

Report for Congress

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Supplemental Appropriations for FY2002: Combating Terrorism and Other Issues

May 10, 2002

Amy Belasco and Larry Nowels
Foreign Affairs, Defense, and Trade Division

Supplemental Appropriation for FY2002: Combating Terrorism and Other Issues

Summary

On March 21, 2002, President Bush requested \$27.1 billion in emergency supplemental funding to continue the war on terrorism and provide additional assistance for New York City, and aviation security as well as other homeland security needs. If enacted, this second emergency supplemental would bring total emergency funding dedicated to combating terrorism since the September 11, 2001 to \$67.1 billion.

Although there is broad congressional support for the new supplemental, several areas may be debated as Congress considers the Administration's request, including the distribution of funding between Defense Department needs and those of other agencies, the amount of funding needed for new aviation security enhancements enacted after the attacks, the adequacy of aid for New York City, and Administration proposals to increase funding for "front-line" foreign nations working with the U.S. to combat terrorism, as well as a proposed new role for the Department of Defense in allocating assistance to those states.

In the weeks leading up to a May 9 House Appropriations Committee markup, congressional leaders engaged in negotiations with the White House and among Members regarding the overall price tag of the bill and several controversial provisions, including finding ways to offset the non-emergency costs of the bill. The Administration and some Members argue that the measure should not exceed the total proposed by the President.

The "chairman's mark," circulated on May 6 by Committee Chairman Bill Young, recommended \$29.8 billion, about \$2.7 billion above the request. Further negotiations prior to the markup pared the chairman's mark to \$29.1 billion, including \$1 billion for Pell student grants (\$276 million less than the request), \$15.8 billion for defense (\$1.8 billion higher than requested), and \$5.8 billion for homeland security (\$522 million above the proposal). During markup on May 9, the Committee adopted several amendments, including an additional \$200 million in assistance to Israel. The Committee further agreed to drop a provision that would have raised \$150 million in offsets by doubling the tax on airline tickets. The Committee concluded deliberations on May 9 without completing debate on all amendments. The size of the bill stands at about \$29.4 billion, but is subject to further change.

Action on the supplemental is preceding movement on the regular FY2003 appropriations bills, and with a shorter congressional session because of this year's elections, a sense of urgency about moving the request appears to be developing.

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Supplemental Appropriations for FY2002: Combating Terrorism and Other Issues

Most Recent Developments

On May 9, 2002, the House Appropriations Committee began, but did not complete, markup of the President's \$27.1 billion emergency supplemental spending measure (unnumbered). The supplemental package is sought to fund continuing costs of the war on terrorism and provide additional resources for homeland security and economic revitalization activities in response to the terrorist attacks on September 11, 2001.

In the weeks leading up to the Committee markup, congressional leaders engaged in negotiations with the White House and among Members regarding the overall price tag of the bill and several controversial provisions, including finding ways to offset the non-emergency costs of the bill. The Administration and some Members argued that the measure should not exceed the total proposed by the President. The "chairman's mark," circulated on May 6 by Committee Chairman Bill Young, recommended \$29.8 billion, about \$2.7 billion above the request. Further negotiations prior to the markup pared the chairman's mark to \$29.1 billion, including \$1 billion for Pell student grants (\$276 million less than the request), \$15.8 billion for defense (\$1.8 billion higher than requested), and \$5.8 billion for homeland security (\$522 million above the proposal). During markup on May 9, the Committee adopted several amendments, including an additional \$200 million in assistance to Israel. The Committee further agreed to drop a provision that would have raised \$150 million in offsets by doubling the tax on airline tickets.

When the Committee concluded deliberations on May 9, the price tag of the bill stood at about \$29.4 billion. According to the Committee, markup will resume on May 14, with House floor debate possible for that week.

