

# DEPARTMENT OF HOMELAND SECURITY

## AT A GLANCE:

**2006 Discretionary Budget Authority (gross):** \$34.2 billion  
(Increase from 2005: 7 percent)

## Major Programs:

- Border and Transportation Security
- Coast Guard
- Emergency Preparedness and Response
- Information Analysis and Infrastructure Protection
- United States Citizenship and Immigration Services
- United States Secret Service
- Science and Technology



## MEETING PRESIDENTIAL GOALS

### *Protecting America*

- Protecting and enforcing our borders, including expansion of the America's Shield program and the continuation of the Arizona Border Control Initiative.
- Supporting port security activities, including Coast Guard port security programs and Customs and Border Protection container security programs.
- Creating a new Screening Coordination and Operations Office to enhance security screening of people, cargo, and conveyances.
- Concentrating Federal funds for State and local homeland security assistance programs on the highest threats, vulnerabilities, and needs.
- Improving the Nation's ability to detect and rapidly characterize a potential bioterrorist attack by collecting and analyzing disease surveillance data from people, animals, and plants.
- Improving detection of, and countermeasures for, the threat posed by nuclear and radiological weapons.
- Enhancing detection of, and countermeasures for, the threat posed by chemical agents.
- Strengthening aviation security by upgrading explosives detection technology, deploying new baggage-screening systems, and improving the monitoring of performance by airport screeners and screening systems.

## **MEETING PRESIDENTIAL GOALS—Continued**

### ***Supporting a Compassionate Society***

- Supporting response and recovery to major disasters and emergencies.
- Achieving a six-month processing standard for immigration applications by the end of 2006.

### ***Agency-specific Goals***

- Providing continued support for the United States Secret Service's protection and investigation programs.
- Supporting all Coast Guard missions including security of ports, waterways and coastlines, drug and migrant interdiction, and fisheries enforcement.

## PROTECTING AMERICA

### *Securing the Nation's Border, Ports, and Transportation Systems*

The President's 2006 Budget will continue to ensure the security of the Nation's borders, ports, and transportation systems with enhanced screening of goods and people through programs such as the new Screening Coordination and Operations Office; increases to the United States Visitor and Immigrant Status Indicator Technology (US-VISIT) system; additional radiological and nuclear inspection equipment; and expansion of the Container Security Initiative. The President's 2006 Budget will strengthen enforcement, border, and port security with increases to the Border Patrol; continued execution of the Arizona Border Control Initiative (ABCI); improvements to the Coast Guard; and new, threat-focused State and local assistance grants.

*Improving Enforcement, Border, and Port Security.* The primary mission of the Border Patrol is to detect and apprehend illegal aliens and smugglers of aliens at or near our land border. The Border Patrol is specifically responsible for patrolling the 6,000 miles of Mexican and Canadian international land borders and 2,000 miles of coastal waters surrounding the Florida Peninsula and the island of Puerto Rico.

Funding for the Border Patrol in 2006 includes \$37 million for 210 additional Border Patrol agents, and \$20 million for the acquisition and replacement of aging Border Patrol aircraft. Since September 11, 2001, Border Patrol staffing has grown by nearly 1,200 agents (11-percent increase). The President's Budget also enhances the America's Shield Initiative, an integration of many surveillance, video, and detection systems along the border.



The Border Patrol uses horses in difficult terrain to secure the Nation's border.



#### **Arizona Border Control Initiative**

In April 2004, DHS announced a joint initiative between Immigration and Customs Enforcement and Customs and Border Protection. The Arizona Border Control Initiative strives to deter illegal crossing, disrupt smuggling organizations that transport illegal aliens into the United States, and reduce the overall number of deaths of migrants crossing the desert into Arizona from Mexico. The President's Budget includes \$50 million for enhanced personnel, technology, and aviation assets.

