutors and regulators discuss money laundering trends and new efforts to combat them. The Office of Enforcement also is deeply involved in the authorization and implementation of the Geographic Targeting Orders which, through coordinated efforts of the U.S. Customs Service, Internal Revenue Service Criminal Investigation Division, FinCEN, and local authorities, resulted in effective anti-money laundering enforcement against wire transmitters in New York City.

In addition to our systematic coordinating mechanisms, Treasury Enforcement -- on its own initiative -- is undertaking a more comprehensive financial crime review, using a team comprised of Enforcement staff and policy liaisons from our various bureaus. This review reflects not just Treasury's status as a leading financial crimes investigator, but also our commitment to enhance our effectiveness. As set forth above, we have completed the first phase of the review and would welcome the opportunity to brief you on the status.

In light of both our routine and specifically targeted efforts to address key policy issues, we find the taskings set forth in the Passback to be inappropriate. For example, the proposals that FinCEN be designated to take responsibility for studying money laundering, and that only the Secret Service and the FBI study financial measures, ignore the expertise and involvement of several other key agencies. While there may be a need for the type of analysis suggested by OMB, the Office of Enforcement is in the best position to address that need by drawing on all available sources of information.

Information Management

We also view the Passback's recommendation that the Assistant Secretary for Management take responsibility for studying harmonization of law enforcement case tracking systems to be without merit. Responsibility for determining whether a particular case tracking system should be adopted lies with the policy office with law enforcement expertise. The Passback's reasoning as to the need for such a system, and for designating Management as the responsible office is, at best, unclear.

We view with similar concern the Passback's proposal to transfer responsibility for the International Trade Data System (ITDS) from Enforcement to Treasury's Assistant Secretary for Management/CFO, based on the assumption that the project is behind schedule. Contrary to the Passback, however, the ITDS project is not behind schedule and has not missed a deadline. Significant progress has been made with the budget appropriated to date as illustrated by four major accomplishments in FY 1997: progress on analyzing and standardizing a set of data to satisfy the needs of all federal agencies in the International Trade Data System; standardization of product codes; deployment of the North American Trade Automation Prototype that tests the ITDS concepts as an international project developed trilaterally by Canada, Mexico, and the United States; and public outreach via the Internet.

Asset Forfeiture

We also object to the earmarking of forfeiture funds, and believe it is inconsistent with

the purposes for which the Treasury forfeiture fund was created. When Congress created the forfeiture funds of the Departments of Justice and Treasury in 1986, its intent was to use the forfeiture revenues as a means of reimbursing the bureaus for program costs. The seizing of property demands that it be properly secured and safeguarded. The forfeiture process is both time and labor intensive, further impacting federal law enforcement's resources. Congress legislated that forfeiture revenues be utilized for program expenses and then provided for the excess balances to be available at the Secretary's discretion for further law enforcement needs. These excess balances are used by the Department for critical infrastructure needs to enable our bureaus to keep pace with increasingly more sophisticated criminals and criminal technology. The earmarks proposed by OMB usurp the authority legislated to the Secretary and violate the intent of Congress in establishing the fund. We are especially concerned about the manner in which certain earmarks are proposed. For example, forfeiture funds should not be used to fund such critical operations as the Secret Service's protection of Presidential candidates. Their protection responsibilities are core to the Secret Service's mission, as well as their statutory responsibility under 18 U.S.C. 3056. It should, therefore, be funded as part of the Secret Service's regular appropriation.

Additionally, we note the disparate treatment of earmarks between the Treasury and Justice funds. OMB has not zeroed the discretionary funding categories of the Justice fund as it has for Treasury. Further, OMB has not earmarked Justice's excess balances as it has for Treasury. Both funds should be treated in a consistent manner. We ask that Treasury's fund be left intact as that of the Justice Department.

Other Issues

In addition to the detailed discussion of the foregoing matters, I wish to note for the record a few other statements in the Passback for which there is no support. For example, the Passback suggests that Enforcement submit a strategic plan. We are at a loss to explain how such a directive could be issued, since Enforcement already has submitted a plan that, along with the rest of the Department's plan, completed the OMB clearance, incorporated comments from OMB and has now been submitted to Congress.

We also fail to understand the assertion that there is no evidence of any problem with respect to law enforcement recruitment and retention of qualified candidates for scientific and technical support positions. As OMB knows, there is competition for such expertise not only within law enforcement, but also between the federal government and the private sector. To the extent that a special review of hiring needs is undertaken by any federal law enforcement agency, it should be extended to all others, so as to ensure that agencies with unique missions and needs have the necessary expertise within their non-agent ranks. To suggest otherwise would be to ignore the obvious. To the extent that one needs a recent example, however, reference can be made to the recent appropriations decision to extend to the Treasury bureaus the same safeguards for retention of scientific personnel as those granted to the FBI.

Conclusions

While this letter addresses certain policy concerns raised by the Passback, I remain quite concerned about the level of funding of our law enforcement bureaus. The Department's appeal will reach OMB in the next few days. As mentioned above, we would appreciate the opportunity to address the funding issues with you directly and assure that our bureaus' requests merit your support as we make our way through the budget process.

Sincerely,

Raymond W. Kelly
Under Secretary (Enforcement)



Office of the Attorney General
Washington, D. C. 20530

Cc: Schwartz
Deach
Cerde

December 5, 1997

The Honorable Franklin D. Raines
Director
Office of Management and Budget
Washington, DC 20503

Dear Mr. Raines:

I appreciate the support that the Office of Management and Budget (OMB) has again demonstrated in its passback to the Department of Justice's (DOJ) 1999 budget request. OMB funded a number of important enhancements in its passback, especially for the United States Marshals Service (USMS) and the Immigration and Naturalization Service (INS). Still, I believe that additional resources above the passback funding level are critical to our efforts to address adequately the law enforcement challenges faced by this Department. We realize that the commitment to a balanced budget makes additional discretionary funding scarce, but I believe that these appeal items merit further consideration by OMB and the President.

The Department's 1999 request to OMB for discretionary funds, when adjusted for action by Congress on the President's 1998 budget, was \$20.8 billion. OMB's passback was \$17.7 billion. The items included in this appeal total \$1.3 billion, which consists of \$936 million for proposed Presidential Priority Reserve Candidate list items, and \$397 million of general appeal items.

The appeal items sought in this letter are consistent with priorities established by the President over the past 5 years, during which time we have made great strides in addressing a number of serious issues faced by this Department and the Nation. Rates of violent crime have decreased each year since 1992. Illegal alien removals are at their highest levels ever. Prison capacity continues to expand to house the record level of inmates. Meaningful enforcement has been established in many stretches of the Southwest border. OMB's support was vital in securing the resources that have helped yield these successes.

This appeal letter is structured around eight themes: the Department's infrastructure, Indian Country, cybercrime and counterterrorism, drug law enforcement, state and local assistance, immigration, defensive litigation and hate crimes. The enclosure provides details on specific appeal items by Department component. Throughout this letter and the enclosures,

The Honorable Franklin D. Raines

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we have distinguished between general appeal items and those items we consider candidates for the Presidential Priority Reserve Funding.

Infrastructure. Throughout my tenure as Attorney General, I have consistently and repeatedly stated that one of the most important legacies I want to leave for this Department is a sound infrastructure. We need the tools--from computers to facilities to support and leadership personnel--to do our jobs well. The passback clearly takes into account this priority, as OMB has already provided enhancements for requests such as computer systems and radios.

Yet, many important infrastructure items remain unfunded, and I have included them in this appeal. The initial 1999 passback provides \$50 million for Telecommunications Carrier Compliance, which demonstrates OMB's awareness of the importance of this issue. OMB suggests that the Federal Bureau of Investigation (FBI) "seek transfers of unobligated balances for other law enforcement and intelligence agencies" if additional funds are needed in 1999. We are committed to entering into two cooperative agreements with industry this month, an event we believe will demonstrate the ability of law enforcement and industry to work through the problems and issues that have slowed implementation of this important Administration initiative. By 1999, the only factor that should limit the pace of Communications Assistance for Law Enforcement Act implementation is the amount of funding available to reimburse industry. The Administration will leave itself exposed to criticism by industry and Congress if the FBI's request for a total of \$100 million is not supported in the President's budget.

Also in my appeal for FBI infrastructure are requests for: the continuation of FBI's microwave radio replacement program to relocate to different spectrum frequencies; increased drug and confidential case funding critical to investigative work; the replacement of a nightstalker aircraft; operations and maintenance at the West Virginia fingerprint facility; and FBI's Information Sharing Initiative (ISI), which OMB partially funded in the passback.

Sufficient and safe prison and detention infrastructure is critical for public safety. Not only does the Bureau of Prisons (BOP) need enough beds to house inmates safely, but the facilities must also be maintained. The Federal Prisoner Detention account must have enough funding to ensure that we can lock up those whom we arrest. OMB funded beds needed for the transfer of D.C. inmates to BOP and also included funding for an additional high security prison on the Presidential Priority Reserve Candidates list, and I support these actions. I am appealing for funds not provided in the passback to ensure we

The Honorable Franklin D. Raines

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have enough detention funding and can properly maintain our prison facilities. Given continued overcrowding levels and the aging of our facilities, this funding is essential for public safety.

Critical needs exist for the Department's litigating divisions; the passback provided little relief. This appeal includes mission support positions in the Executive Office for U.S. Attorneys, resources to assure the continued upgrade of office automation systems for the Department's litigators, and automation and telecommunications upgrades to enhance the international exchange of law enforcement information.

With the recent confirmation of Ray Fisher as Associate Attorney General, I believe that now is the time to restore this office to the resource level it received prior to the congressionally-imposed reductions. I rely on the Associate to provide leadership in the effective delivery of Departmental policy and services. In addition, in order for the Office of Legislative Affairs to continue providing the Administration with the critical service and responsiveness it has to date, increases in resources for staffing and systems are imperative.

Finally, my infrastructure appeal includes additional funding for the Office of the Inspector General (OIG), which I consider essential to the Department's infrastructure. I believe this item is a modest investment in safeguarding the Department's funds and ensuring that they are used properly, efficiently, and effectively. In addition, the Department and Congress have placed increasing demands on the OIG to conduct special reviews and investigations. A lack of additional resources will seriously impair the OIG's effectiveness and increase the Department's vulnerability to waste, fraud, and abuse.

Indian Country. For the Indian Country Initiative, OMB has included \$205 million on the Presidential Priority Reserve Candidates list. However, in the event that this is not funded by the President's Priority Reserve, OMB provided \$40 million in new funds for juvenile justice, drug testing/treatment, and Tribal court initiatives. The remainder, according to OMB, is to be funded by redirecting and targeting base funds. While I commend OMB for recognizing the severity of law enforcement problems in Indian Country, OMB's proposed solution is unacceptable to me and to Secretary Babbitt for the following key reasons:

- o This is a Presidential initiative. As such, we have emphasized repeatedly to the Tribes and others that it represents a long-term commitment, designed to institutionalize comprehensive solutions to serious, long-standing problems. Funding this initiative, even initially,
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exclusively through grants sends a very different message one that will undoubtedly be seen by Tribes as a retreat in our resolve to make this initiative work. This is particularly true because the needs covered under this initiative are not of the sort generally covered by grants--that is, grants typically provide seed money to help state and locals develop new programs that they will ultimately assume responsibility for funding. Thus, the proposal to use grant funding is both temporary and inappropriate to meet the need.

- o Use of grant funds would not allow the Bureau of Indian Affairs (BIA) to hire, train, and equip federal law enforcement, detention, and support personnel. Enhancing BIA's law enforcement services is important, particularly to improve law enforcement services provided to those Tribes that choose not to contract or compact all or portions of the law enforcement or detention functions. A significant portion of the total costs are to hire permanent BIA employees, to cover operations and maintenance costs, to pay for training needs, and to buy essential equipment.
- o Current restrictions on grant funding would limit use of funds by Tribes. For example, COPS funds cannot be used to pay for equipment and training (indeed, the lack of funding for equipment and training has prevented most Tribes from actively participating in the COPS program). Providing funds for additional law enforcement personnel without essential tools would fail to remedy the problems resulting from the shortage of trained and equipped law enforcement officers in Indian Country. Furthermore, the COPS grants would expire in 3 to 5 years, just when the initiative would be reaching full implementation.
- o Use of grant funds does not establish a solid budget foundation for this program. As currently planned, funding for this initiative will increase in each of the next three fiscal years. Even if grants can be earmarked to cover the first year of the initiative, grant funding may not be available to cover the out-year planned increases. To make this initiative work, we must build into the FY 1999 budget base funding that will carry over into future fiscal years (notwithstanding that we are all subject to annual appropriations). We would rather make the case with Congress now and see whether we are successful than begin this initiative only to find out next fiscal year that the Congress is unwilling to provide the funding critical to its continuation.

On December 4, 1997, Secretary Babbitt and I agreed that the Department of the Interior (DOI) will continue to provide the bulk of law enforcement services to Indian Country. Therefore,

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Instead of the guidance provided in OMB's passback, I propose that \$11 million be placed on the Presidential Priority Reserve Candidates list for DOJ (for FBI and USAs). In addition, DOJ will request \$90 million from the Presidential Priority Reserve for uniformed officers, criminal investigators, detention staff, and other related needs. Together, these requests will provide for the 1999 costs related to phasing in required increases over a 4-year period. In addition, \$40 million would be earmarked in the DOJ Correctional Grant Program for detention facility construction in Indian Country. Furthermore, an additional \$40 million for DOJ, as contained in the OMB passback, would fund the juvenile justice initiative, drug testing/treatment, and assistance to Tribal Courts.

Cybercrime and Counterterrorism. DOJ requests funding from the President's Priorities Budget in the amount of \$34 million to create a new "Infrastructure Protection Center" in the FBI. Building on and expanding significantly the existing Office of Computer Investigations and Infrastructure Protection (which comprises the Computer Investigations and Infrastructure Threat Assessment Center and the Infrastructure Protection Task Force created by Executive Order 13010), the IPC will be an interagency, public-private Center, comprising FBI agents, detailees from other government agencies, and representatives from the private sector (hired as full-time government employees or as contractors). DOJ requests funding to establish the IPC in response to the recommendations contained in the recently released Report of the President's Commission on Critical Infrastructure Protection; the recent Department of Defense exercise, "Eligible Receiver"; other government reports concerning the need to protect our nation's critical infrastructures; and the Department's own internal assessments--all of which point to the Department's need to significantly expand its computer investigative and infrastructure protection capabilities, in order to meet the major threats and vulnerabilities identified in the Report of the President's Commission.