Introduction

Submitted on March 21, 2002 as an emergency supplemental request to combat terrorism, the Administration's \$27.1 billion request is not subject to the budget ceilings that apply to FY2002. The Administration's request is split almost evenly between the Department of Defense (52% or \$14 billion) and other agencies (48% or \$13 billion). Like the Emergency Terrorism Response (ETR) supplemental, the first supplemental to combat terrorism, the FY2002 request would provide additional funding for the war in Afghanistan, to New York City, and enhancing airport security. Other policy priorities, such as bioterrorism and investigative activities,

receive less emphasis in this request. The Administration also includes new funding proposals and policy provisions in foreign assistance.

On the defense side, the request includes \$14 billion to continue support of the war in Afghanistan, enhance security at defense installations, increase munition stockpiles, and upgrade command, control, communications and intelligence. Over half of the request is related to continued prosecution of the war in Afghanistan. Like the first supplemental to combat terrorism, the DOD request includes substantial funding for intelligence and classified programs.

The Administration is requesting general provisions that would grant the Department of Defense new authorities to select the recipients and administer up to \$580 million in funds that could be used to support foreign governments who play a significant role in assisting the U.S. in the “global war on terrorism.”¹ These proposed authorities, which would set new precedents, have generated some controversy on the Hill.

On the non-defense side, the request provides \$5.5 billion in additional aid for New York, whose needs were considered by some Members of Congress to have been shortchanged in the first emergency supplemental. The \$5.5 billion included in the request is intended to fulfill the President’s March 10, 2002 pledge to the new Mayor of New York, Michael Bloomberg, to provide New York City with a total of \$21.5 billion to help it recover from the terrorist attacks.² The New York aid would be dedicated to additional disaster recovery activities, rebuilding mass transit and utility infrastructure, and community development block grants. Like last year’s debate about the first supplemental, the composition of aid to New York – for example, how much would be dedicated to transit as opposed to other needs – as well as the total amount needed may resurface as major issues.

Finally, another potential arena for controversy may be the Administration’s request for \$4.4 billion for the newly-established Transportation Security Administration (TSA) to upgrade aviation security where there remains considerable uncertainty about the extent of the funding needed, as well as the size of the new federal workforce required to provided the augmented airport security.

¹ Department of Defense, *FY2002 Supplemental Request to Continue the Global War on Terrorism*, March 2002, see pages 18,26, and 28; for web site access, see [www.dtic.mil/comptroller/fy2003budget/fy2002_supp.pdf]

² Raymond Hernandez, “Bush Reassures New Yorkers on aid package,” *New York Times*, March 8, 2002.

Composition of FY2002 Emergency Supplemental Request

Of the \$27.1 billion request by the Administration, 52% would be provided to the Department of Defense (DOD) with the remaining \$13.1 billion split among non-defense agencies (see **Table 1**).

The Administration's request by agency

As discussed below, the requested funds would not only support the continued prosecution of the war in Afghanistan and related areas for the remainder of the year, but also homeland security activities. Such activities include maintaining higher security levels at stateside bases and combat air patrols on both coasts, and building up DOD's stocks of precision guided munitions and enhancing various command, control, communications and classified programs (see below).

Table 1. Allocations of Funds in FY2002 Emergency Supplemental to Combat Terrorism by Agency
(in billions of dollars and percentage of total)

Department/ Agency Totals	Administration Request	As percent of total	House action	Senate action	Enacted
Total Supplemental	\$27.1	100.0%	-	-	-
Defense subtotal	\$14.0	51.7%	-	-	-
Non-defense subtotal	\$13.1	48.3%	-	-	-
Transportation	\$6.6	24.4%	-	-	-
FEMA	\$3.1	11.4%	-	-	-
State	\$1.0	3.7%	-	-	-
Labor	\$0.8	3.0%	-	-	-
HUD	\$0.8	3.0%	-	-	-
USAID	\$0.6	2.2%	-	-	-
Treasury	\$0.1	0.4%	-	-	-
Justice	\$0.1	0.4%	-	-	-
GSA	\$0.1	0.4%	-	-	-
Other non-defense	\$0.1	0.4%	-	-	-

Sources: Letter of President George Bush to Speaker of the House, J. Dennis Hastert, transmitting the FY2002 Emergency Supplemental request, March 21, 2002; [<http://w3.access.gpo.gov/usbudget/fy2003/amkndsup.html>], and CRS calculations. Totals may not add due to rounding.