## PROTECTING AMERICA—Continued

Detaining and removing illegal aliens is critical to effective enforcement of our immigration laws. The 2006 Budget continues the Administration's commitment to enforcing our Nation's immigration laws and increases funding by \$176 million for the detention and removal of illegal aliens. It provides \$90 million for increased detention beds and additional detention and removal officers. It also provides \$39 million for the detention and repatriation costs of the ABCi, which aims to deter illegal crossings of the desert. The Budget also includes \$8 million to apprehend alien fugitives and \$5.4 million to ensure that aliens convicted of crimes in the United States are deported directly from correctional institutions after their time is served, preventing their release into the community. The Budget also includes \$3.5 million for additional Department of Homeland Security (DHS) attorneys to prosecute immigration cases.

Alternatives to conventional detention methods are essential to improving performance. In the case of non-criminal aliens, particularly asylum seekers, officials are using alternative custody arrangements to ensure their appearance at immigration proceedings. These pilot programs have been successful and the Budget requests \$5.4 million in additional funding to expand them. This will allow DHS to focus resources on the most serious alien criminals.



Coast Guard security escorts the Liquefied Natural Gas Tanker MATTHEW in Boston Harbor.

The Budget includes \$6.9 billion for the Coast Guard, an 11.4-percent increase over the comparable 2005 level. Within these levels, \$1.9 billion is for the Coast Guard's Port, Waterways, and Coastal Security mission. This will fund a variety of high-priority Coast Guard initiatives like armed, high-speed boats in ports with liquefied natural gas terminals, further implementation of the Automatic Identification System to track sea-going vessels and enhance Maritime Domain Awareness, new weapons systems for the Coast Guard's helicopter fleet, and implementation of the Common Operating Picture to enable Coast Guard assets to work better together.

Ports and other transportation facilities where people and cargo enter the United States will be a major priority for the \$600 million Targeted Infrastructure Protection grant program, which will enhance State, local, and private efforts to secure our Nation's critical infrastructure.

*Effective Screening of Goods and People.* Following enhancements since September 11, 2001, and the recommendations of the 9/11 Commission, on August 27, 2004, the President issued guidance that directed DHS, in coordination with other departments and agencies, to enhance terrorist-related screening of people, cargo, and conveyances, and implement a coordinated and comprehensive approach to terrorist-related screening in immigration, law enforcement, intelligence, counterintelligence, border and transportation systems, and critical infrastructure. This Budget meets these goals, and reinforces actions already accomplished to augment our existing screening programs.

A new DHS organizational structure that consolidates existing programs will substantially improve internal coordination, operations, and efficiency of screening roles and missions. This new Screening Coordination and Operations Office will manage DHS major screening programs, including: the United States Visitor and Immigrant Status Indicator Technology Program (US-VISIT),

which will screen international travelers arriving at our ports of entry; and the Secure Flight program, which will conduct automated screening of all domestic commercial aviation passengers. In addition, the management structure of at least nine other existing programs will be combined, including the Free and Secure Trade and the Transportation Worker Identification Card programs. This office will also strive to better coordinate the screening processes and activities operated by other Federal agencies by leading ongoing interagency review and communications on screening policy and practices.

US-VISIT is central to the Federal Government's screening of international visitors. US-VISIT expedites the clearance of legal and safe travelers, while focusing on blocking those intending to do harm. In 2004 and 2005 the first phases of US-VISIT were successfully deployed. The 2006 Budget includes a \$50 million increase for accelerated deployment of US-VISIT at land border ports of entry and for enhanced access for border personnel to immigration, criminal, and terrorist information. Under the President's proposal, the Administration will commit over \$1.4 billion to support this initiative through 2006.

In order to secure our borders while remaining open to trade and travel, DHS must use technology to establish layered, risk-based security programs. In tandem with supporting efforts to ensure effective screening, the President's Budget provides \$125 million in new funding for improved radiological and nuclear screening equipment at our borders. U.S. Customs and Border Protection (CBP) will continue to deploy these screening systems to cover all ports of entry. CBP will also work with the Science and Technology Directorate at DHS to initiate a pilot program to deploy next-generation radiation detectors.