The purpose of the Center will be to: (1) coordinate and assist field investigations into computer crimes; (2) provide a civilian-side focal point for crisis management during events involving cyber or physical attacks on the nation's critical infrastructures; (3) provide a mechanism (through detailing of employees, liaison relationships, and direct electronic connectivity) for sharing information about intrusions, threats, vulnerabilities, and technological advances among government agencies and with the private sector; (4) provide timely warnings to other government agencies and the private sector of ongoing or imminent cyber and physical attacks on the nation's infrastructure; (5) establish a partnership with the DOD to ensure full sharing of information and expertise, consistent with

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law, and to facilitate the transfer of responsibility from DOJ to DOD, or vice versa, depending on the nature of an attack;
(6) provide a "clearinghouse" for research and development being conducted in different government agencies and the private sector in the areas of infrastructure protection and cyber investigations, to ensure that all partners are able to take the fullest possible advantage of advances and to avoid redundancy of effort; and (7) coordinate the government's efforts to train government (federal, state, and local) and private sector employees in cyber investigations and infrastructure protection.

Enhanced funding totaling \$33.6 million is sought as a Presidential Priority Reserve Funding Candidate in 1999 to implement the IPC. This amount is in addition to the \$10.4 million that is appealed separately for CITAC. This \$33.6 million is needed to: support travel of IPC staff and field investigators to effect liaison with infrastructure operators and specialists, industry, and conduct investigations (\$1.6 million); support training initiatives that will allow IPC and field staffs to remain current with changes in technology and tools to address computer intrusions and infrastructure attacks and conduct workshops and training sessions for state and local law enforcement (\$2.5 million); acquire state-of-the-art computing, simulation, and other information technology equipment, software, and services to outfit the IPC (\$6.7 million); reimburse other government agencies for 32 detailees to the IPC and permit the temporary hiring of 8 private sector representatives (\$11.0 million); acquire contractor support services to assist in the development of IPC plans, tools, techniques, and provide specialized expertise when needed (\$7.7 million); meet confidential case expenses associated with investigations (\$2.2 million); acquire necessary telecommunications services that ensure connectivity to other FBI entities, other government agencies, and elements of the private sector (\$0.2 million); provide general office supplies for the 125 staff assigned to the IPC (\$0.08 million); conduct strategic simulations between FBI field offices, other government agencies, state and local law enforcement, and the private sector (\$1.0 million); and hire 7 additional staff, including 6 agents, (\$0.7 million).

The Department strongly supports the \$16 million, proposed in the passback from Presidential Priority Reserve Funding Candidates list, to provide training and equipment to respond to chemical, biological, and bomb-related incidents for state and local law enforcement agencies. This minimum 5-year program is endorsed by the National Security Council and was supported by Congress in FY 1998 with an initial \$16 million in funding. In place of the other counterterrorism initiatives proposed as Reserve funding candidates, the Department instead requests the continuation of the \$5.2 million provided in FY 1999 for state and local bomb technician training at the FBI's Hazardous Devices

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School at Redstone Arsenal. The FBI believes this is one of the best investments the Federal Government can make toward improving the counterterrorism response capabilities of state and local agencies.

Finally, the cybercrime initiative also includes 75 new FBI agents for Computer Investigations and Infrastructure Threat Assessment squads, 24 new Assistant U.S. Attorneys and 13 additional Criminal Division attorneys to complement the investigative resources and coordinate national policy development and training efforts.

Drug Law Enforcement. The passback provided very little for additional resources for the Department's drug enforcement efforts. The lack of support for drug law enforcement made in the 1999 passback are simply not acceptable and will send the American people the wrong message regarding our commitment toward reducing the availability of drugs and illicit drug use. I am very concerned about recent statistics showing an increase in drug use among teenagers and the availability of drugs in the United States.

The 1999 drug law enforcement initiative must be credible and comprehensive, including resources for the Drug Enforcement Administration (DEA) to fight escalating methamphetamine trafficking and production, deter the flow of drugs transiting the Caribbean, attack heroin trafficking both domestically and internationally, and provide critical infrastructure support for drug law enforcement operations. These are all serious drug problems deserving of the Administration's support.

I know of OMB's concerns over how we measure the outcomes related to the investment we make in drug enforcement. Through performance planning and reporting, I am confident we will be able to address these concerns. Our investment decisions are guided by the National Drug Control Strategy, which serves as a framework for the Department to formulate its drug policies and initiatives. We are working closely with the Office of National Drug Control Policy to formulate and implement a coordinated set of drug programs.

Also, I understand OMB's concern that DEA may have worked on its own to get additional funding in 1998 from Congress. I do not condone components going "backdoor" to get funding increases from Congress. However, I believe DEA's extra 1998 funding was the product of congressional initiative rather than an attempt by DEA to circumvent the President's budget.

To assure a comprehensive and balanced approach to the drug enforcement effort, we have also included resource enhancements for the U.S. Attorneys offices and the Criminal Division. An

The Honorable Franklin D. Raines

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additional 64 Assistant U.S. Attorneys will be needed to support up the Department's investigative efforts; and an additional 5 attorneys in the Criminal Division will enhance its capability to coordinate and facilitate national and international drug

investigations jointly conducted by Federal agencies (DEA, FBI and U.S. Customs Service) at the Special Operations Division of DEA.

Defensive Civil Litigation. In defensive civil litigation cases, the Department's lawyers represent, as their client, the United States in its capacity as employer, regulator, administrator of federal benefits, law enforcer, contractor, property owner, and other roles. In some cases liability must be resolved, and the Department's lawyers represent the interests of the United States. In other cases, the United States may have clear liability to a plaintiff, and our lawyers' role is to confirm liability and then litigate a reasonable damages award. Sometimes a plaintiff will sue the Federal Government seeking the enforcement, or the restraint from enforcement, of a law or regulation. In these cases, our attorneys represent not only the fiscal interests of the United States, but also the intangible interest in the implementation of lawful government policies and practices. The one aspect that all of these diverse types of defensive cases have in common is that they are not discretionary; if the United States is sued, our attorneys must defend.

To support the Department's efforts regarding defensive civil litigation, our appeal includes \$23.0 million in program increases for the U.S. Attorneys and for three headquarters litigating components (the Civil, Environment and Civil Rights Divisions). The requested resources will fund the addition of 52 Assistant U.S. Attorneys, as well as 39 additional attorneys in headquarters litigating components. It also covers the cost of automated litigation support that is critical to achieving successful outcomes in those cases that are document-intensive.

Immigration. The President and I set out and achieved many of our goals to establish the rule of law along our border with Mexico. The Department and INS have worked hard to double the size of the Border Patrol. We have put these new resources to use smartly, establishing border control mile-by-mile, sector-by-sector. Having reached our hiring goals, now is not the time to pull back on our success, but to continue gaining control. Passback funding for technology along the border to detect and deter intrusions will be a great asset. However, a greater human presence is also required to catch and deter violators. Furthermore, there is broad political support for 1,000 additional agents. I appeal for 1,000 additional Border Patrol

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agents, and their accompanying support staff, from the Presidential Priority Reserve.

Expansion of INS' worksite immigration enforcement is critical for curtailing illegal employment in the same way additional Border Patrol agents are needed along the border. This expansion has been supported by the Department and the Administration in past years, but has not received much congressional support, although it is vital to reducing the incentive many aliens have for illegally entering and staying in the United States. Therefore, 83 additional worksite investigators, and their support staff, are sought on appeal as a Presidential Priority Reserve Candidate Funding item.

The availability of detention beds is also essential to the success of deterring illegal entries and removing illegal aliens. INS must have adequate detention space to house illegal aliens. In action on the 1998 budget, Congress cut \$130.8 million from INS' appropriated detention resources and directed it to use funds from the Breached Bond/Detention Fund. This Fund has as its primary source of revenue \$1,000 penalties paid by aliens who adjust their status under Immigration and Nationality Act section 245(i). However, in directing that a greater share of INS detention resources come from this Fund, Congress also brought an end to the 245(i) clause. We believe that OMB's recommendation to request a further extension of the 245(i) clause after it expires in January 1998 does not have broad political support and, therefore, is not an acceptable budget solution to the detention funding shortfall INS will face because of 1998 congressional action.

Without additional appropriated funding that was not provided in passback, INS will have to reduce the number of detention beds it can fund in 1999. While I understand that OMB has programmatic concerns about the long-term expansion of INS' detention program, I must stress that this appeal item of \$100 million from the Presidential Priority Reserve seeks to maintain bedspace levels. This parity becomes all the more critical with the possible addition of 1,000 Border Patrol agents and 83 investigators.

To support this immigration initiative, the Executive Office for Immigration Review (EOIR) requires additional resources to address an increased workload generated by additional INS reinforcement resources. Specifically, I am appealing for 64 positions and \$5.7 million from the Presidential Priority Reserve.

Finally, regarding immigration, the Department will continue working with OMB and the Domestic Policy Council on the reorganization of INS.

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State and Local Assistance. The passback proposed allocating \$100 million of the Byrne Formula Grant Program for drug treatment of individuals not under criminal justice supervision. While no one can argue that the need for drug treatment exceeds current resources, Byrne funding must be directed towards individuals in the criminal justice system who pose the most significant threat to public safety. Furthermore, drug treatment for non-criminal justice populations is not only outside the authorized purposes for the Byrne program, but also it is beyond the expertise of the state Byrne agencies and the Office of Justice Programs. If the Administration wants to put more funding into this area, the Substance Abuse and Mental Health Administration within the Department of Health and Human Services would be a more appropriate agency to administer such a program.

The passback also included a \$200 million Drug Intervention Program rather than continuing funding for the Residential Substance Abuse Treatment (RSAT) Program, the Drug Courts Program, and the Juvenile Justice Substance Abuse Prevention Program or funding the Office of Justice Program's (OJP) Drug Testing and Treatment initiative. I am concerned about the potential consequences of this "lumping" strategy. Such an approach could be an open invitation to Congress to create yet another block grant program. If discrete sources of funding are not maintained for drug courts or prisoner drug treatment, states will likely end up devoting fewer resources to them than they do presently. Despite the strong success of drug courts in treating drug abuse and crime, history tells us that court programs generally--and drug courts in particular--do not compete well with law enforcement and other criminal justice programs for funding, unless there are categorical funds going directly to courts. For example, with regard to the Local Law Enforcement Block Grant funds, in 1996 only 5 percent of this money went to drug courts, although it is one of 7 purpose areas. If drug courts becomes part of a larger block grant program, it could potentially reduce or eliminate funding for drug courts altogether, and the Administration would lose important gains made in this area.

The same is true of RSAT. RSAT is the only federal program directed to the needs of offenders--a population traditionally underserved. Currently, we know that 70 percent of inmates need drug treatment, but only 14 percent will actually receive treatment before being released back into the community. Furthermore, in order to receive prison grant funding, states will have to have in place drug testing and treatment programs for their corrections populations by September 1, 1998. This provision was added to the prison grant program at the behest of the Administration in order to encourage states to implement more

The Honorable Franklin D. Raines

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drug treatment programs; it would be inconsistent to eliminate specific funding that helps states to accomplish this.

The passback provided less funding for Violence Against Women Act (VAWA) Programs than the amount appropriated in 1998. These programs have strong bipartisan support. In 1996 and 1997, Congress provided the full level of funding authorized for these programs under the 1994 Crime Act. In 1998, Congress provided even more funding than the Administration had requested. Given the importance of these programs, I believe that funding should not be decreased below the 1998 appropriation.

Hate Crimes

The additional resources proposed in this appeal for the FBI for Hate Crimes Investigations will allow the FBI to support the Attorney General's Hate Crime Initiative. Under this initiative, each of the 94 judicial districts will establish a working group consisting of federal, state, local law enforcement representatives, as well as a community leaders. The FBI will be unable to fulfill its commitments to this initiative, as well as investigate the additional cases referred through the law enforcement working groups, without additional resources in 1999. The current full use of Violent Crime program resources is expected to continue through 1999; consequently, it is not feasible to absorb the additional agent and support staffing needed from within existing program resources.

My final concern is the guidance in the passback that encouraged the Department to identify \$51.2 million to offset the mandatory Winstar need in 1999. Given the struggle to meet base requirements, the Department does not have \$51.2 million to offer as an offset. Since adequate funding is essential to enable the Civil Division to reduce the Government's liability, I trust that OMB will identify an offset.

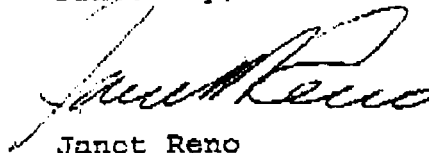
Again, while I appreciate the support demonstrated thus far in the 1999 budget cycle, I am compelled to request this additional funding so that we can continue to expand upon our successful ongoing efforts such as border control, as well as to meet new challenges like cybercrime. I believe that the themes outlined in this letter are important public safety issues and are consistent with the direction and commitments made by this Administration.

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The enclosed information details the specifics of my appeal.
I trust you will give this request serious consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Janet Reno", is written over a horizontal line.

Janet Reno

Enclosures

General Administration
FY 1999 Appeal

OMB Appeal

- o 9 positions, 9 FTE, and \$1,307,000 for restoration of the Office of the Associate Attorney General. It is anticipated that, as in recent years, 5 FTE and associated funding will be able to be "carved out" of the Department Leadership appropriation. This appeal provides the additional FTE and resources to allow the Associate's Office to return to its previous staffing level of 14 FTE.
- o 7 positions, 4 FTE, and \$373,000 to allow increased staffing within the Office of Legislative Affairs (OLA) to respond to the increasing number of document production requests and Congressional briefings as a result of oversight investigations.
- o \$250,000 for the OLA Legislative Tracking System to allow for Year 2000 compliance and to address technical support shortcomings.

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JMD BUDGET STAFF

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Executive Office of Immigration Review
FY 1999 Appeal

Presidential Priority Reserve Appeal

- o 64 positions, 32 FTE and \$5,688,000 to coordinate with INS initiatives (1,000 Border Patrol Agents and 83 Special Agents).