For non-defense agencies, the Transportation Department would receive \$6.6 billion, a quarter of the total request to pay for new explosive detection equipment and civilian guards at airports and to rebuild public mass transportation in New York City.³ Funding requests for the Federal Emergency Management Agency (FEMA) and the Department of Housing and Urban Development (HUD) are also part of the aid for New York City. The Labor Department's request is for aid for dislocated workers. The Administration's request also includes \$1.6 billion for the State Department and USAID for various foreign assistance initiatives, focused primarily on those countries deemed to be "front-line" states in the war against terrorism.

The Administration's request by policy priorities

Funding proposed in the FY2002 supplemental can be grouped into several major categories for purposes of identifying and understanding significant policy priorities and how these priorities continue or depart from resource allocations enacted last year in the FY2001 Emergency Terrorism Response (ETR) supplemental. Major policy priorities are defined the textbox below, while **Table 2** shows the amounts requested for each policy area in the Administration's request and compares them with the ETR supplemental.

Similarities between FY2002 request and ETR. Both emergency supplementals emphasize defense and recovery needs, with physical security of infrastructure and aviation close behind. Although DOD would receive substantial funding in both the Emergency Terrorism Response (ETR) supplemental of 2001 and the new supplemental, DOD's share in the FY2002 request is almost 10 percentage points more than in the enacted level of the FY2001 supplemental. (Congress decreased the Administration's request for DOD in the FY2001 supplemental from 53% to 43% of the total, partly in anticipation of a second supplemental for additional costs of the war.)⁴ The purposes for the DOD funding are also similar – prosecuting the war, enhancing security at military bases, and investing more in surveillance and reconnaissance, also referred to as command, control, and communication programs.

Both supplementals also target substantial resources for the recovery needs of New York City. The second supplemental places greater emphasis on aviation security, reflecting the cost of carrying out new security standards enacted after the attacks.

Differences between FY2002 request and ETR. Because much of the funding was provided in the wake of the attacks, the second supplemental includes less monies than in the first supplemental for victim relief and for investigation and law enforcement efforts to unravel terrorist networks. The second supplemental also includes somewhat more for foreign aid, but would distribute it in much larger proportions for security assistance rather than for humanitarian relief activities was

³ FEMA grants would also help rebuild mass transportation; see below.

⁴ See CRS Report RL31187, *Combating Terrorism: 2001 Congressional Debate on Emergency Supplemental Allocations*, by Amy Belasco and Larry Nowels, March 20, 2002, p. 9 and p. 19.

the case in the ETR supplemental. This reflects the Administration's priority to aid front-line states, including Pakistan, Jordan, and others who are cooperating with U.S. efforts to combat terrorism. (see below).

Spending Category Definitions

Defense – paying for military operations in Afghanistan and related areas, activating reservists for base security as well as wartime responsibilities, enlarging munitions stockpiles and more reconnaissance and surveillance, repair, and renovation of the Pentagon, and support for nations working with the U.S. to combat terrorism worldwide.

Bioterrorism – countering potential biological, disease, and chemical threats to civilian populations.

Humanitarian Assistance - USAID operations in Afghanistan, and food and refugee relief in Central Asia.

International Security Assistance - Economic Support Fund (ESF) grants and financing of sales of U.S. military equipment and support of counter narcotics and law enforcement activities to “front-line” states cooperating with the U.S. in the war on terrorism, and peacekeeping operations in Afghanistan.

Investigation and Law Enforcement – agency investigative and law enforcement work and initiatives following the September 11 attacks.

Preparedness – training, technical assistance and other activities aimed at strengthening the capacity to respond to future terrorist events.

Public Diplomacy – enhanced U.S. broadcasts and media outreach capabilities to the people in Central and Southwest Asia.