Another example of this layered, risk-based security approach is seen in the Container Security Initiative (CSI), which pre-screens cargo before it reaches our shores. Phase I of CSI implemented the program at the top 20 foreign ports, which ship approximately two-thirds of the containers to the United States. Phase II expanded the program to additional ports based on volume, location, and strategic concerns. This Budget continues support for both Phase I and Phase II, as well as Phase III—capacity building at several higher-risk ports of entry. The Budget provides \$5.4 million in additional funding for CSI over the 2005 level.

Also essential to cargo security are partnerships with some of the biggest American importers as part of the Customs Trade Partnership Against Terrorism (C-TPAT). To date, over 4,500 importers, 1,700 carriers, and 1,300 brokers and freight forwarders are participating in C-TPAT. The \$8.2 million in additional funding over the 2005 level for C-TPAT will be used for supply chain specialists and increased supply chain security validations.

Aviation screening operations continue to be a high priority of the Administration. The Budget proposes more than \$4.5 billion for aviation screening operations, an increase of approximately \$0.4 billion from the 2005 level. Funding will ensure sufficient resources for 45,000 Federal screeners and 10,000 screening devices nationwide. The Administration expects innovative and secure contract screening operations to expand between this year and 2006, beyond the five airports currently using contract screeners.



A Customs and Border Protection officer processes a traveler through US-VISIT.

## PROTECTING AMERICA—Continued

The Budget includes funding to significantly upgrade detection of explosives at our Nation's airport checkpoints, a recommendation of the 9/11 Commission. In total over 2005 and 2006, the Administration proposes to invest more than \$100 million in new technology to strengthen explosives screening. The Budget also provides a \$26 million increase for the Federal Air Marshals to protect our Nation's airplanes and passengers.

### *Restructuring of State and Local Assistance Grants*

Over the last four years, DHS agencies have provided \$11.3 billion to State and local governments to prevent, prepare for, and respond to acts of terrorism. An additional \$3.2 billion in grants and other assistance provided by other Federal agencies has also gone to State and local responders. Yet, nearly half of these funds have been allocated according to congressionally-mandated formulas that bear little relation to need and risk. Recognizing this, the Intelligence Reform and Terrorism Prevention Act of 2004 included a call for the Congress to pass legislation reforming the system for distributing State and local terrorism preparedness grants. The Budget proposes to restructure \$2.6 billion in grants for States, urban areas, and infrastructure protection, so that DHS will target grants to fill critical gaps in State and local terrorism prevention and preparedness capabilities, taking into consideration their threats and vulnerabilities. Major grant initiatives within the 2006 Budget include:

- Faster, better-allocated State Homeland Security grants would provide \$1 billion for discretionary grants to States and territories. Funds would be awarded to meet national preparedness goals and priorities identified in State homeland security plans. This approach replaces the current State funding formula, which does not target funds for high-risk States or specific needs.
- The Urban Area Security Initiative would provide \$1 billion in discretionary grants to urban areas and regions. Funds would be linked to national preparedness goals and specific gaps identified in regional homeland security plans. As in the past, DHS will define eligibility criteria to encourage coordinated planning and avoid duplication. The requested funding level assumes that no more than 50 regions will receive funding, with each required to coordinate their grant applications with surrounding States.
- The Targeted Infrastructure Protection program would provide \$600 million in integrated grants, enabling DHS to supplement State, local, and private infrastructure protection efforts, especially for deployment of nuclear and chemical detection capabilities and security investments at ports and other transit facilities. Rather than providing arbitrary amounts for particular sectors, priorities and projects would be determined based on relative risk, vulnerability, and need.
- The Assistance to Firefighters Grants program would provide \$500 million in competitive grants to fire departments and emergency medical providers. These funds would pay for vehicles, equipment, and training that these responders need to better protect the public, especially from potential terrorist attacks and other mass casualty events. The Administration will continue



A truck passes through a radiation portal monitor at the port of Newark, New Jersey.

its efforts to remove bureaucratic obstacles to the participation of large fire departments in this program.