Office of the Inspector General
FY 1999 Appeal

OMB Appeal

- o 45 positions, 22 workyears, and \$2,822,000 for the Investigations Division to open a new office in Detroit, Michigan, and to enhance staffing levels in existing offices with increasing workload.
- o 4 positions, 2 workyears, and \$289,000 for the Special Investigations and Review Unit for investigative counsel and criminal investigators for assignment to special projects.
- o 10 positions, 5 workyears, and \$564,000 for the Audit Division to conduct audits of the Department's computer systems, and to conduct an assessment of the Department's implementation of the Government Performance and Results Act.

Counterterrorism Fund
1999 Appeal

Presidential Priority Reserve Appeal

- o \$5,200,000 for State and local bomb technician training at the FBI's Hazardous Devices School at Redstone Arsenal.
- o \$16,000,000 for State and local equipment and training to respond to chemical, biological, and bomb-related incidents.

General Legal Activities
FY 1999 Appeal

OMB Appeal

Tax Division

- o \$556,000, 10 positions (6 attorneys), and 6 FTE to staff the International Compliance initiative within the Criminal and Civil Units.

Criminal Division

- o \$1,552,000, 17 positions (13 attorneys), and 9 FTE to combat computer crime.
- o \$465,000, 5 positions (5 attorneys), and 3 FTE for continued support of the Caribbean Corridor strategy, to develop, promulgate, and coordinate the Department's Heroin Strategy, to enhance bilateral cooperation between Mexico and the United States, and to improve coordination among intelligence and law enforcement communities in narcotics efforts.

Civil Division

- o \$5,489,000, 15 positions (12 attorneys), and 15 FTE for Winstar staffing and automated litigation support.

Environment and Natural Resources Division

- o \$3,958,000, 29 positions (19 attorneys), and 15 FTE for the Environmental Defense section to respond to three massive cases seeking up to \$2.2 billion in cleanup costs at 28 contaminated sites around the country. These cases -- filed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund) -- allege that the United States is responsible for the contamination of these sites as a result of the contracting activities of numerous federal agencies during World Wars I and II and subsequently. It is anticipated that these three are the first in a new wave of Superfund litigation in which corporations are attempting unfairly to shift the burden of cleanup costs from past production activities to the federal government.
- o \$1,950,000 to restore the automated litigation support (ALS) base for defensive programs within the Environmental Defense, General Litigation, Indian Resources, and Wildlife and Marine Resources Sections.
- o \$206,000, 2 positions (1 attorney), and 1 FTE for the Environmental Defense Section to defend new regulations designed to protect the health of children from environmental hazards.

General Legal Activities

FY 1999 Appeal

OMB Appeal (Continued)

- o \$634,000, 4 positions (2 attorneys), and 2 FTE for the Environmental Defense and General Litigation Sections to protect the sovereignty of Native American Tribes.

Civil Rights Division

- o \$1,270,000, 13 positions (6 attorneys), and 6 FTE to enable the Disability Rights Section to meet responsibilities in the areas of enforcement, coordination and certification (Section 504 of the Rehabilitation Act and Title II of Americans with Disabilities Act), and mediation. This initiative supports the position expressed by the President to national leaders from the disability community during their meeting on September 10, 1997. In that meeting he stated that he would ask Congress for a significant increase in ADA enforcement funding in his 1999 budget.
- o \$383,000, 6 positions (5 attorneys), and 3 FTE to handle litigation related to redistricting decisions associated with the Year 2000 Census.

United States National Central Bureau - Interpol

- o \$1,773,000, 14 positions, and 8 FTE to augment the International Notice Program, and to upgrade information technology infrastructure.

Legal Activities Office Automation

- o \$7,100,000 to continue the implementation of the Justice Consolidated Office Network in the United States Attorneys Offices, litigating divisions, and offices funded through the General Administration appropriation.

Antitrust Division
FY 1999 Appeal

OMB Appeal

- o Pursuant to the guidance in the 1999 OMB Passback, the Division's total budgetary resources from Hart-Scott-Rodino fee revenue in 1999 will be represented as \$86,588,000, an increase of \$16,588,000 above the estimate contained in the Department's request. Total estimated resources carried forwarded into 1999 will be \$11,687,000. The Department intends to use the combined resources from these two sources to fund all Antitrust Division needs and will not seek directly appropriated funding in the 1999 President's request.

Foreign Claims Settlement Commission
FY 1999 Appeal

OMB Appeal

- o \$108,000 for increased payments to GSA rent (O.C.23.1). This enhancement is associated with a FY 1998 move from the Bicentennial Building to the Ronald Reagan Building.

U.S. Attorneys
FY 1999 Appeal

OMB Appeal

- o 96 positions [64 attorneys], 48 workyears and \$8,912,000 to complement the DEA's appeal for additional agents for Narcotics and Dangerous Drugs.
- o 115 positions [52 attorneys], 58 workyears and \$10,343,000 for Defensive Civil Litigation. This represents partial funding of the total request of 230 positions [104 attorneys], 115 workyears and \$20,608,000.
- o 100 positions, 50 workyears and \$14,745,000 for Information Technology. It represents partial funding of the total request of 161 positions, 81 workyears and \$27,231,000, as approved by the Department's Information Technology Investment Board.
- o 36 positions [24 attorneys], 18 workyears and \$3,630,000 for Computer Crime.
- o \$11,600,000 for Debt Collection. This represents partial funding of the total request of 44 positions (24 attorneys), 22 workyears and \$15,870,000. It provides funding for contract collection agents.
- o 10 positions [2 attorneys], 5 workyears and \$793,000 for Mission Support. This represents partial funding of the original request of 20 positions [4 attorneys], 10 workyears and \$3,687,000.
- o 41 victim/witness coordinator positions, 20 workyears and \$2,613,000 for Victims' Rights. This recommendation provides resources not enacted in the 1998 Appropriations Act.

Presidential Priority Reserve Appeal

- o 35 positions [26 attorneys], 18 workyears and \$3,466,000 for Violent Crime in Indian Country. This represents phased-in funding needs as proposed to OMB in October.

Federal Prisoner Detention
FY 1999 Appeal

OMB Appeal

- o \$25,000,000 to support the anticipated growth in the number of federal detainees in the custody of the USMS.

Community Relations Service
FY 1999 Appeal

OMB Appeal

- o \$1,200,000, 15 positions, 8 FTE for Conflict Prevention and Resolution Program Operations.

Federal Bureau of Investigation
Salaries & Expenses/Violent Crime Reduction Program
FY 1999 Appeal

OMB Appeal

- o \$6,000,000 to establish a Microwave Radio Replacement base in direct funding. FY 1999 is the second year of a five-year project to relocate to different radio spectrum frequencies. In 1998, Congress funded this initiative in the Assets Forfeiture/Super Surplus Fund.
- o 13 positions (9 agents), 7 FTE, and \$3,808,000 for Legal Attache (LEGAT) expansion.
- o \$14,625,000 for Drug Evidence/Confidential Case Funds.
- o 124 positions, (75 agents), 62 FTE, and \$11,607,000 for Computer Investigations and Infrastructure Threat Assessment (CITA) Squads.
- o \$5,000,000 for replacement Nightstalker. Funding was provided in 1998 to replace one of the two Nightstalker aircraft.
- o 9 positions, 4 FTE, and \$10,412,000 for the Computer Investigations and Infrastructure Threat Assessment Center (CITAC).
- o 5 positions, 2 FTE, and \$6,688,000 for Special Projects.
- o 30 positions, 15 FTE, and \$30,000,000 for Information Sharing Initiative (ISI).
- o \$4,074,000 for West Virginia fingerprint facility operations and maintenance.
- o 66 positions (32 agents), 33 FTE, and \$6,412,000 for Hate Crimes Investigations, Town Hall meetings, and Regional Workshops.
- o 3 positions (1 agent), 2 FTE, and \$196,000 for a Civil Rights Analytical Center.

Presidential Priority Reserve Appeal

- o 50 positions (30 agents), 25 FTE, \$4,657,000 for Indian Country Safe Trails Task Forces.
- o 31 positions, 16 FTE, and \$3,352,000 for Victim Witness Assistance in Indian Country.
- o 7 positions (6 agents), 4 FTE, and \$33,603,000 for the Infrastructure Protection Center (IPC).

Federal Bureau of Investigation
Telecommunications Carrier Compliance Fund
FY 1999 Appeal

OMB Appeal

- o \$50,000,000 for CALEA implementation. Negotiations with industry should be completed by December 31, 1997. The Administration must demonstrate a good faith effort in terms of providing the necessary funding.

Drug Enforcement Administration
FY 1999 Appeal 1/

OMB Appeal

- o \$13,679,000 and 156 positions (100 agents and 56 support). for investigative resources necessary to reverse the rising trends of methamphetamine trafficking and to avoid any erosion of DEA's investigative strength from an equally serious problem of cocaine and other dangerous drugs trafficking.
- o \$3,313,000 and 67 positions, including 50 diversion investigators to conduct chemical diversion investigations against "rogue" chemical suppliers, and deny clandestine laboratory operators the chemical components needed to manufacture methamphetamine.
- o \$9,844,000 and 90 positions (54 agents and 36 support) for the continued implementation of the Caribbean Corridor strategy, strengthening DEA's capability to deter the flow of drugs transiting Puerto Rico and the 26 island nations, which includes additional staffing for DEA's San Juan field offices, six of DEA's Caribbean foreign offices and for its DEA's Special Operations Division. (The 1998 appropriation provided \$34,217,000 and 60 agent positions for South Florida and Puerto Rico, including aircraft and advanced communications equipment. It did not include any support staff for the 60 agent increase, nor did it include staffing for any of DEA's foreign offices and Special Operations Division, which coordinates major Caribbean drug trafficking investigations.)
- o \$12,926,000 and 148 positions (95 agents and 53 support) to continue strengthening DEA's investigative capability to attack domestic heroin trafficking by Asian and Nigerian criminal organizations.
- o \$1,966,000 and 7 positions (5 agents and 2 support) to attack Asian heroin trafficking through foreign cooperative drug law enforcement by establishing a presence in Hanoi, Vietnam, Tashkent, Uzbekistan, and 1 additional agent in DEA's Manila Country Office to oversee Taiwan drug trafficking activities.
- o \$7,002,000 and 28 positions (3 agents and 25 support) for improving support for drug law enforcement operations through its classified special intelligence project, which has provided critical intelligence leads and information to field agents to pursue and investigate in targeting major international and national drug traffickers.

1/ - All positions appealed were re-costed using DEA's revised 1999 position modules.

Immigration and Naturalization Service
Salaries and Expenses Account
FY 1999 Appeal

OMB Appeal

- o Redirect 21 positions and \$2.9 million provided in Passback from Anti-smuggling Strategy Development to the National Intelligence Assessment Unit, a field-based unit deployed to systematically collect, analyze and disseminate intelligence information to be used by the Intelligence Program, and for work towards the Interior Enforcement Strategic Plan.

Presidential Priority Reserve Appeal

- o 1,140 positions (1,000 Border Patrol Agents/140 support) and \$104.6 million for the National Border Control Strategy.
- o 104 positions (83 Special Agents) and \$11.7 million for Worksite Enforcement activities in the interior.
- o \$100 million for the Detention and Deportation Program base restoration as a result of base reduction and transfer to the Breached Bond/Detention Fund in FY 1998 appropriation. The Department is not in favor of an extension of the 245(i) provision.

Immigration and Naturalization Service
Construction Account
FY 1999 Appeal

OMB Appeal

- o Redirect \$2.6 million within the Construction Account to support project planning/design-phase requirements totaling \$1.4 million -- \$300,000 added to the Douglas, AZ Border Patrol Station project and \$1.1 million for the Tucson Sector Headquarters, and increase the One-Time Construction funding level of \$25 million, provided in the Passback, by \$1.2 million. This helps address the \$140 million backlog of one-time construction requirements.

Resources are redirected from the Douglas, AZ Border Patrol Station renovation/expansion project planned for FY 1999. Because renovation plans are no longer viable, resources for construction of a new Border Patrol Station will be requested in the FY 2000 budget cycle.

Federal Prison System
Buildings and Facilities
FY 1999 Appeal

OMB Appeal

- o \$35,452,000, 13 positions, and 13 FTE to restructure the Modernization and Repair base program, providing a funding level equal to approximately 3 percent of the replacement value of BOP facilities.

Presidential Priority Reserve Appeal

- o \$124,565,000, 6 positions, and 3 FTE to construct a 960-bed U.S. Penitentiary in the Western Region.

Office of Justice Programs
FY 1999 Appeal

OMB Appeal

Drug Programs:

- o Withdraw \$200,000,000 for the Drug Intervention Program and instead add:
- o \$30,000,000 for Drug Courts.
- o \$85,000,000 for the Drug Testing and Treatment Initiative.
- o \$72,000,000 for Residential Substance Abuse Treatment (RSAT) Program.
- o \$5,000,000 for Juvenile Justice Substance Abuse Prevention.
- o \$2,100,000 for Byrne Discretionary grants to pay for the annualization costs associated with EOUSA's training program for the National District Attorney Association.
- o \$3,800,000 for the Arrestee Drug Abuse Monitoring (ADAM) System.
- o \$5,000,000 for DNA Research and Technology Development initiatives.
- o \$500,000 for Police Use of Force Statistics.
- o \$25,000,000 for the National Incident-Based Reporting System (NIBRS).
- o \$10,000,000 for the Office of Juvenile Justice and Delinquency Prevention's Project Safe Start.

VAWA - Total request of \$270,750,000 (1998 Enacted):

- o \$35,750,000 for the Law Enforcement and Prosecution STOP Grants.
- o Withdraw \$25,000,000 from the Encouraging Arrest Policies Program.
- o \$8,000,000 for the Rural Domestic Violence Enforcement Program.
- o Withdraw \$3,000,000 for the Access to Federal Criminal Information (Brady).
- o \$5,000,000 for VAWA Training programs.

Office of Justice Programs
FY 1999 Appeal

OMB Appeal (Continued)

- o 40 positions and 20 FTE for the administration of new Crime bill activities. This includes: 20 positions and 10 FTE to operate the Attorney General's Drug Testing and Treatment Program under VCRTF; and 20 positions and 10 FTE to operate the Prosecutorial Grant Program.