Recovery – debris removal, repair, replacement, or rebuilding of damaged equipment and infrastructure (including utilities and mass transit), and relocation of dislocated offices and workers (excluding Pentagon repairs).

Security of Infrastructure/Personnel – strengthened security at critical U.S. facilities worldwide (excluding DOD facilities) and evacuation of overseas personnel.

Security of Aviation Facilities – enhanced security at U.S. airports and on-board aircraft (excluding DOD funding to station National Guard personnel at airports).

Victim Relief – assistance to individuals, families, and businesses directly and indirectly affected by the September 11 attacks.

Table 2. Policy Priorities in the FY2002 supplemental and the Emergency Terrorism Response Act
(percent of total)

Policy Priority	FY2002 Supplemental	Emergency Terrorism Response supplemental
Bioterrorism	0.3%	7.5%
Defense	51.8%	42.8%
Humanitarian Assistance	0.2%	1.5%
International Security Assistance	4.5%	2.4%
Investigation and law enforcement	0.2%	6.4%
Preparedness	1.4%	1.0%
Public Diplomacy	0.1%	0.2%
Recovery from attacks	20.2%	17.7%
Security	18.4%	11.7%
Victim relief	2.8%	8.8%
TOTAL	100.0%	100.0%

Table 3. FY2002 Emergency Supplemental by Policy Priorities
(in millions of dollars and percentage of total)

Department/ Agency Totals	Admin. Request	As % of total	House action	Senate action	Enacted
GRAND TOTAL	\$27,098.9	100.0%	-	-	-
Bioterrorism	\$87.1	0.3%	-	-	-
Defense	\$14,046.1	51.8%	-	-	-
Humanitarian aid	\$62.0	0.2%	-	-	-
International Security Asst	\$1,220.5	4.5%	-	-	-
Investigation/law enforcement	\$54.4	0.2%	-	-	-
Preparedness	\$379.3	1.4%	-	-	-
Public Diplomacy	\$24.9	0.1%	-	-	-
Recovery	\$5,479.5	20.2%	-	-	-
Security-Infrastructure & Personnel	\$597.6	2.2%	-	-	-
Security-Aviation facilities	\$4,390.0	16.2%	-	-	-
Victim Relief	\$757.5	2.8%	-	-	-

Notes: For definition of policy priorities, see box above.

Sources: Letter of President George Bush to Speaker of the House, the Honorable J. Dennis Hastert, transmitting the FY2002 Emergency Supplemental request, March 21, 2002. See also [<http://w3.access.gpo.gov/us budget/fy2003/amndsup.html>]. Calculations are by CRS. Totals may not add due to rounding.

Potential Congressional Issues Raised by the President's Request

A variety of issues about both the amounts and the composition of the President's request for emergency supplemental spending of \$27.1 billion, as well as the policy implications raised by several general provisions that are included in the request may arise during congressional debate. Although there is generally broad support for defense requests, particularly now, last year Congress significantly adjusted both the total amount as well as the types of spending requested by the Administration in the first supplemental's defense request.⁵

Several Members have or are considering offering amendments to add funding in several areas, either at the Committee markup or during floor debate. Attaching an increase in the debt ceiling desired by the Administration is another consideration some may offer.⁶ At the same time, the Administration, as well as some Members of the Congress, have raised concerns about increases above the total requested.⁷ At the same time, the Administration has proposed a variety of offsets to the appropriators – press reports mention a \$5.2 billion package – but those offsets have not been endorsed by the House Appropriations Committee.⁸

Congressional Action – Overview Summary

On May 9, 2002, the House Appropriations Committee began, but did not complete, markup of the President's \$27.1 billion emergency supplemental spending measure. The "chairman's mark," circulated on May 6 by Committee Chairman Bill Young, recommended \$29.8 billion, about \$2.7 billion above the request. Further negotiations prior to the markup pared the chairman's mark to \$29.1 billion, including:

- \$1 billion for Pell student financial assistance (\$276 million less than the request).
- \$15.8 billion for defense (\$1.8 billion higher than requested).
- \$5.8 billion for homeland security (\$522 million above the proposal), including \$4 billion for the new Transportation Security Administration (\$400 million less than requested).
- \$1.6 billion for foreign assistance (\$250 million more than proposed), mainly for security aid to the "front-line" states in the war

⁵ See CRS Report RL31187, *Combating Terrorism: 2001 Congressional Debate on Emergency Supplemental Allocations* by Amy Belasco and Larry Nowels.