### ***Fostering Communications Between First Responders***

In the event of a national emergency, it is crucial that first responders, State and local governments, and the Federal Government are able to communicate with each other. The 2006 Budget recognizes the importance of this goal and includes initiatives to strengthen such communications capabilities. The Administration is dedicated to ensuring that adequate radio frequency spectrum exists for public safety. It also has supported a number of steps to expand public safety access to spectrum, including proposing an analog spectrum fee on broadcasters to encourage faster return of analog television spectrum, so that a portion of it may be allocated for public safety use.

The Science and Technology Directorate has established a new Office of Interoperability and Compatibility (OIC), which includes the Safe Communications program that was created to coordinate public safety communications to achieve national wireless interoperability. This office is charged with creating standards, in partnership with the public safety community, for communications, equipment, and training, to enable first responders from different jurisdictions to share information.

During 2004, OIC helped first responders in 10 urban areas to communicate with each other in the event of a large emergency incident, including a terrorist attack. In 2004 alone, over \$830 million was allocated to State, regional and local interoperability efforts through State and local grant programs. During 2005 and 2006, these efforts will be expanded to other cities participating in the Urban Area Security Initiative. Interoperability will continue to be a major focus of State and local homeland security grants in the 2006 Budget.



First responders practice extricating a victim during a weapons of mass destruction training exercise at the DHS Center for Domestic Preparedness in Anniston, Alabama.

### ***Citizen Involvement***

Citizen Corps, a component of the USA Freedom Corps, brings together local leaders, citizen volunteers, and a network of first-responder organizations in local preparation and response efforts. Federal funding has led to the establishment of more than 1,400 local Citizen Corps Councils across the United States. The 2006 Budget request includes \$50 million in grants to State Citizen Corps activities.

### ***Protecting Critical Infrastructure***

The Department's Information Analysis and Infrastructure Protection (IAIP) Directorate is charged with coordinating the Federal Government's efforts to protect the Nation's critical infrastructure, including: commercial assets (e.g., stock exchanges), Government facilities, dams, nuclear power plants, national monuments and icons, chemical plants, bridges, and tunnels. DHS, other Federal agencies, and State and local governments use a risk-management approach to reduce the vulnerability of critical infrastructure and protect them against terrorist threats. The 2006 Budget includes \$530 million for IAIP's infrastructure protection activities.

## PROTECTING AMERICA—Continued

Since its establishment in 2003, IAIP activities include identifying, assessing, and securing critical infrastructures. IAIP has developed a national inventory of infrastructures that could be terrorist targets. This database is used by IAIP to determine which sites pose public health or economic risks if attacked. As most critical infrastructures are not Federally owned or operated, IAIP must work with State homeland security advisors, owners and operators of critical infrastructure, public safety personnel, and other Federal agencies. These relationships serve to reinforce Federal, State, and local protection strategies. For example, IAIP works closely with local law enforcement to protect infrastructures through the use of “buffer zone protection plans”. These plans are implemented at key sites to expand the zone of protection around facilities. IAIP has helped develop buffer zone protection plans and security plans for chemical sites, dams, nuclear power plants, and water facilities.



The Homeland Security Operations Center operates 24 hours a day to help deter, detect, and prevent terrorist acts.

Cyber security is another key element of infrastructure protection. The consequences of a cyber attack could cascade across multiple infrastructures and imperil public safety. The 2006 Budget proposes \$73 million to enhance ongoing programs for IAIP’s National Cyber Security Division (NCSA). NCSA serves as a national focal point for the public and private sectors to address cyber security issues. As such, NCSA established the U.S. Computer Emergency Response Team (US-CERT), a partnership among NCSA and its public and private partners to coordinate cyber security, increase public awareness of cyber threats, and improve computer security preparedness and response to cyber attacks. US-CERT also supports watch and warning capability, which helps track incidents and trend data, ranks associated severity, and generates real-time alerts.