Presidential Priority Reserve Appeal

- o \$523,000,000 for the Local Law Enforcement Block Grant.
- o Withdraw \$100 million from proposed addition to Byrne Grants for drug prevention and give to SAMHSA.
- o 12 positions and 6 FTE for Indian Country Programs.

Fees and Expenses of Witnesses (Mandatory)
FY 1999 Appeal

OMB Appeal

- o \$5,000,000 to restore program reduction in 1998. This restoration is necessary because unobligated balances carrying forward to 1999 are lower than anticipated due to unexpected increases in expert witness costs in 1997 and 1998.

Indian Country Law Enforcement
FY 1999 Appeal

Presidential Priority Reserve Appeal

- o These resources are also shown under the Presidential Priority Reserve Appeals for FBI, USA and OJP.
- o \$4,657,000, 50 positions (30 agents), and 35 FTE to augment the Federal Bureau of Investigation's (FBI) investigative activities in Indian Country. These resources complement increases sought by the Bureau of Indian Affairs (BIA) for improving law enforcement on Tribal lands.
- o \$3,352,000, 31 support positions, and 16 FTE for FBI victim/witness coordinators for Indian Country.
- o \$3,466,000, 35 positions (26 Assistant U.S. Attorneys), and 18 FTE for the United States Attorneys to provide a balance between the investigative resources sought by FBI and BIA and federal prosecutorial capabilities.
- o 12 positions, 6 FTE for the Office of Justice Programs to manage and administer grants to be earmarked for Indian Country.
- o The Department of the Interior (DOI) will appeal an additional \$90,045,000 for this initiative. Together, the DOI and Department of Justice appeals, along with resources provided in the passback, provide for the 1999 needs requested for Indian Country law enforcement improvement.

BACK ISSUES

Ben
12/2000

① FY 1999 \$17,701 BA } 2.2%
\$16,988 BO }

- Discretion w/in, except as listed
- Drugs must be at last year's level of \$7,265 million (est.)
↳ (currently, \$7,522 mil)

② Eligible for PPR

- 1,000 Border Agents → \$103 million
- LLBG → \$223
- INDIAN LAW ENF. → \$205
- HIGH SECURITY PRISON → \$125
- BYRNE TREATMENT PLUS-UP → \$100
- FBI HELICOPTERS → \$31
- S/L FIRST RESPONDER TRAINING → \$16

NB: Com. Pros. not mentioned!

③ FUNDING HIGHLIGHTS

- BORDER INITIATIVES? (\$100 million from 245(1))
- \$300 mil for prisons in DC (Marshall, etc.)
- 50 million (not \$100 mil) for ALEA + other tech
- ENGLANDS - \$10 mil for courts. \$10 million + drug courts
+ \$20 million for youth.
- \$7.5 for Meth.
- 2.5 million for international org. crime.

③ FUNDING HIGHLIGHTS (CONT'D)

- \$ (million) hate crimes?
- \$ 95 million for ~~the~~ Alenschool
- \$ 6 mill DC Revitalization

- VCRIF: \$5,463 (for DOJ)

→ \$ 1.42 For cops (includes \$20 mill Police Corp)
" " \$1 (mil. Police Recr)

→ \$ 711 For prisons

→ \$ 350 For SCAAP

→ \$ 200 For Drug Int. / Courts.

→ \$ 250 VAWA

→ \$ 553 For Byrne (w/ \$100 million Earmark)

→ \$100 For Prosecutors

→ \$ 60 for Courts

- \$ 2 million For Police Brutality + misconduct

- JABS, NOIC

④ Redirected / Targeted w/in Base

- Border Inspectors (Intelligence)

- Indian Country \$10 million?

- Hate Crimes \$13 million (50 FBI + 100)

→ \$165 million for Indians

→ FBI + 100 mil + USA \$ 4 mil

- Drug Pk. T + MET.

⑤ Not Funded:

- ENS: POE pilot; San Francisco Det. Facility
- DOP: \$35 mil to Base
- USMS: "uncontrollable" workload model
↳ ? \$

- No Funds for Consolidation (BIA/DOO)
- HLBG → \$523 million / \$500
- Counter-Terrorism Fund? \$29 million
- \$33 million for ECDE
(Entrepreneurial Crime - Drug Enf.)
- Winston Litigation

⑥ Drug-Related Items

* CAUSA *

- Enclaves Country (Both RR) \$11 million - FBI-USA *
- \$90 mil - unformed officers, 140.

↳ 75 million

↳ \$40 million earmark to prisons
↳ \$40 million new!

- CYBERCRIME + C-Terrorism \$34 mil → \$90 + 170
- \$16 - First Responders?
↳ 5.2 million replace of officers to continue FBI Hazardous Devices School.
- Drug Enforcement.
- 6,000 Border Patrol Agents / INS WORKSITE? IMMIGR. ENF.
- Detention + 245 (1). 83 Inspectors
- lumping of Drug Counts, etc. *
- Byrne
- OWA less than 95 enacted.
- INSIDE ? → WAKE COMMIT?

- Passback provides \$626 million, ED's request, for Basic Support Payments to implement ED's revised formula.
- \$40 million is provided for Payments to Children with Disabilities, the same as ED's original request
- \$20 million is provided for Heavily Impacted districts
- \$10 million is provided for Facilities Maintenance, \$7 million above the 1998 level and \$10 million below ED's request.
- no funds are provided for Payments for Federal Properties.

School Improvement

- The account total is \$1.463 billion, \$79 million below the 1998 level and \$739 million below ED's request.
- Eisenhower: \$310 million, a straightline from the 1998 level, minus the \$25 million provided as a result of the America Reads negotiations which is no longer needed here given the direct funding of American Reads (see below).
- Innovative Education Program Strategies: no funds are provided.
- Safe and Drug-Free Schools and Communities:

Passback provides a total of \$556 million for the Safe and Drug-Free Schools and Communities (SDFSC) activity, a straightline from the 1998 level. However, OMB shares ED's and ONDCP's concerns that there is still little evidence that LEAs are using Safe and Drug-Free Schools and Communities funds for effective programs despite ED's efforts to support research-based programs at the local level. Therefore the Passback FY 1999 policy would require that (a) ED transfer, as a reimbursable expense, specified amounts to other agency prevention programs; and (b) the remaining

SDFSC funds be used for competitive grants. ED is to work both with the receiving agencies and with ONDCP to establish a common agreement on program and research priorities and to ensure that the funds are used effectively and in coordination with SDFSC funds.

The funds will be distributed as outlined below and under the conditions described below:

- o \$331 million for SDFSC State grants. These grants are to be awarded competitively and in accord with ED's Principles of Effectiveness.
- o \$50 million for SDFSC National activities. At least \$20 million of these funds shall be for research and demonstrations to help develop and identify programs of proven effectiveness. ED may use remaining funds for other activities that helps establish a system to identify research-based programs and enforce the Principles of Effectiveness. Research projects supported by these funds shall be designed and implemented under an agreement with the National Institute on Drug Abuse and ONDCP.
- o \$27 million shall be for the School Coordinators initiative, as requested, to help ensure that programs implemented at the local level reflect ED's Principles of Effectiveness.
- o \$148 million to be transferred to HHS as a reimbursable amount for the following programs and under the following conditions:
 - o \$20 million to the HHS State Incentive Grant Program, under a joint agreement between ED and HHS, to provide funds to States for drug program coordination efforts to help increase coordination between State and local SDFSC projects, the school coordinators described above, and other community-based efforts to decrease drug use and incidents of violence among school-aged youth.
 - o \$128 million to SAMHSA's Substance Abuse Block Grant, earmarked in ED appropriations language for use in grants to States for prevention only. HHS will work jointly with ED and ONDCP to have States fund effective, research-based projects linked to SDFSC projects.

In summary, the passback to ED, HHS, and ONDCP provides for the following set-asides in FY 1999 appropriation language:

\$331 million SDFSC State grants

50 SDFSC National programs (up to \$20 million is for ED/HHS research and demos)

27 School Coordinator initiative

20 HHS State coordinators

128 SAMHSA prevention programs

\$556 million Total

- Education for Native Hawaiians: \$18 million, the same as the 1998 level and ED's request.
- Charter Schools: \$100 million, \$20 million above the 1998 level and \$20 million below ED's request, to help establish 3,000 new public charter schools by 2001.
- All other programs are provided the lower of the 1998 level or ED's request.
- Urban Initiative: ED's proposal for a new Urban Initiative in FY 1999 is not approved. OMB will instead recommend an alternative School District Achievement Awards program, with an advance appropriation of \$500 million for FY 2000. A description of this proposal is found at the end of this document.

America Reads

- The FY 1999 level is \$290 million, the same as the FY 1999 level for this program in the Balanced Budget Agreement.

Indian Education

- The FY 1999 level is \$60 million, the same as the 1998 level and \$15 million below ED's request.



Record Type: Record

To: Michael Deich/OMB/EOP, Kenneth L. Schwartz/OMB/EOP
cc: Theodore Wartell/OMB/EOP, Patricia E. Romani/OMB/EOP, James Boden/OMB/EOP, Jose Cerda
III/OPD/EOP
Subject: Conversation with Jose Cerda on Justice appeals

The following is a summary of a phone conversation I had this afternoon with Jose Cerda. Jose is copied on the e-mail, so Jose, correct me if I have mischaracterized anything.

Jose outlined the following priorities and reactions to the DOJ passback and appeals.

- (1) New initiative for Community prosecutors -- \$100 million per year for 5 years. This is a brand new initiative that Jose and others in the WH are developing that they will be proposing shortly. Given the new initiative in the Department of Education on After School programs, Jose will likely suggest that the DOJ juvenile crime prevention program (\$95 million in passback including \$20 million for Indians) be dropped and used as a potential offset for this new program.
- (2) Opposes any earmark of Byrne for drug treatment -- Jose does not support an earmark of \$100 million of Byrne for drug treatment.
- (3) Supports OMB's approach on Indian Law Enforcement Initiative, but opposes earmarking Byrne funds. The recommended \$25 million would help reduce the need for Byrne funding.
- (4) Supports DOJ's appeal for funding VAWA at the higher 1998 funding levels (+ \$21 million over passback)
- (5) Accepts DOJ's appeal to **not** consolidate Drug Courts, Testing and Treatment into one initiative, but leave them as separate initiatives.
- (6) Believes that the WH may likely want to fund a portion of the Local Law Enforcement Block Grant and believes that we ought to use it as a way to funnel additional drug funds to the Mayors. (a Byrne for Mayors, if you will).
- (7) On the additional amounts for hate crimes, either fund on appeal or put in Presidential Pot and let the President decide whether he wants to fund.

Option 3: Given the crime rates in Indian Country, we do not question the need for additional resources for law enforcement in those areas. We do question, however, whether additional resources are needed or, alternatively, whether existing federal resources ought to be reallocated towards Indian Country and away from the rest of the country, which is experiencing declining crime rates. The recommended option funds the entire initiative within the guidance by either establishing or increasing earmarks within existing funding for COPS, the Prison Grant Program, the Byrne Grant Program, the Juvenile Justice Crime Prevention Program, the Drug Testing Program, and the Violent Youth Courts program, as shown in the chart below. In addition, the FBI and the U.S. Attorneys would reallocate base resources from other areas to Indian Country investigations and prosecutions. Thus, without providing any program enhancements, sufficient resources would be allocated to improve Indian Country law enforcement to standards enjoyed by non-Indian communities. (This option assumes that BIA will continue to fund its Indian Country law enforcement programs at base levels, with all requested increases funded out of the DOJ base). In order to fund the initiative within base resources, Justice would have to reallocate its resources as follows (BA in millions):

Program	Total 1999 Recommendation	Current allocation for Indians (\$)	Current allocation for Indians (%)	Proposed allocation for Indians (\$)	Proposed allocation for Indians (%)
COPS	1,420	2	0.1%	54	3.8%
Prison Grants	711	3	0.4%	78	11.0%
Byrne Grants	553	1	0.2%	25	4.5%
Juvenile Justice	244 ✓	2	0.8%	22	9.0%
Drug Programs	200 ✓	1	0.5%	11	5.5%
Tribal Courts*	10 ✓	n/a	n/a	10	100.0%
Violence Against Women Act	224	6	2.7%	6	2.7%
Other State & Local Assistance	749	4	0.5%	4	0.5%
FBI	3,089	13	0.4%	23	0.7%
U.S. Attorneys	1,113	10	0.9%	14	1.3%
TOTAL	8,313	42	0.5%	247	3.0%

*Proposes to create a new program, within guidance to fund an Indian Tribal Courts program.

While Justice is likely to argue that such a reallocation would have a negative impact on state and local law enforcement, we do not believe that the proposed redirection of existing resources towards Indians would adversely affect the various state and local assistance programs. The recommendation would redirect about 700 COPS officers from non-Indian jurisdictions to Indian lands. However, given the low average salaries of Indian police officers, the COPS program, which pays up to 75 percent of salary costs, may

actually fund more officers under this proposal. The proposal also reallocates approximately 1,300 prison beds under the Violent Offender Incarceration/Truth-in-Sentencing (VOI/TIS) program (commonly known as the prison construction program). The primary goal of the VOI/TIS program, however, is not to increase dramatically the number of prison beds, but rather to encourage States to adopt practices and laws to ensure that violent offenders serve a longer portion of their sentence, as well as to increase the likelihood of incarceration for violent offenders. These goals, which require a long-term commitment and legislative action in the States, are not likely to be affected by the reallocation. Also, the proposal does not affect the amounts received by States for drug and juvenile justice programs, since we are recommending increases for these programs (within guidance) specifically for Indian Country.

RECOMMENDATION: Option 3. Fund the initiative within base resources for existing programs.