⁶ BNA, Daily Report for Executives, "Supplemental Spending Bill May Include Debt Ceiling Hike, FY2003 Spending Cap," May 1, 2002 and "OMB Offset Proposal for Supplemental Draws Bipartisan Criticism: Timetable Unclear," April 30, 2002.

⁷ BNA, Daily Report for Executives, "House Panel Delays Consideration of Supplemental, Citing Rising Costs," April 29, 2002.

⁸ BNA, Daily Report for Executives "OMB Offset Proposal for Supplemental Draws Bipartisan Criticism," April 30, 2002.

on terrorism, but also including \$200 million to combat global HIV/AIDS and other infectious diseases.

- \$175 million in grants to first responders, as requested, but provided through the Office of Homeland Security rather than FEMA, as proposed.
- \$650 million for election administration reform.

During markup on May 9, the Committee adopted several amendments, including an additional \$200 million in assistance to Israel. The Committee further agreed to move the first responders funds from the Office of Homeland Security to the Justice Department, a change more acceptable to the Administration. The House panel also dropped a provision that would have doubled the tax on airline tickets, raising \$150 million to offset other costs in the bill but strongly opposed by the airline industry.

When the Committee concluded deliberations on May 9, the price tag of the bill stood at about \$29.4 billion. According to the Committee, markup will resume on May 14, when it will consider further amendments.

The sections below discuss the potential issues that may be raised by the major initiatives included in the Administration's request.

Administration's request for the Department of Defense

The Administration has requested \$14 billion for the Department of Defense in the FY2002 emergency supplemental. If enacted, DOD would receive a total of \$31.1 billion in emergency funds from P.L. 107-38 enacted last year *and* the new supplemental. This includes not only funding for the war itself but other initiatives as well. In FY2003, DOD is requesting an additional \$20.1 billion to continue the "global war on terrorism."

Table 4 below compares the Administration's request for DOD to the amounts included in the ETR, the first emergency supplemental, and to funding for the same purposes in the FY2003 request. This table combines the new functional categories adopted by the Defense Department in its FY2002 emergency request with those used in the first emergency supplemental to combat terrorism.⁹

⁹ In the ETR, the first emergency supplemental, DOD requested funds using ten functional categories created for that request. Categories ranged from "Increased Situational awareness" for intelligence and classified programs, to "Increased worldwide posture, for funds for the war in Afghanistan and activating reservists; see CRS Report RL31187, *Combating Terrorism: 2001 Congressional Debate on Emergency Supplemental Allocations*, p. 24 - 25. DOD used these same ten categories (plus several new categories) in its FY2003 budget request. However, DOD presents its FY2002 supplemental request in different functional categories, such as "Military operations," and "Weapons and munitions." For Table 3, CRS developed a crosswalk between the two sets of categories based on the more detailed description of the programs provided to the Appropriations committees. DOD also presented its FY2002 request in regular appropriation accounts as required in P.L. 107-117; those categories are shown in the appendix of this report.