Monitoring activities and access to current information at nuclear power plants, chemical manufacturers, and other sites is essential in the coordination of infrastructure protection. IAIP operates the Homeland Security Operations Center (HSOC) to monitor current threats against key sites. It is the national-level hub for information sharing, situational awareness, and domestic incident management. Federal, State, local, tribal, and private sector organizations are connected to the HSOC. The 2006 Budget continues to support the HSOC by improving monitoring and communications capabilities.

*Information Sharing.* In meeting its mandate to disseminate information to help prevent terrorist attacks, IAIP communicates timely and valuable threat-related information to State and local officials, Federal agencies, and the private sector as is appropriate. Recipients of IAIP’s analysis use this information to respond to specific threats. In the past year, all 50 States and major urban areas have been connected to the Homeland Security Information Network (HSIN). In 2006, county-level governments will begin to be connected to HSIN. HSIN is the main information sharing portal for DHS.

IAIP is also involved in the efforts to improve information sharing within the intelligence community. DHS continues to be a partner with other intelligence agencies, such as the recently-established National Counterterrorism Center (NCTC). IAIP analysts staff the NCTC 24 hours a day. Working

as partners, this type of collaboration ensures the analysis done between IAIP or the NCTC complements each other in the best interest of the Nation's security.

Increased information sharing has also resulted in an improved capability to detect and rapidly characterize a potential bioterrorist attack. For example, the Department has established the National Bio-Surveillance Integration System (NBIS) within IAIP. NBIS will collect and analyze disease surveillance information from people, animals, plants, food, and the environment. This information will be monitored continuously, in the context of intelligence information, to rapidly identify and characterize suspicious patterns of illness, and to support response activities by providing improved "situational awareness." The surveillance information to support this activity will come from expanded and enhanced systems across the Federal Government and international sources.

### ***Emergency Preparedness***

An effective response to a major terrorist incident or natural disaster depends on adequate preparation. The Federal response to the hurricanes of 2004 demonstrated the value of proactive and aggressive response measures. The Budget continues to build on these capabilities and supports critical preparedness, response, and recovery efforts at all levels of Government.

In 2004, the Federal Government developed the National Response Plan (NRP), a comprehensive approach to domestic management of emergencies. DHS also led the development of a National Incident Management System (NIMS). Released in July 2004, NIMS establishes a standard framework for Federal, State, tribal, and local governments to respond to incidents and emergencies. The Budget provides \$15 million to support the implementation of NIMS through the DHS NIMS Integration Center.

The Budget provides an additional \$20 million to augment our response capabilities for the most catastrophic terrorist attacks. DHS will continue an initiative to plan and build emergency response capability, working closely with State and local venues as well as other Federal agencies. Additionally, the Budget includes \$10 million for DHS to continue to develop and maintain mobile medical treatment facilities that could be deployed to a community after a large-scale event that would otherwise overwhelm a community's medical system.

### ***Science and Technology***

New technologies to detect and counter terrorist threats are critical to preventing and minimizing the damage from terrorist attacks. The 2006 Budget includes several major initiatives to achieve this important goal.

*Unifying Federal Nuclear Detection Efforts.* A new Domestic Nuclear Detection Office (DNDO) is being created that will develop and deploy a comprehensive domestic system to detect and report any attempt to import, assemble, or transport a nuclear explosive device, fissile material, or radiological material intended for illicit use. The DNDO will be responsible for interagency coordination of a comprehensive national nuclear detection architecture. One major DNDO responsibility will be oversight of all transformational research and development for detection, identification, and reporting of radiological and nuclear materials.