FY 1997	FY 1998	FY 1999	
<u>Enacted</u>	<u>Likely</u>	<u>Req.</u>	<u>Recmd</u>

Community Oriented Policing Services (COPS)

1420	1440	1446	1420
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The COPS program to put 100,000 additional police on the streets is the cornerstone of the Administration's program to fight violent crime. Putting the idea of community policing into action, the program seeks to cut crime, violence, and disorder by applying proven, effective programs and strategies. Through the end of FY 1998, COPS will have funded approximately 80,000 additional officers and is on track to reach the 100,000 additional officer goal by FY 2000. The Department seeks \$1.4 billion for the hiring program, which will fund an additional 17,000 officers, \$20 million each for police corps and police recruiting, and \$6 million for police scholarships. The COPS program provides up to \$75,000 over three years. However, following the three year grant program, localities are responsible for funding the officers. Approximately 12,000 grants will expire in 1998 and Justice reports that many localities are already seeking Federal funding to help offset the cost of the COPS officers. While we support the requested level for the hiring and police corps programs, we recommend that funding sought for the police recruitment and scholarship programs, which have never been enacted, be directed, instead, to offset the cost of other known priorities including drug intervention programs.

Local Law Enforcement Block Grant Program

503	523	523	0
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In the past, Congress has tried to appropriate the entire authorized COPS funding level for a Local Law Enforcement Block Grant proposal. Agreement was finally reached in the FY 1996 appropriations process that a minimum of \$1.4 billion annually would be provided for COPS. Congress put the \$503 million differential (delta between \$1.9 billion requested for COPS and \$1.4 billion appropriated for COPS) into the Block Grant program and has funded the Block Grant program in each of the last three appropriation bills. In 1996, the grants were used for a wide range of anti-crime and law enforcement activities including 18 percent for hiring law enforcement personnel, 9 percent for prevention, 50 percent for law enforcement equipment and technology, and 4 percent for drug testing and treatment. Since the Administration has never supported the Block Grant program, we recommend no funding. This program, however, does enjoy strong Congressional support and DOJ staff are anxious to provide some funding for this program.

Construction Grants

487	556	556	536
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State Criminal Alien Assistance

170	150	150	150
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Cooperative Agreement Program

<u>13</u>	<u>35</u>	<u>35</u>	<u>25</u>
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Subtotal

670	741	741	711
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Although the \$741 million request represents less than 3 percent of total National spending on corrections, the grants leverage Federal money and encourage States to adopt "Violent Offender Incarceration and Truth-in-Sentencing (VOI/TIS)" practices and laws. VOI practices are intended to increase the likelihood of incarceration for convicted violent offenders and the TIS laws are designed to ensure that violent criminals serve a significant part of their sentences. To date, all States qualify for VOI grants and twenty-seven States have passed TIS legislation. DOJ estimates that three more States will qualify for the TIS grants by the end of FY 1998. The National Institute of Justice is currently conducting an evaluation of the program and will assess, among other things, the length of

FY 1997	FY 1998	FY 1999	
<u>Enacted</u>	<u>Likely</u>	<u>Req.</u>	<u>Recmd</u>

time served by violent offenders in order to determine the effectiveness of the program. Similar changes in law adopted in 1984 for Federal prisoners increased time served by 60 percent.

The Department's request of \$741 million is \$30 million greater than the FY 1998 budget request and includes \$150 million to continue the State Criminal Alien Assistance Program (SCAAP) to help States offset the cost of incarcerating undocumented criminal aliens (discussed below), and \$35 million for the Cooperative Agreement Program (CAP) to improve State and local facilities that hold Federal prisoners. In FY 1997, the Congress adopted a provision introduced by the Administration that requires States to test prisoners and parolees as a condition for receiving State prison grant money. However, the Congress did not authorize the use of prison grant money to offset the cost as proposed by the Administration. We recommend cutting the request to the amount included in the FY 1998 budget to free up funding to for drug intervention program for arrestees, prisoners and parolees. We do not believe that a \$30 million program reduction will influence a State's decision to adopt VOI practices or to pass TIS legislation.

Reimbursements to States for Costs Associated with Incarcerating Criminal Illegal Aliens 350 350 350 350

In each of the last three years, the President's budget has requested and the Congress has enacted the full authorized amount (\$350 million) for this program. This level of funding, combined with the \$150 million provided from State Prison Grants, provides a total of \$500 million in FY 1999. In FY 1996, this program reimbursed states \$0.6 for every dollar spent on incarcerating a criminal illegal alien. In FY 1996, forty-nine States and 94 localities received awards under this program ranging from \$225 (Murry, Oklahoma) to \$252 million (California). We recommend the authorized level in FY 1999, which is the same as the FY 1998 likely enacted level.

Drug Courts	30	40	75	0
Drug Testing	0	0	85	0
Drug Treatment	30	63	72	0
<u>Comprehensive Drug Intervention</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>200</u>
Subtotal	60	103	232	200

In response to WH staff interest in consolidating the Department's drug intervention programs, the recommendation combines a number of anti-drug programs into one comprehensive drug intervention proposal, which could be used to fund drug testing and treatment as well as drug courts. Drug testing and treatment programs have been shown to be a cost-effective way to reduce criminal behavior, increase employment, improve social and interpersonal functioning, and improve health. Both the Attorney General (AG) and the President have expressed concern over the prevalence of drug use in the Nation's prisons and jails. However, Congress has been reluctant to earmark grant money for drug testing and treatment as proposed by the Administration. For instance, in response to evidence suggesting that more than 50 percent of arrestees test positive for substance abuse, the Administration sought an earmark within the Byrne law enforcement assistance programs to help establish State and local arrestee drug testing programs in the FY 1998 budget. Indications are that Congress will not enact the earmark. The AG is seeking an increase of \$129 million over the likely

FY 1997	FY 1998	FY 1999	
<u>Enacted</u>	<u>Likely</u>	<u>Req.</u>	<u>Recmd</u>

enacted level, including \$85 million to fund drug testing and treatment programs. As an alternative, we recommend developing a comprehensive drug intervention strategy, which could be funded by reducing or redirecting other State and local assistance program funding including COPS non-hiring programs, prison grants, and violence against women programs. Under the recommended approach the AG could devote \$200 million to drug intervention an increase of \$97 million over the likely enacted level. We believe that this approach addresses the concerns of the AG, EOP staff, and ONDCP.

Violence Against Women Programs (VAWA)

197	264	225	225
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The proposed reduction to this program reflects the completion of systems and other equipment purchases. These programs include grants to encourage mandatory arrest policies and grants to improve coordination among law enforcement, prosecutors, and victim organizations. The Administration has consistently requested funding for VAWA programs at the level authorized in the Crime Act.

Research and Evaluation

58	80	157	112
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In FY 1996, Congress required the AG to provide a comprehensive evaluation of the effectiveness of over \$3 billion annually in DOJ State and local law enforcement assistance. The University of Maryland report, What Works, What Doesn't and What's Promising found that the effectiveness of most crime prevention strategies will remain unknown until more is invested in evaluating them. In response to that report, the AG has made research and evaluation one of her priorities. In addition to redirecting existing resources, the Department is requesting an increase of \$77 million over the likely enacted level to support a number of initiatives including:

- \$13 million for a research project designed to measure the impact of local program intervention on public safety;
- \$35 million to assist 30 large law enforcement agencies convert to the National Incident-Based Reporting System (NIBRS), which is intended to replace the Uniform Crime Reporting (UCR) program and provide detailed data on victims and offenders;
- \$20 million for "Project Safe Start" to coordinate efforts to respond to children who witness acts of violence; and
- \$3 million each for a community justice initiative and assistance to State and local jurisdictions in the event of a major law enforcement emergency such as serial killings, natural disasters and civil disturbances and \$1 million to combat hate crimes.

DOJ estimates that State and local participation in NIBRS would increase from 15 to 30 percent, which we do not believe warrants the expenditure of \$35 million. We also recommend no funding for Project Safe-Start. The AG indicates she does not want to pursue unless other agencies participate. To date, no agencies have agreed to participate.

D.C. Revitalization

0	0	11	6
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The recommended funding includes \$6 million to provide criminal justice research expertise and technical assistance to DC. Including a project to help the District develop a state-of-the-art crime mapping capability. The recommendation does not include \$5 million for

FY 1997	FY 1998	FY 1999	
<u>Enacted</u>	<u>Likely</u>	<u>Req.</u>	<u>Recmd</u>

a proposal to create a public benefit corporation to provide the District with the capability to mount its own program evaluations. The Department should work with the District to create this capability in-house including in the Metropolitan Police Department.

Youth Crime Prevention Block Grant	0	150	0	0
Prosecutorial Grants	0	0	100	100
Violent Youth Courts	0	0	60	60
<u>After-school Crime Prevention</u>	<u>0</u>	<u>75</u>	<u>95</u>	<u>95</u>
Subtotal	0	225	255	255

The recommendation requests \$255 million for youth crime prevention programs. The recommendation is \$30 million above the likely enacted level for these programs and provides \$10 million for tribal courts and \$20 million to make after-school crime prevention programs available on Indian lands. After-school programs keep schools open during peak juvenile crime hours (3-6 pm), prosecutorial grants provide support to prosecutors to break up gangs and to reduce gang violence, and violent juvenile court assistance helps expedite the handling of juvenile offenders. These programs were included in the President's Juvenile Justice bill and are the highest priorities for other EOP staff. In FY 1998, the Congress is likely to provide funding for these activities but prefers to fund the prosecutorial grants and violent youth courts as a block grant program.

Byrne Law Enforcement Assistance Grants	561	585	553	553
<u>Office of Weed and Seed (Included as an earmark in Byrne in 1997)</u>	<u>[28]</u>	<u>28</u>	<u>40</u>	<u>40</u>
Subtotal	561	613	593	593

The Byrne program assists State and local units of government in carrying out programs that offer a high probability of improving the functioning of the criminal justice system and the Weed and Seed program assists communities in developing and implementing strategies to "weed out" criminals and to "seed" programs that prevent crime. We recommend \$553 million in FY 1999 for Byrne, which is \$30 million below the likely enacted level, in order to provide funding for the drug intervention programs. At the same time, we recommend approval for DOJ's requested \$12 million increase for Weed and Seed. The funding increase supports program expansion to 45 additional cities at an average annual cost of \$250,000 per site. The Weed and Seed program was found to be effective in providing a comprehensive crime intervention strategy in a University of Maryland report on crime prevention programs.

<u>Other State and Local Assistance</u>	293	312	318	281
The recommendation includes an increase of \$3 million for management and administration and reflects the transfer of the National Sexual Offender Registry program to the Brady Handgun Violence Prevention program.				

<u>Total</u>	4112	4651	4848	4153
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EXECUTIVE OFFICE OF THE PRESIDENT
Office of Management and Budget
TCJS Division
Justice/GSA Branch

FAX COVER SHEET

TO: JOSE CERDA

FAX NUMBER: 6-7028

PHONE NUMBER:

FROM: Tim Bolen

PHONE NUMBER: 202/395- 3740

FAX NUMBER: 202/395-0850

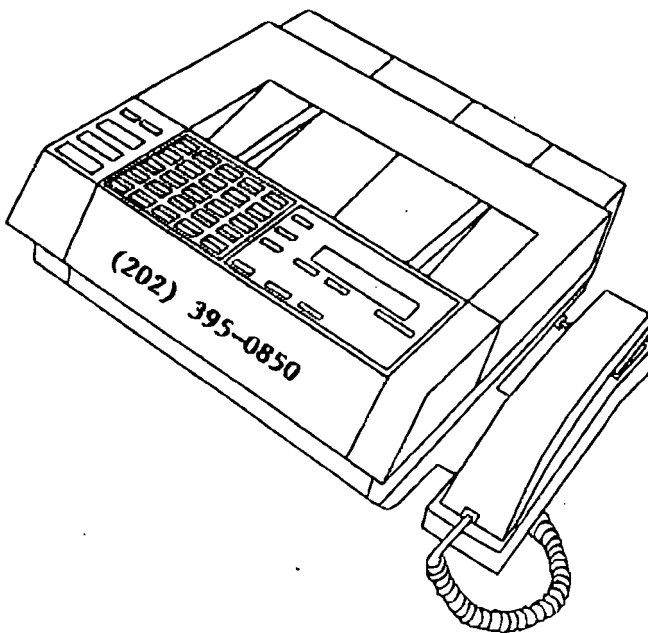
COMMENTS: BUDGET CHARTER

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Time:

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7. ENFORCING THE LAW

We said that we had to keep being tough on criminals, but we had to do some intelligent things. We said that we had to punish people more, but we have to give children something to say yes to, and we've had five years of declining crime rates and last year the biggest drop in violent crime in 35 years.

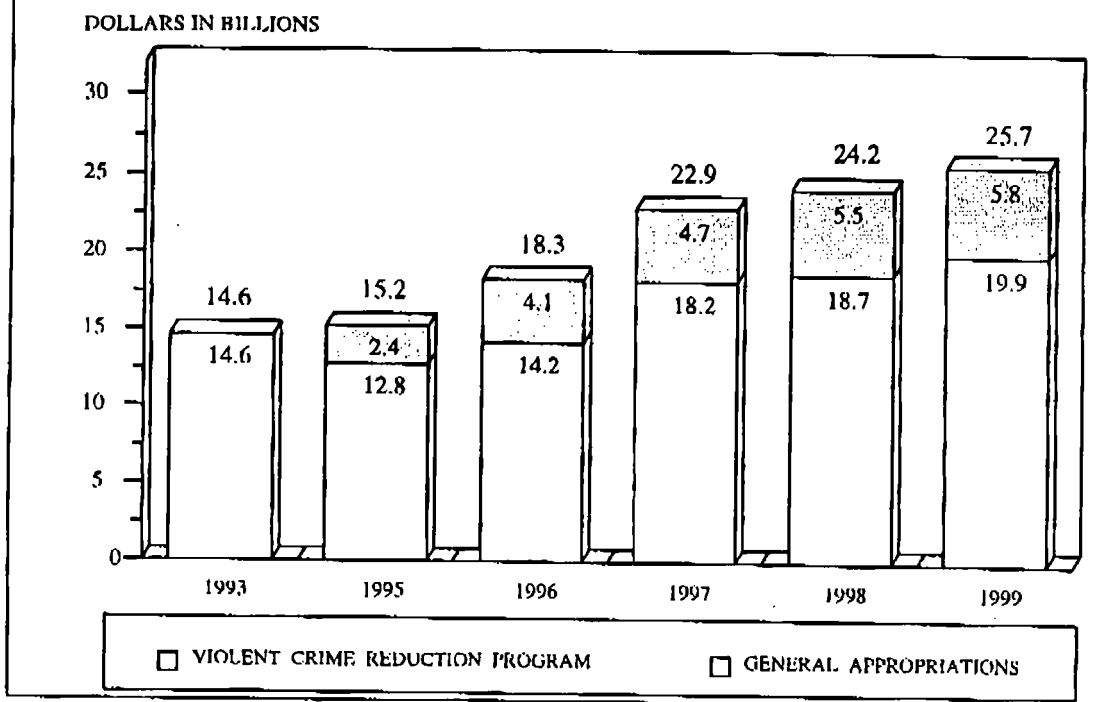
President Clinton
July 1997

Over the past five years, the Administration has made significant progress in cutting crime across the Nation. The strategy has been simple: put more community police officers on the streets to involve citizens in partnerships with the law enforcement authorities; impose punishments that fit the crime for people who break the law; and develop prevention programs to give children alternatives to crime and drugs and a chance for a positive future. The results have been extraordinary—five years of falling crime rates and, in 1996, the biggest drop in violent crime in 35 years.