Table 4. Comparison of DOD's FY2002 supplemental with ETR and the FY2003 Request
(millions of dollars)

Category	FY2002 Emergency Supplemental Request	ETR Supplemental of 2001	FY2003 Request
Military Operations	\$6,715.9	\$3,656.0	\$10,000.0
Weapons and Munitions/a/	\$548.0	\$1,831.0	\$1,695.9
Mobilization of reservists	\$4,103.0	\$1,051.0	NS
Command, control, communications and Intelligence	\$1,548.0	\$6,525.0	\$3,125.8
Coalition support/b/	\$420.0	\$216.0	NS
Enhanced physical security/c/	NS	\$1,613.0	\$2,680.2
Initial crisis response/d/	\$0.0	\$648.0	\$0.0
Pentagon repair and renovation	\$0.0	\$1,470.0	\$328.0
Airport security/e/	\$0.0	\$261.0	\$0.0
Support of new Homeland commander/f/	[75.0]	NA	\$341.0
Combat air patrols/d/	\$300.0	NS	\$1,200.0
Air Force personnel costs/g/	\$206.0	NA	NA
Nuclear Posture Review/h/	NA	NA	\$685.0
Other/i/	\$181.1	\$100.0	\$0.0
TOTAL	\$14,022.0	\$17,109.0	\$20,055.9

NA = Not applicable; NS = Not specified; [] = Included within other category.

Notes:

- Includes funding to increase the industrial capacity and purchase additional smart munitions to enlarge DOD stocks, as well as unmanned aerial vehicles used for surveillance.
- Funding to be distributed to unspecified allies who provide military and logistical support to U.S. forces in the "global war on terrorism."
- Erecting additional barriers and purchasing surveillance and detection equipment to improve security at U.S. military installations; cost of those activated reservists performing guard duties at U.S. installations is not specified within "mobilization of reservists."
- DOD's support to FEMA and New York City; combat air patrols, later in military operations.
- Cost of stationing National Guard at airports, now funded by TSA.
- New Homeland Commander in Chief (CINC) set up by DOD after the attack; cost of keeping prisoners at Guantanamo Bay.
- Cost of retaining additional Air Force personnel needed for the war on terrorism.
- Cost of carrying out DOD's proposed new nuclear policy to upgrade strategic missiles.

¹ Unspecified costs in FY2002 request; funds potential increase in fuel prices in ETR.

Sources:

Department of Defense, FY2002 Supplemental request to continue the global war on Terrorism, March 2002; [www.dtic.mil/comptroller/fy2003budget/fy2002_supp.pdf]; CRS Report RL31187, *Combating Terrorism: 2001 Congressional Debate on Emergency Supplemental Allocations* by Amy Belasco and Larry Nowels, March 20, 2002; OMB, *Budget of the United States Government, Fiscal Year 2003, Appendix*, February 2002, p. 277, and CRS calculations.

To preserve flexibility to respond to changes in the pace of operations of the war in Afghanistan and its use of reservists at home, DOD requested that \$11.3 billion of the \$14 billion be appropriated to the Defense Emergency Response Fund (DERF), a transfer account from which DOD can move monies into and out of other appropriations accounts as needs arise without returning to Congress for prior approval. DOD contends that funding flexibility is needed because of the uncertainties of events in the next several months.

Congress has expressed some concern about use of the DERF, in part because it makes tracking of emergency funds more difficult since funds lose visibility as they are combined with those in the regular appropriation accounts, a problem acknowledged by DOD's comptroller, Dov Zakheim.¹⁰ The remaining \$2.7 billion of DOD's request would be in regular appropriation accounts where Congress must be consulted about re-allocations.

The Administration's proposal includes several general provisions that would give DOD new authorities to dispense funds to nations who work with the U.S. in the worldwide war on terrorism. These general provisions have generated concerns in appropriations hearings on foreign operations (see below).

Using DOD's illustrative allocations, **Table 4** compares the Administration's priorities in this second supplemental with its request in the ETR and the FY2003 budget request. The second emergency supplemental places more emphasis on continuing to carry out the war in Afghanistan and related areas and paying for the costs of mobilizing reservists, with less emphasis on command, control and communication and classified programs.