*Nuclear and Chemical Detection Architecture Transformational Research and Development.* Under the 2006 Budget, the Science and Technology Directorate will devote \$262 million for advanced detection devices to minimize the likelihood of a radiological or nuclear device entering into the United States, more than double the amount spent in 2005. This research is part of a broader effort to focus the Nation's resources toward countering the threat of nuclear or radiological materials being used against the American people. This research and development (R&D) program will be integrated

## PROTECTING AMERICA—Continued

with our overseas non-proliferation efforts to create a seamless strategy for preventing terrorists from acquiring radiological and nuclear devices and detecting one on our shores. This program will also be integrated with U.S. Customs and Border Protection, which will work with the Science and Technology Directorate on a pilot program to deploy next-generation radiation detectors to ensure that these materials do not cross the borders into the United States. The Budget also doubles the amount of spending on chemical agent R&D to \$107 million, including \$36 million in new spending on non-traditional chemical agent threats.

*BioWatch Program for Environmental Monitoring and Detection.* The 2006 Budget will enhance and expand the BioWatch environmental monitoring program, which samples and analyzes air in over 30 metropolitan areas to check for dangerous biological agents. The program is designed to provide early warning of a large-scale biological weapon attack, thereby allowing the distribution of life-saving preventive treatment.

*Countering the Threat of Shoulder-fired Missiles Against Commercial Aircraft.* The Science and Technology Directorate will continue to research the viability of technical countermeasures for commercial aircraft against the threat of shoulder-fired missiles. The Directorate will invest \$110 million to test these systems on air-cargo Civilian Reserve Aircraft Fleet planes for safety and reliability.

## SUPPORTING A COMPASSIONATE SOCIETY

### *Response and Recovery*

In 2004, DHS responded to 65 major disaster declarations and seven emergencies. Within six weeks during the months of August and September, four large hurricanes made landfall in the Southeast. The Federal Government's support during and after these storms was among the largest response and recovery undertakings ever. The Federal Emergency Management Agency (FEMA) coordinated this massive response effort, which included the delivery of over 10 million gallons of water, 163 pounds of ice, 14 million Meals Ready to Eat, and 14,000 mobile homes or trailers to displaced families. Additionally, FEMA medical teams treated nearly 10,000 people.



Orlando, Florida, September 12, 2004—Cots and hospital beds are set up in the Orange County Convention Center.

The 2006 Budget provides \$3.3 billion for disaster relief—a level of funding consistent with the average annual disaster costs over the past five years, not including large and rare events, such as the attacks of September 11, 2001. This includes more than \$2 billion in new resources and funds available from prior years.

### *U.S. Citizenship and Immigration Services*

The Administration is committed to making sure America continues to welcome the contributions of immigrants. Within DHS, the United States Citizenship and Immigration Services (USCIS) continues to improve systems to provide immigrants information and services in a timely, accurate, consistent, courteous and professional manner, while also guaranteeing national security.

*Backlog Reduction.* The 2006 Budget continues funding for the President's multi-year \$540 million initiative enabling USCIS to reduce the backlog of applications, and ensure a six-month processing standard for all applications by the end of 2006. In 2004, USCIS has continued the focus on quality improvements and expanded national security checks, such as performing background name checks on all applications before approval. Although the checks have initially meant longer processing times, enhanced security will ensure that only eligible applicants are given the right to enter the United States. In addition, USCIS began implementing significant information technology improvements including electronic filing (e-filing) for certain immigration applications.

Over the coming year, the Department will focus on transforming the application process with a greater focus on customers. DHS will establish clear performance milestones, actively monitor progress towards these milestones, and ensure integrity by establishing comprehensive quality assurance measures.

**SUPPORTING A COMPASSIONATE SOCIETY—Continued**

*Temporary Worker Program.* The Administration is committed to achieving significant immigration reform. Such reform would better control security at our borders, match willing foreign workers with U.S. employers who can not find U.S. workers to fill certain jobs, provide incentives for temporary workers to return to their home countries and families, and protect the rights of legal immigrants while not rewarding illegal immigrants. The 2006 Budget proposes to more than double the funding dedicated to worksite investigations performed by Immigration and Customs Enforcement relative to 2004. The 2006 Budget provides an additional \$18 million above the 2005 level.