Although crime remains mainly a State and local responsibility, the last five years show that the Federal Government can play an important role in reducing crime. The budget continues the Administration's aggressive anti-crime efforts, with a particular emphasis on reducing juvenile crime and violence. It builds on the success of community-based efforts such as the Community Oriented Policing Services (COPS) program, which will put 100,000 more police officers on the street by the year 2000, with a new Community Prosecutors Initiative to help prosecutors reorient their emphasis from simply processing cases to addressing quality-of-life issues and preventing crimes from occurring in the first place. The budget also proposes funds to prevent violence against women, help States and Indian Tribes build prisons, and address the growing law enforcement crisis on Indian lands.

The budget strengthens the Administration's aggressive efforts to control illegal immigration by targeting resources to stop those who want to enter the United States illegally, detain and quickly remove those who slip by, and make it harder for illegal immigrants to get jobs. It proposes to strengthen border enforcement in the South and West, increase efforts to identify and remove incarcerated illegal aliens, and expand efforts to verify the employment eligibility of newly hired non-citizens.

The budget also continues the Administration's commitment to combat drug use, particularly among young people. It devotes resources to youth prevention programs in order to change permissive attitudes toward drugs and reverse the trend of increased drug use by youth. The budget proposes to expand programs that stress treatment and prevention, domestic law enforcement, international assistance, and interdiction. It continues to build on the innovative Drug Courts initiative, provides \$50 million for a new School Drug Prevention Coordinators initiative, and proposes \$85 million for drug testing and treatment of those in the criminal justice system. It also provides increased funds for targeted interdiction efforts that enhance port and border security and disrupt drug trafficking overseas. The budget increases spending for drug control efforts by about \$1.1 billion, to \$17.1 billion.

Chart 7-1. DISCRETIONARY ANTI-CRIME BUDGET HISTORY

Fighting Crime

The budget proposes \$25.7 billion to control crime, a \$1.5 billion increase over 1998 (see Chart 7-1). Of the total, \$5.8 billion would go for programs authorized in the 1994 Crime Act, an increase of \$300 million over 1998 (see Table 7-1). While enhancing Federal anti-crime capabilities, the budget seeks to empower States and communities, which play the central role in controlling crime, particularly violent crime.

Community Policing: The cornerstone of the President's program to fight crime, particularly violent crime, is his plan to place 100,000 more police officers on the streets by 2000. Putting the idea of community policing into action, the program seeks to cut crime, violence, and disorder by applying proven, effective programs and strategies. The COPS initiative will fund almost 83,000 more police officers by the end of 1998 and, for 1999, the budget proposes \$1.4 billion to put 16,000 more officers on the street. COPS also enables local law enforcement agencies to buy sophisti-

cated crime equipment and hire support personnel, which, in turn, enable communities to deploy more officers.

Community Prosecutors Initiative: Community prosecution is the natural next step to community policing. The budget provides \$50 million, on a competitive basis, for local prosecutors' offices to work directly with neighborhood residents, join forces with police and other criminal justice agencies to solve local crime problems, and shift their emphasis from simply processing cases to preventing crimes from occurring in the first place.

Law Enforcement on Indian Lands: Homicide and violent crime rates on Indian lands are rising, even as crime rates in the rest of the country fall. Indian lands have only 1.3 police officers per 1,000 citizens, compared with the average of 2.9 officers per 1,000 citizens in non-Indian areas with similar population density. Moreover, jails on Indian lands fall far short of basic standards in such areas as staff and inmate safety. The budget proposes a \$182 million initiative within the Jus-

Table 7-1. VIOLENT CRIME REDUCTION PROGRAM SPENDING BY FUNCTION

(Budget authority, dollar amounts in millions)

	1997 Actual	1998 Estimate	1999 Proposed	Dollar Change: 1998 to 1999	Percent Change: 1998 to 1999
Prevention:					
Violence Against Women	259	415	415		
Drug Courts	30	30	30		
Residential State Prison Drug Treatment	30	63	72	+9	+14%
Drug Testing/Drug Treatment			85	+85	NA
Juvenile Justice Substance Abuse Prevention			5	+5	NA
Other Prevention Programs	34	27	28	+1	+4%
Subtotal, Prevention	353	535	635	+100	+19%
State and Local Assistance:					
Community Policing	1,420	1,430	1,420	-10	-1%
Incarceration of Violent Offenders	670	721	711	-10	-1%
Prosecutors/Violent Youth Courts			210	+210	NA
Incarceration of Undocumented Criminals	330	420	350	-70	-17%
Other State and Local Assistance	789	873	673	-200	-22%
Subtotal, State and Local Assistance	3,209	3,444	3,364	-80	-2%
Federal Law Enforcement Assistance:					
Department of Justice	1,002	1,350	1,609	+259	+19%
Department of the Treasury	89	131	132	+1	+1%
Judicial Branch	30	40	60	+20	+50%
Subtotal, Federal Law Enforcement	1,121	1,521	1,801	+280	+18%
Total, Violent Crime Reduction Program Spending	4,683	5,500	5,800	+300	+5%

NA = Not applicable.

tice and Interior Departments to address the public safety crisis in Indian country by strengthening Indian country law enforcement in such areas as the number of officers per capita and the quality of detention facilities, primarily through anti-crime grants to Indian jurisdictions.

Violence Against Women: Violence against women is a continuing problem. Studies show that law enforcement intervention often breaks the cycle of domestic violence, preventing subsequent incidents. The budget proposes \$415 million to maintain efforts to combat gender-based crime. Funding for these programs will also enable States to further expand outreach

to previously under-served rural, Indian, and other minority populations.

Juveniles: The budget proposes \$291 million for ongoing programs to fight juvenile crime and \$95 million to support more local community prevention programs such as mentoring, truancy prevention, and gang intervention. To prevent young people from becoming involved in the juvenile justice system, the budget expands programs that provide supervised afternoon and evening activities for youth. These programs include \$200 million for community schools, supervision, and youth services grants, an increase of \$40 million over 1998.

Gangs: The President has worked hard to crack down on violent youth gangs and to keep guns out of the hands of criminals and away from children. He launched a tough Anti-Gang and Youth Violence Strategy to help communities hire more prosecutors and probation officers, and to keep schools open later when youth crime rates peak. The budget provides \$100 million for prosecutorial initiatives to target gangs and \$50 million for court-related activities such as more probation and parole officers and special court programs to expedite youth violence and gun cases.

- **Youth Crime Gun Interdiction Initiative:** The budget provides \$28 million to crack down on illegal gun traffickers in 27 cities. Of the \$28 million, \$12 million would go to trace firearms used by youth in crimes and give law enforcement the crucial investigative leads about the sources of these firearms, and \$16 million would go to hire over 160 new agents of the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms to help follow up on these leads.
- **Safe Streets Task Forces:** The budget proposes \$105 million to continue the Safe Streets program, which blends the efforts of the FBI and other Federal law enforcement agencies with those of State and local police departments to investigate street crime and violence.

Crime in Public Housing: The budget also targets violence in public housing, proposing \$310 million to support anti-drug and anti-crime activities, including Operation Safe Home and the One Strike, You're Out program.

- **Operation Safe Home:** The Department of Housing and Urban Development's Offices of Public and Indian Housing and Inspector General jointly administer Operation Safe Home, which brings together residents, managers, and various Federal and local law enforcement agencies to rid public housing communities of crime.
- **One Strike, You're Out:** The President believes that public housing is a privilege, not a right, and residents who commit crime and peddle drugs should be evicted immediately.

Fraud in Agriculture (USDA) Programs: USDA estimates that over \$50 million a year in Food Stamps go illegally to convicted felons and prison inmates, and that a sizable number of retailers who accept Food Stamps make money off of them illegally. The budget includes \$28 million to crack down on fraud and abuse in Food Stamps and other USDA programs, such as child nutrition, rural rental housing, and emergency and disaster assistance payments.

Violent Offenders: The Administration seeks to ensure that convicted violent offenders serve at least 85 percent of their sentences behind bars. The budget proposes \$711 million in State and Tribal grants to build new prisons and jail cells under the Violent Offender Incarceration and Truth in Sentencing (VOI/TIS) Program; the 1999 funding level finances about 9,500 new prison beds. The VOI/TIS proposal also would provide \$150 million to reimburse States for the costs of incarcerating criminal aliens and \$25 million to improve State and local correctional facilities that hold Federal prisoners and detained illegal aliens.

Terrorism: While acts of domestic terrorism have been isolated events, such as the Oklahoma City and World Trade Center bombings, the Administration has sought more Federal resources to ensure the safety and security of the public and the Government from these violent and devastating criminal acts. The budget builds on the President's 1997 Antiterrorism/Counterterrorism/Security initiative by providing \$6.7 billion to combat terrorism, of which \$4.3 billion would support the Defense Department's (DOD) terrorism-related and force protection efforts. While much of the proposed funding continues current terrorism-related programs in physical protection and law enforcement activities, the budget also funds initiatives in the following high-priority areas:

- **Weapons of Mass Destruction Terrorism:** The budget proposes \$16 million for the Justice Department to improve State and local response capabilities to weapons of mass destruction, and increases of \$49 million for DOD domestic preparedness and response capabilities; \$7 million for the Energy Department's emergency response capabilities for nuclear terrorist events; and \$2 million for the Department

of Health and Human Services' Metropolitan Medical Strike Teams, which handle the medical response to an incident involving weapons of mass destruction.

- *Cyber Crime/Critical Infrastructure:* To improve the Government's ability to detect and counter cyber crime and other threats to the Nation's critical infrastructure, the budget proposes \$27 million to enhance the investigative and prosecutorial efforts of the FBI, the U.S. Attorneys, and the Justice Department's Criminal Division, and \$37 million to enable the Justice Department's Counterterrorism Fund to support critical infrastructure protection efforts. The budget also supports DOD's and other agencies' critical infrastructure-related research and development programs.
- *Aviation Security:* The budget provides an increase of over \$110 million to the Federal Aviation Administration for explosives detection security equipment and cargo screening research and development—supporting recommendations of the White House Commission on Aviation Security and Safety.

Technology Improvements: Technology improvements give law enforcement agencies the tools to fight crime. The Communications Assistance for Law Enforcement Act ensures that law enforcement agencies can conduct court-authorized wiretaps as the Nation converts from analog to digital communications technology. With \$114 million available in 1998 to help develop the technology changes to provide this capability, the budget proposes \$100 million in 1999 to continue the effort. The budget also proposes \$100 million to enable the Treasury and Justice Departments to upgrade their wireless communications systems' efficiency, security, and compatibility with the radio systems of State and local public safety agencies.

Meeting the Challenges of Immigration

The Administration has sought to control our Nation's borders and stop illegal entry. Working through the Immigration and Naturalization Service (INS), it has reversed decades of neglect with an aggressive border control strategy. Since 1993, the Administra-

tion has added over 3,800 new Border Patrol agents—almost doubling the agent workforce—and introduced innovative border deterrents and advanced technology to stop illegal entry along the Nation's Southwest border.

As a Nation of immigrants, the United States will continue to welcome those who seek legal entry and refugees who seek protection. In 1997, the Nation welcomed nearly one million new naturalized U.S. citizens. INS is redesigning the naturalization process to meet the challenges of processing over a million new applications for citizenship a year in a way that ensures uncompromising integrity.

Since 1993, working with Congress, the Administration has increased INS funding by 148 percent. The budget, which proposes \$4.2 billion for INS, 10 percent more than in 1998, continues to support efforts to advance border control, improve illegal alien detention and removal capabilities, and achieve efficient processing of those seeking citizenship (see Table 7-2).

Border Control and Enforcement: By the end of 1998, Border Patrol agents will number over 7,800, a 98-percent increase over the 3,965 who patrolled the Nation's 5,000 miles of border in 1993. With more agents needed to fill enforcement gaps and enhance Border Patrol presence along the Southwest border—especially in border States like Texas, New Mexico, and Arizona—the budget proposes to add 1,000 new Border Patrol agents (see Chart 7-2).

The budget maintains the Administration's commitment to "force-multiplying" technologies, including ground sensors, high-resolution color and infrared cameras, and state-of-the-art command centers, which will increase the effectiveness of these agents and enable INS to better control the border. Agents will be able to shift their focus from observing the border to responding to known border incursions and raiding smuggler operations and holding areas. Multi-year funding for these force-multiplying technologies will have the equivalent effect of adding over 1,300 agents to the Southwest border.

The budget provides funds to expand border fencing and barriers, install permanent light-

**Table 7-2. IMMIGRATION AND NATURALIZATION SERVICE
FUNDING BY PROGRAM**

(Budget authority, dollar amounts in millions)

	1993 Actual	1997 Actual	1998 Estimate	1999 Proposed	Dollar Change: 1998 to 1999	Percent Change: 1998 to 1999
Appropriated Funds:						
Border Patrol	354	730	877	998	+121	+14%
Investigations and intelligence	142	254	269	305	+36	+13%
Land border inspections	83	151	168	182	+14	+8%
Detention and deportation	161	476	428	554	+126	+29%
Program support and construction	227	564	600	684	+84	+14%
Subtotal, Appropriated Funds	967	2,175	2,342	2,723	+381	+16%
Fee Collections and Reimbursements:						
Citizenship and benefits	308	626	787	827	+40	+5%
Air/sea inspections and support	255	355	427	486	+59	+14%
Immigration support		11	242	152	-90	-37%
Subtotal, Fee Collections and Reimbursements	563	992	1,456	1,465	+9	+1%
Total, Immigration and Naturalization Service resources	1,530	3,167	3,798	4,188	+390	+10%

ing, and construct support roads along the Southwest border. These deterrents help control the border by increasing the chances that Border Patrol agents will apprehend those trying to enter illegally. Since 1993, INS has added over 189 infrared night scopes, 4,675 ground sensors, 63 miles of fencing, and 17 miles of border lighting, and has added or improved over 1,000 miles of roads to help control drug trafficking, alien smuggling, and illegal entry. The budget provides funds for another nine miles of border lighting and additional fencing, and for maintaining border deterrents now in place.