## **MAKING GOVERNMENT MORE EFFECTIVE**

### ***Coast Guard Polar Icebreaking***

The Program Assessment Rating Tool (PART) assessment of the Coast Guard Polar Icebreaking Program yielded an outcome of Results Not Demonstrated, due to a combination of poor alignment of the program with the user community and inadequate performance measures. By contrast, the National Science Foundation's Polar Tools, Facilities, and Logistics program received an Effective PART score.

The Budget proposes to transfer funding for the Polar Icebreaking Program to the National Science Foundation to better align resources with those who benefit from the program. While the Coast Guard will continue to operate the polar icebreaking fleet on a reimbursable basis, the National Science Foundation will ultimately be responsible for the long-range planning required to refurbish or replace the ships, as necessary, which are nearing the end of their serviceable lives.

### ***Improving Management of Aviation Security***

The Department will also work to expand airport contract screening opportunities at those airports wishing to opt out of Federal screening operations. Preliminary analysis of five contract screening airports in place after the September 11th attacks found there was no detrimental effect on security by having contract screeners, and that many functions could be undertaken more efficiently and effectively through contractor-led operations. Given the importance of effective screening operations on airlines, airports, and passengers, finding the best way to undertake airport screening is our highest aviation security priority. The Department will be working to ensure its contracting program is an attractive, beneficial screening system option for airports while maintaining or improving security outcomes. Ultimately, efficient and effective screening operations can only be achieved through a strong partnership with local airports. The contracting program will provide options for strengthening this partnership.

Aviation security is a shared responsibility of the Federal Government, airports, airlines, and the traveling public. Airport screening, one element of aviation security, benefits passengers and air carriers by protecting them from threats. These costs should be borne by the beneficiaries of these services. In 2004, aviation security fees covered less than half the cost of core Federal airport screening operations. The Budget proposes to increase passenger fees by \$3.00 starting in 2006, raising the fee on a typical one-leg ticket from \$2.50 one way to \$5.50. For passengers traveling multiple legs on a one-way trip, that fee would rise from the current maximum of \$5.00 to \$8.00. Total security fees will rise from an estimated \$2.6 billion this year, to \$4.1 billion in 2006, allowing near full cost recovery of spending on Federal aviation screening operations.

### ***Reforming Human Capital***

In creating DHS, the Homeland Security Act provided an historic opportunity to design a modern human resources management system that is mission-centered, fair, effective, and flexible. DHS launched an ambitious, collaborative effort in 2003 that may be used as a model for future Government reform. The collaboration involved input from managerial and non-managerial employees at all levels, employee unions, academia, and Government service reform experts. This endeavor will culminate with the publication of final regulations establishing the system. The 2006 Budget specifically provides resources that will be used for training supervisory personnel to administer a

## MAKING GOVERNMENT MORE EFFECTIVE—Continued

performance-based pay system and to create the information technology framework for the new system. There will be a phased rollout of the new system scheduled to begin later this year.

### *Update on the President’s Management Agenda*

The table below provides an update on the DHS’ implementation of the President’s Management Agenda as of December 31, 2004.

	Human Capital	Competitive Sourcing	Financial Performance	E-Government	Budget and Performance Integration
<b>Status</b>					
<b>Progress</b>					

*Arrows indicate change in status since evaluation on September 30, 2004.*

The Department continues implementing a human resources system that provides flexibility to rapidly react to emerging threats, protects workers rights, and ties pay to employee performance. It also continues its efforts to develop a department-wide approach to manage its personnel that will strengthen coordination and erase the boundaries that used to delineate the 22 components that merged to create the Department.

DHS continues to struggle in its Electronic Government and information technology efforts and has been unable to demonstrate consistent progress and results. While the Department has made notable improvements in IT security, in the coming year it will increase its focus on strengthening management and implementation of the IT and E-Gov investments of the Department.

In support of budget and performance integration, the Department is using the Program Assessment Rating Tool results to improve program performance, developing and using efficiency measures, and utilizing performance data to inform and justify budget decisions.

DHS met the 2004 accelerated audit deadline and initiated its three-year reform program to unify, streamline, and integrate the Department’s legacy financial management systems.