Border Patrol and Detention Construction: Over the past year, INS has focused on meeting its infrastructure needs by building more Border Patrol stations, border enforcement checkpoints, and detention facilities. The budget supports INS' construction program by providing funds to build and renovate eight Border Patrol stations, construct four new highway checkpoint systems and a rail yard

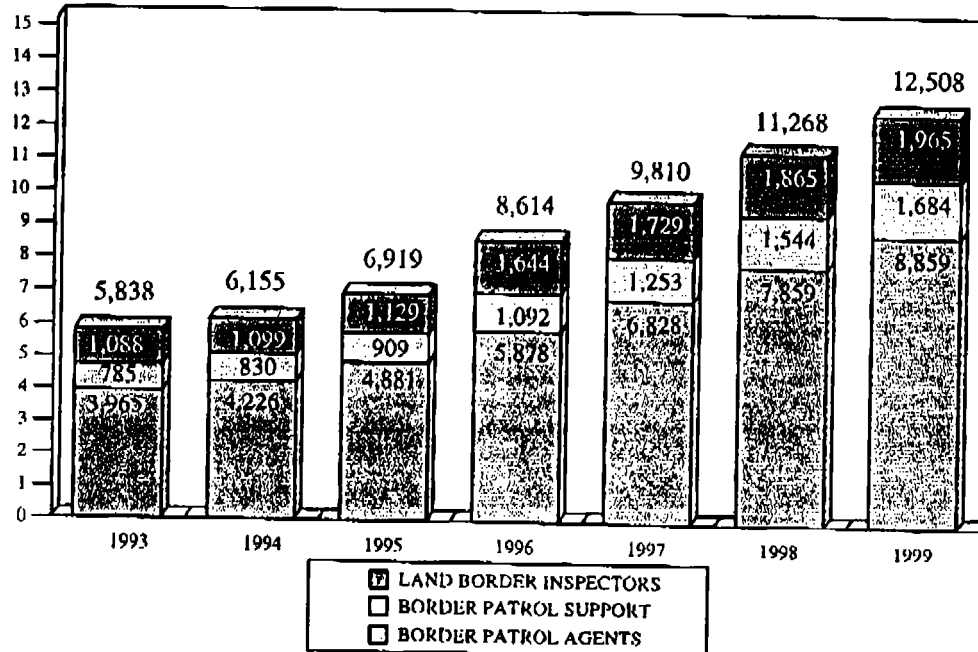
inspection facility, and expand detention capabilities at four facilities.

Detention and Removal of Illegal Aliens: The Administration is committed to removing those who have entered the country illegally. With the resources of the past two years, INS has focused on removing criminal aliens held in Federal, State, and local facilities to ensure these criminals are not allowed back on the street. In 1997, INS removed 111,794 aliens, including 50,165 criminal aliens. It estimates that it will remove over 127,300 aliens in 1998, and 134,900 in 1999. The budget supports INS' detention program by proposing a \$90.8 million increase for facility, transportation, and bedspace improvements to detain and swiftly remove those who have entered illegally.

State and Local Alien Incarceration: Through the State Criminal Alien Assistance Program (SCAAP), the President has provided unprecedented help to reimburse State and local governments for the costs of incarcerating illegal criminal aliens. In 1997, the Federal

**Chart 7-2. IMMIGRATION AND NATURALIZATION SERVICE
BORDER PATROL AND LAND BORDER INSPECTION STAFFING**

STAFF IN THOUSANDS



Government provided \$500 million to reimburse 47 States and over 200 localities—covering most costs associated with incarcerating aliens in non-Federal facilities. The budget continues this commitment, providing \$500 million for reimbursements. The Federal Government plans to ensure that States and localities receiving SCAAP funds fully cooperate with INS in its efforts to expedite criminal alien removals.

Citizenship and Benefits: INS estimates that with so many more people now seeking to naturalize, the Nation will welcome about a million new citizens a year over the next few years. To process new applications, INS is reengineering the naturalization process and plans to have significant pieces of its redesigned system in place by spring 1998. It will ensure that applicants are: (1) given accurate and timely information; (2) processed through the system correctly; and (3) adjudicated swiftly and fairly. The system will also ensure that INS is handling each case—from initial request through oath-taking—responsively and

with uncompromising integrity. INS also plans an extensive community outreach effort that will target immigrant population centers to ensure that they are served efficiently.

Organization and Structure: The final report of the Commission on Immigration Reform called for major changes in how the Federal Government sets and implements immigration policy. In particular, it urged a separation of the enforcement and benefit functions that INS now performs.

The Administration has studied these and other reform proposals and is developing a plan to enhance immigration law enforcement while improving the delivery of immigration services and benefits. It recognizes that enforcement and benefits are interrelated and, thus, neither should be addressed without the other in mind. The plan, however, will make Federal immigration activities more efficient and effective by separating enforcement and benefit and service operations—both in headquarters and in the field—thereby strengthening accountability and lines

of authority. In addition, the plan will enhance coordination among Federal agencies involved in immigration and establish greater accountability within each agency. Together, these reforms within individual agencies and across the Government will support and sustain the Administration's progress over the last five years in enforcing our immigration laws and fulfilling the Nation's commitment to its immigration heritage.

Combating Drug Abuse and Drug-Related Crime

Drug use and drug-related crime cost our society about \$67 billion a year¹ and poison the schools and neighborhoods where our youth strive to meet their full potential. Illicit drug trafficking thrives on a culture of crime, violence, and corruption throughout the world. Drug use is a major contributing factor in the spread of AIDS and other deadly diseases. All Americans, regardless of economic, geographic, or other position in society, feel the effects of drug use and drug-related crime.

The budget proposes \$17.1 billion for drug control programs, a seven-percent increase over 1998, including increases for all elements of the fight against drug use, such as drug treatment and prevention, especially for children and adolescents; domestic law enforcement; international programs; and interdiction (see Table 7-3).

Community-Based Prevention: The budget proposes \$2.4 billion for drug prevention pro-

grams, 12 percent more than in 1998. Although drug use among youth fell steadily, and dramatically, in the 1980s, teenage drug use has since increased and anti-drug attitudes have softened—due partly to drug glamorization in the media and highly publicized drug legalization efforts. The Administration remains committed to sending a single “no use” message to America's youth.

- **National Youth Anti-Drug Media Campaign:** The Office of National Drug Control Policy, in conjunction with other Federal, State, local, and private experts, is developing a \$195 million national media campaign, including paid advertisements, targeting youth and their parents on the consequences of illicit drug use. Anti-drug messages have already aired in 12 target cities and on the Internet.
- **Safe and Drug Free Schools and Communities Program:** Students can reach their full potential only in safe, disciplined learning environments. The Safe and Drug Free Schools and Communities program helps 97 percent of school districts implement anti-drug and anti-violence programs in schools. The budget proposes \$556 million for this program, including \$125 million in competitive grants to high-need areas that use proven program designs.
- **School Drug Prevention Coordinators:** The budget provides \$50 million for a new School Drug Prevention Coordinators program to ensure that half of the Nation's middle schools will have a knowledgeable director of drug and violence prevention programs. These coordinators will ensure that local programs are effective and link

Table 7-3. DRUG CONTROL FUNDING

(Budget authority, dollar amounts in millions)

	1997 Actual	1998 Estimate	1999 Proposed	Dollar Change: 1998 to 1999	Percent Change: 1998 to 1999
Demand reduction	4,943	5,376	5,867	+491	+9%
Supply reduction	10,090	10,601	11,203	+602	+6%
Total, Drug Control Funding	15,033	15,977	17,070	+1,093	+7%

¹“Substance Abuse: The Nation's Number One Health Problem.” Key Indicators for Policy, Institute for Health Policy, Brandeis University (1993).

school-based prevention programs to community-based programs.

- **Drug Free Communities Act:** The budget proposes \$20 million for activities under this Act, which helps increase citizen participation in our efforts to reduce substance abuse among youth and provides funds to help community anti-drug coalitions carry out their important missions.

Drug Intervention: The budget proposes \$3.4 billion to treat drug abuse, seven percent more than in 1998. The Administration realizes that an effective treatment system must confront drug abuse where the challenge is the hardest—in the streets of urban, suburban, and rural drug markets, and in the criminal justice system. Closing the treatment gap between those who could benefit from substance abuse treatment and the current capacity of the public treatment system remains a top priority. These chronic drug users consume a disproportionate amount of illicit drugs and inflict a disproportionate share of drug-related costs on society.

- **Substance Abuse Treatment:** The budget provides \$3.4 billion for substance abuse treatment activity, seven percent more than in 1998. The increase is based not only on the need to close the treatment gap, but on a body of evidence showing that treatment is the most cost-effective way to reduce drug abuse. These efforts will enable hundreds of thousands of pregnant women, high-risk youth, and other under-served Americans to get drug treatment services.
- **Drug Courts:** The budget proposes \$30 million for Drug Courts. In an effort to break the cycle of drugs, crime, and violence, these courts present an alternative to incarceration for people who commit non-violent crimes and express a desire to participate in, and would benefit from, rehabilitative drug treatment. Drug Courts encourage serious commitment to the treatment process through graduated sanctions such as increased drug-testing and supervision, and, when necessary, incarceration.

Domestic Drug Law Enforcement: The budget proposes \$8.8 billion for drug-related

domestic law enforcement, four percent more than in 1998, to help bolster community-based law enforcement efforts, shield the Southwest border from illicit drugs, target major domestic organizations trafficking in heroin, and enhance coordination among Federal, State, and local law enforcement agencies. The budget proposes an increase of \$13 million, or 30 percent, for the Drug Enforcement Agency (DEA) to enhance domestic anti-heroin efforts. The Federal Government will continue its focus on providing leadership and training; facilitating multi-agency cooperative efforts through the High Intensity Drug Trafficking Areas program, the Southwest border initiative, and other efforts; and offering incentives to States and localities to use the most effective drug control methods.

- **Methamphetamine:** Methamphetamine is quickly becoming the growth drug of the 1990s. The DEA trains its agents, as well as State and local law enforcement agencies, to seize clandestine methamphetamine laboratories. The budget proposes to continue the DEA's anti-methamphetamine efforts with a \$25 million increase, more than doubling the 1998 figure.

International Programs and Interdiction: The Administration's comprehensive approach to combating drug use includes an enhanced international strategy, making it harder for drug-criminals to smuggle illicit drugs into the United States. The budget includes funds to upgrade interdiction efforts along the Southwest border and in the Caribbean, and to provide heightened assistance to foreign governments to curtail drug cultivation and production.

- **Source Nation Efforts:** Internationally, the United States focuses primarily on interdiction in source countries and transit zones, disrupting the drug organizations and their production, marketing, and money laundering structures. The budget proposes to increase funding for counter-narcotics programs in Peru to \$50 million, 66 percent more than in 1998, to continue illicit coca crop eradication efforts and support alternative crop development. It proposes increased funding for counter-narcotics programs in Colombia to \$45 million, 50 percent more than in 1998, to

continue enhanced coca, opium poppy, and marijuana crop eradication efforts. And it proposes \$247 million, 20 percent more than in 1998, to provide training, logistics, equipment, intelligence, and communications support to source nations, mainly Columbia, Peru, and Bolivia.

- *Southern Tier of the United States:* The Administration remains committed to shielding the Nation's Southern tier from the drug threat. The budget proposes to

enhance the Customs Service's border enforcement efforts at land and sea ports-of-entry by providing \$54 million for advanced technology, which includes automated targeting systems and non-intrusive inspection systems, to improve narcotics interdiction. The budget further solidifies the interdiction effort by providing \$104 million for another 1,000 border patrol agents and an increase of \$36 million, or nine percent over the 1998 level, for the Coast Guard's interdiction activities.



JUSTICE

Intensifying Fight

Citing a need to intensify the fight against youth violence, narcotics, illegal immigration and "cybercrime," Attorney General Janet Reno said the Justice Department is seeking a 4.4 percent increase in its budget for fiscal 1999.

That would bring the department's budget authority to \$20.9 billion, up 87 percent since Clinton took office.

The new budget includes \$481 million for various programs to curb violent juvenile crime and support additional prosecutors. A total of \$1.4 billion would go toward putting 16,000 more "community oriented police officers" on the street.

The budget request also calls for 75 additional FBI agents and 24 government attorneys to "keep pace with the cyber-criminals of the 21st century," Reno said.

The budget also includes \$7.7 billion to fight drug trafficking, adding 257 new anti-narcotics agents. The department also wants \$4.2 billion for the Immigration and Naturalization Service, up 10.3 percent from this year. The agency plans to hire 1,000 new Border Patrol agents.

—William Branigin



James Boden

02/13/98 02:15:59 PM

Record Type: Record

To: Jose Cerda III/OPD/EOP

cc: David J. Haun/OMB/EOP

Subject: Byrne Funding

Here is a brief history of Byrne funding since 1994:

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Budget Request	496	100	450	535	575	553
Appropriation	475	450	535	560	553*	

*This amount does not include \$35 million for Weed and Seed, which was provided separately.