Initiative	Status	Progress
Real Property Asset Management		
Eliminating Improper Payments		

For the Real Property Asset Management initiative, DHS has developed an Operating Entity Data Elements Matrix. The structure of this real property database incorporates Federal Real Property Council standards for data elements and performance metrics. The next critical step in this initiative is to draft and implement an Asset Management Plan. With respect to improper payments, DHS is undertaking a comprehensive statistical sampling program early this year to identify any potential problem areas along with focused assessments by a recovery audit contractor in select major agencies such as U.S. Immigration and Customs Enforcement. (Because this is the first quarter agency efforts in the Eliminating Improper Payments Initiative were rated, progress scores were not given.)

## AGENCY-SPECIFIC GOALS

### *United States Secret Service*

The United States Secret Service is organized into two major components, one focused on protection and the other focused on investigation. PART assessments of two protective programs found that both are highly effective, receiving some of the highest evaluations across Government. The Protective Intelligence program provides Secret Service law enforcement personnel with the information needed to carry out their protective operations. The Foreign Protectees and Foreign Missions program exercises the Service's unique authority and capability to coordinate logistics, advanced security surveys, intelligence analysis and dissemination, and other planning activities preceding visits from foreign heads of state and other dignitaries. The Budget includes \$1.2 billion for the Secret Service to provide continued support for its protection and investigation programs, \$28 million higher than the 2005 enacted level.

### *Federal Law Enforcement Training Center*

The Federal Law Enforcement Training Center provides training to personnel from more than 80 law enforcement agencies. An additional \$3 million will be used to teach officers how to avoid collisions and reduce the dangers associated with pursuit driving.

The Federal Law Enforcement Training Accreditation program creates accreditation standards for the training programs used by law enforcement agencies. This effort will encourage the adoption of best practices and standards among law enforcement agencies.



The Secret Service ensures the safety of the President.

### *Coast Guard Search and Rescue*

The Coast Guard is responsible for minimizing the loss of life and property on the seas, and its Search and Rescue (SAR) program is one of its oldest missions. Coast Guard employees spend hundreds of hours annually training for and executing SAR missions, and Coast Guard rescue swimmers are recognized as some of the best in the world. To help improve the Coast Guard's SAR program, the Budget continues implementation of the Rescue 21 system (a state-of-the-art maritime distress and response communications system) and includes funds to start recapitalization of the Coast Guard's High-Frequency distress-call monitoring system.

**Department of Homeland Security**  
(In millions of dollars)

	2004 Actual	Estimate	
		2005	2006
<b>Spending</b>			
Gross Discretionary Budget Authority:			
Border and Transportation Security .....	13,508	14,642	16,099
U.S. Coast Guard .....	5,668	6,321	6,947
Emergency Preparedness and Response .....	2,886	3,082	3,257
Science and Technology .....	913	1,116	1,368
Information Analysis and Infrastructure Protection .....	834	894	873
Office of State and Local Government Coordination.....	4,193	3,985	3,565
Other Department of Homeland Security .....	1,888	1,950	2,043
Total, (gross) .....	29,890	31,990	34,152
Less Fee-Funded Activities .....	-1,994	-2,994	-4,810
Total, Discretionary budget authority (net).....	27,896	28,996	29,342
<i>Project Bioshield</i> .....	885	2,508	—
<i>Memorandum: Budget authority from enacted supplementals</i> .....	2,448	6,533	—
Total, Discretionary outlays .....	26,931	32,771	33,600
Mandatory Outlays (gross) .....	4,906	6,712	6,730
Less Mandatory Receipts and Flood Insurance Collections .....	-5,300	-6,224	-7,046
Total, Mandatory outlays (net).....	-394	488	-316
Total, Outlays (net).....	26,537	33,259	33,284
<b>Credit activity</b>			
Direct Loan Disbursements:			
Disaster Assistance .....	—	25	25
Total, Direct loan disbursements .....	—	25	25