DEPARTMENT OF JUSTICE 1999 BUDGET
(discretionary spending in millions of dollars)

REQUEST vs. GUIDANCE						
	1996 Actual	1997 Est.	1998 Likely	1999 Guidance	AG's Request	Request vs. Guidance
Discretionary (including 054/ excluding DC initiative)	10,719	11,782	11,751	11,848	14,535	2,687
Crime	3,925	4,495	5,179	5,250	5,715	465
Sub-total Guidance letter	14,644	16,277	16,930	17,098	20,250	3,152
DC initiative	—	—	—	328	421	93
Total Discretionary including DC	xxxx	xxxx	16,930	17,426	20,671	3,245
1998 likely				17,426	16,930	
PLUS: Adjustments to base					302	
1999 Pay Raise					150	
Annualization of 1998 Pay Raise					43	
Annualization of 1998 Positions					310	
GSA Rent					45	
FRF Transfer for Winstar					51	
Price Inflation					55	
Other					70	
Non-recurring Decreases					(422)	
Plus D.C. 1998 Base Fund*					328	
1999 base				17,426	17,560	134
Plus Enhancements*					3,111	
TOTAL REQUEST				17,426	20,671	3,245

* \$2,398 classified as Presidential Initiatives in response to BDR 97-67

DEPARTMENT OF JUSTICE
1999 Enhancements (Dollars in Millions)

Indian country law enforcement	377
Law enforcement officers	178
Correctional facilities	144
U.S. Attorneys	10
Other	45
Hate crimes	17
Drug testing	75
DC revitalization	93
Immigration	477
1,000 INS Border Patrol agents	138
Detention and alien removal	127
Inspections	58
Antismuggling/Worksite Enforcement	59
Border technology	35
Adjudication	32
Other	27
Cyber crime	30
Drug control	101
DEA, Caribbean/heroin/international	60
U.S. Attorneys & Criminal Division	8
ICDE base restoration	33
State and local assistance--Safety Block by Block	47
Infrastructure	1,065
INS S&E and Construction	250
Marshals Vehicle/radio replacement	21
FBI Spectrum narrowbanding	134
FBI information sharing initiative	113
FBI Infrastructure Operating Shortfalls	63
FBI Aircraft/helicopters	27
FBI Firearms facility/Hoover Building renovation	49
Prison construction/activation	163
Increase in jail days	53
GA, JABS and Main Justice Reconstruction	83
DEA S&E	73
Other	36
All other	829
U.S. Attorneys	67
U.S. Marshals, Radios/Vehicles	48
Local Law Enforcement Block Grant	523
Telephone carrier compliance	50
Weed and Seed	11
Prison Grants	30
Other	100
TOTAL	3,111

Office of Justice Programs, State and Local Assistance Programs
(in millions of dollars)

	1997 Enacted	1998 Request	1998 House	1998 Senate	Additions/ Subtractions	1999 Request
Office of Justice Programs (OJP), Direct						
Research, Evaluation and Demonstration (NIJ).....	48	49	43	49	24	73
Criminal Justice Statistics Programs (BJS) (includes \$1m for Hate Crimes)...	28	22	22	22	39	61
National Sexual Offender Registry (Moved to VCRTF: Brady Acct.)	0	25	25	25	(25)	0
Emergency Assistance.....	0	0	0	0	3	3
Motor Vehicle Title Information System.....	0	0	0	0	7	7
Missing Children.....	6	6	9	3	2	8
Regional Information Sharing System (RISS).....	15	15	15	25	0	15
White Collar Crime.....	4	4	5	4	0	4
Terrorism Training.....	17	17	17	23	0	17
Community Justice Initiative.....	0	0	0	0	3	3
Indian Country Initiative.....	0	0	0	0	10	10
Drug Testing Initiative (Includes \$10 million for Indians).....	0	0	0	0	85	85
ByrneGrant Program.....	361	0	539	452	0	0
D.C. Revitalization Initiative.....	0	0	0	0	11	11
Management and Administration.....	31	36	28	30	12	48
Subtotal, OJP (w/o Juvenile Justice).....	510	172	702	633	171	343
Juvenile Justice:						
At-Risk Children's Initiative (includes \$20m for Indians).....	0	75	0	0	20	95
Project Safe-Start.....	0	0	0	0	21	21
Other Juvenile Justice.....	170	150	238	235	0	150
Subtotal, Juvenile Justice.....	170	225	238	235	41	266
Office of Justice Programs (OJP), VCRTF						
<u>Justice Assistance:</u>						
Res. Substance Abuse Treatment For State Prisoners.....	30	63	63	61	9	72
Violence Against Women Programs						
Grants To Combat Violence Against Women	145	160	160	160	5	165
Grants To Encourage Arrest Policies.....	33	59	116	59	(28)	31
Rural Domestic Violence Enforcement.....	8	15	15	25	0	15
Victims of Child Abuse Grants:						
Court-Appointed Special Advocate Program.....	6	7	7	7	2	9
Training for Judicial Personnel & Practitioners.....	1	2	2	7	0	2
Grants for Televised Testimony.....	1	1	1	1	0	1
National Stalker & Domestic Violence Reduction.....	2	3	3	3	(3)	(0)

Office of Justice Programs, State and Local Assistance Programs
(in millions of dollars)

	1997 Enacted	1998 Request	1998 House	1998 Senate	Additions/ Subtractions	1999 Request
Victims Counselors.....	0	0	0	0	0	0
Training Programs.....	1	2	2	2	0	2
State Data Base Study.....	0	0	0	0	0	0
National Study/Campus Assault.....	0	0	0	0	0	0
Subtotal, Violence Against Women	197	249	306	264	(24)	225
Assist for Delinquent & At-Risk Youth.....	0	8	0	0	(8)	0
Missing Alzheimer's Grants.....	1	1	1	1	0	1
Local Law Enforcement Block Grant.....	523	0	523	503	523	523
Prosecutor Grant Program.....	0	100	0	0	0	100
Juvenile Justice Block Grant Program.....	0	0	300	145	0	0
Brady Handgun Violence Prevention.....	50	45	45	45	0	45
Byrne Grant Program (\$27m moved to Direct for Weed&Seed).....	199	580	13	128	(27)	553
Incarceration of Undocumented Criminal Aliens.....	330	350	420	350	0	350
Violent Youth Courts.....	0	50	0	0	0	50
Drug Courts.....	30	75	30	40	0	75
Violent Offender Incarceration Grants.....	670	711	723	741	30	741
Law Enforcement Family Support.....	1	2	1	1	0	2
DNA Identification State Grants.....	3	15	10	15	0	15
Tuberculosis in Prison.....	0	1	0	0	0	1
Improved Tng & Tech Automation.....	0	0	0	0	0	0
Other Law Enforcement - Federal:						
Gang Investigation Info. Collection.....	0	0	0	0	0	0
Motor Vehicle Theft Protection.....	1	1	1	3	1	2
Senior Citizen Marketing Scams.....	2	2	2	2	0	2
Presidential Summit on Crime.....	0	1	0	0	(1)	0
Subtotal, VCRTF.....	2,036	2,253	2,438	2,299	504	2,756
Total, OJP (Direct & VCRTF)	2,716	2,650	3,377	3,167	715	3,365
Community Oriented Policing Services.....	1,400	1,400	1,400	1,400	0	1,400
Police Corps.....	20	20	20	40	0	20
Police Recruitment.....	0	20	0	0	0	20
Police Scholarships.....	0	5	0	0	0	6
DOJ, State and Local Assistance.....	4,136	4,095	4,797	4,607	715	4,811



Jose Cerda III

12/09/97 10:04:06 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Leanne A. Shimabukuro/OPD/EOP
Subject: Crime-Related Budget Items

Bruce/Elena:

Here are my reactions to OMB's passback/appeals. Please let me know your reaction. I've shared some of these thoughts w/Deich's folks on a preliminary basis.

1. DPC priorities.

Community-Based Prosecutors and Justice. There are currently no funds for our community prosecutors initiative, so it will have to come from the PPR (President's Priority Reserve). Originally, DOJ had \$25 million for compatible items in its budget submission (a \$3 million community justice initiative and \$22 million for a block-by-block program) that, I believe, can be rolled into what we're trying to do with the Community Prosecutors. However, it looks as if DOJ has given up on these items -- or tucked them elsewhere in the budget. If so, this is all new money that we need to find.

Juvenile Justice. The budget retains the funds we proposed last year and adds \$30 million for Indian country -- that means \$100 million for prosecutors, \$60 million for courts (includes \$10 million increase for Indians), and \$95 million for at-risk youth (includes \$20 million increase for Indians). Even though Congress appropriated \$250 million for a juvenile justice block grant (\$110 reserved for prosecutors and courts), I think -- with one exception -- that we should reiterate what we had in last year's budget until a juvie bill passes. Here's my controversial one exception: we should drop the \$95 million for an at-risk youth initiative and consider using that money for prosecutors.

Here's my reasoning: (1) we have not and are not likely to get this money in the CJS bill. The CJS appropriators and Judiciary Committee continue to resist our efforts to use any significant number of crime/juvie funds for such broad-based/undefined prevention; (2) Rahm continues to make the case to the Hill leadership that our prevention message needs to be school-focused, yet this initiative is anything but school-focused. And (3) DOJ's budget is also not where the real money or battle is at anyway. Safe and Drug-Free Schools already has the district-by-district support Rahm craves and involves serious money (nearly \$600 million) that is at risk in the budget process. More importantly, we DPC are getting ready to launch a \$200 million per year after school program that should be the focus of our message and legislative efforts.

Indian Law Enforcement. DOJ remains opposed to OMB's proposal and, with the exception of OMB's \$40 million earmark in prisons and \$30 million earmark in proposed juvie funds, is appealing for some \$102 million out of the PPR for Indian Law Enforcement. This includes: \$4.657 million for 50 investigative positions (30 agents) at FBI; \$3.352 million for FBI victims/witness coordinators and support staff; \$3.466 million for 35 positions in USAs offices (26 AUSAs); 12 new grant administrators to manage the proposed prison/juvie

earmarks (my personal favorite, in light of Ron Klain's e-mail earlier today); and \$90.405 million for BIA law enforcement (part of the Interior, not DOJ, budget allocation). Personally, I think its ridiculous that DOJ -- for such a "high crime priority" -- can't find even part of mere \$11 million in their FBI or USA budget, or cover the costs of administering earmarks that essentially already exists! I leave to the Interior folks whether or not BIA's \$90 million should come out of their base or the PPR.

Hate Crimes. While I don't have a # for what it will take in terms of FBI and USA resources to implement the Hate Crimes enforcement initiative, DOJ is asking for these funds to come out of the PPR. And as with the Indian Directive, we should support DOJ finding at least some of these resources in house.

2. Other Crime Issues

Byrne Grants. The current OMB passback includes two hits to the Byrne program that I believe are sure to lose on the Hill and get us maximum grief from the Gobs: (1) a \$100 million earmark in Byrne (\$553 million overall in formula funds to states) for non criminal justice drug treatment. This is not one of Byrne's authorized purposes, and would seem as taking funds from drug enforcement and putting them into treatment -- a "false choice" we have tried to avoid. And (2) a \$25 million earmark for Indian Country law enforcement.

VAWA. VAWA funds for FY 1999 are currently just below last year's appropriation. Given our record on this issue -- and strong Hill support -- we should at least fund VAWA at least year's level. This is only about another \$21 million.

Drug Testing/Treatment and Courts. OMB and I had discussed consolidating some of the drug testing/treatment dollars, so that the President had a larger initiative to point to (\$200 million, instead of 4-5 different programs). Justice is opposed and thinks this will reduce overall funding. OMB and I have backed off.

Safe Start Initiative. DOJ is asking for \$10 million from the PPR to launch a Safe Start initiative for kids exposed to violence. Frankly, unless this is something we or FLOTUS are committed to, I am not inclined to push for it. First, DOJ has discretionary funds to do this (so it shouldn't get bumped up), and HUD has been authorized since '92 to pursue a similar initiative in public housing (about \$4 million). Second, DOJ originally proposed a \$100 million per year initiative -- and none of the numerous and "supportive" agencies have kicked any dollars into the kitty. To me, this initiative looks a lot like "Pulling America's Communities Together (PACT)," "DAWN" (Denver, Atlanta, Washington, Nebraska), "Model Intensive Grants" and "At-risk Youth," and DPC shouldn't adopt another multi-disciplinary prevention initiative unless we're really committed to it (Besides aren't we getting ready to adopt the AG's communities project and link it to our after school effort?) Third, DPC already is proposing a \$200 to \$400 million per year initiative for early learning, and increasing funds for Early Head Start (0 to 3). I know these initiatives aren't the same, but they've got to be better vehicles/opportunities than DOJ's budget.

Local Law Enforcement Block Grant (LLEBG). DOJ has asked that the President fund this \$523 million law enforcement block grant for cities from the PPR. It's strongly supported by the Hill R's, Mayors and police, and is considered by some as part of the deal that preserves COPS funding at the 100,000 level -- or 1.4+ billion per year. Though we have not supported the LLEBG, it has been faithfully included in the CJS approps and DOJ is now pushing to have it included in our budget. I've suggested to OMB that, if we are really going to consider funding it, we should give the President some options on how to better target the LLEBG. For instance, when the Mayors were here last spring for the Drug Summit, one of their primary beefs was access to direct funds to fight the drug war locally.

Maybe we should consider embracing the LLEBG, but asking Mayors to dedicate it to a balanced local drug strategy. Maybe we should look to use these funds for COPS-related initiatives -- technology, retention and other things that they're probably using it for now anyway.

Race. The COPS budget include \$1 million for police recruitment. Also, the Civil Rights budget includes a \$2 million increase for police brutality and misconduct, and the NIJ budget includes \$500,000 for a police use of force study. I asked for the recruitment funds; I take the police brutality and use of force funds to be a DOJ request.

Youth Crime Gun Interdiction (gun tracing, or YOGI, as I call it). I'm going to double check the #s on this tomorrow, but I do know that Treasury is appealing for some additional funds for this initiative (maybe \$4 million more). We -- including Rahm -- should be supportive. We promised to support Treasury's efforts to fund more ATF agents to work on this and to crack down on illegal gun traffickers.

3. Drug Budget

I asked to see the drug cross-cut, but was unable to get my hands on it. I hope to get it tomorrow and pass along some further comments. Several issues have already surfaced. These include: (1) cutting Safe and Drug-Free Schools in half and sending the money to HHS (ouch! Nuff said); (2) cuts to Custom's personnel budget (this speaks to border drug enforcement issues and is likely to be criticized by some on the Hill); (3) McCaffrey's push for another \$100 million in interdiction funds at DOD (I'm uncertain as to whether or not this is close to being resolved); and cuts to Byrne (mentioned above).

Forgive the length of this e-mail, but I hope this info is useful.

Jose'