In its regular FY2003 budget proposal, DOD also asks Congress for substantial flexibility by requesting \$20.1 billion in the DERF account. That total includes \$10 billion to "fund continued operations for the war on terrorism."¹¹ The Administration includes no details about the use of these funds and acknowledges that this figure is only a rough estimate reflecting the uncertainty about future plans to combat terrorism in Afghanistan or elsewhere. The remaining \$10.1 billion are requested in the broad functional categories shown below.

The cost of the war in Afghanistan. DOD's request does not explicitly provide an estimate of total cost to continue the war in Afghanistan in FY2002. DOD does, however, estimate that the cost of military deployments will be \$10.4 billion, of which \$3.7 billion was provided in the first emergency supplemental. DOD's request for an additional \$6.7 billion reflects its belief that costs in the remainder of the year are likely to be comparable to those experienced in the first

¹⁰ Briefing to congressional staffers on execution in the Defense Emergency Response Fund and DOD's FY2002 emergency supplemental request, April 19, 2002.

¹¹ OMB, *Budget of the United States Government, Fiscal Year 2003, Appendix*, February 2002, p. 277

third.¹² This approach assumes that despite the defeat of the Taliban and Al Qaeda forces, military operations by U.S. forces will continue to require about the same resources.¹³ Based on this conservative approach, DOD estimates that wartime military operations in 2002 will cost about \$865 million per month.¹⁴

That cost for military deployments includes the resources to deploy and support units and their equipment, to operate equipment at a higher operating tempo to carry out wartime operations, to rotate deployed forces between stateside and overseas, to pay active duty forces at higher levels, and to repair and replace equipment damaged or destroyed in combat. That cost does not include the those reservists who were activated for the war or the cost of replacing munitions expended during the war.

According to a recent estimate prepared by the Congressional Budget Office that uses these categories and relies on actual cost data from operations as well as DOD's experience in other operations, the cost of the war in Afghanistan in the second half of FY2002 will be about \$750 million per month, about 75% of CBO's estimated cost for the first half of the year. CBO's lower cost estimate for the second half of the year reflects the recent withdrawal of naval forces, lower munitions usage, and the absence of certain one-time costs incurred at the beginning of the conflict.¹⁵ If the number of forces remained the same but the pace of operations slowed, CBO estimates that the monthly cost of the war would drop to about \$600 million per month.¹⁶

The difference between DOD and CBO's estimates is somewhat greater than appears from the figures above because CBO's numbers include the cost of replacing expended munitions and the cost of activating about 20,000 reservists, and DOD includes those costs elsewhere. If DOD's figures are adjusted to be comparable to those used by CBO, DOD's estimate of the total cost of the war for the year would be about \$12.6 billion rather than the \$10.4 billion assumed by DOD.¹⁷

Mobilizing reservists. The second largest piece of DOD's FY2002 supplemental request is \$4.1 billion to pay for the cost of activated reservists for the last eight months of the year. (DOD's request assumes that \$1 billion was provided

¹² Department of Defense, *FY2002 Supplemental Request to Continue the Global War on Terrorism*, March, 2002, p. 5; [www.dtic.mil/comptroller/fy2003budget/fy2002_supp.pdf]

¹³ Briefing to congressional staffers by OSD/Comptroller staff, April 19, 2002. DOD's estimate for deployment costs in its justification materials includes \$3.7 billion for the first four months of 2002 and \$6.7 billion for the rest of the year, an average of \$865 million per month for both periods. DOD also used plans for unit deployments to estimate future costs.

¹⁴ CRS calculations based on *Ibid*, DOD's FY2002 supplemental request; divides total of \$10,388.9 million requested for "deployment costs," see p. 7.

¹⁵ CBO, Letter to Senator Pete V. Domenici, Ranking Member, Committee on the Budget, United States Senate, April 10, 2002; see [http://www.cbo.gov].

¹⁶ *Ibid*, p. 2-3.

¹⁷ Based on DOD cost factors, the cost of replacing expended munitions would be about \$80 million per month and the cost of activating 20,000 reservists to support the war would be about \$85 million per month.

in the first emergency supplemental.¹⁸⁾ That proposal generated concern in Congress among some Members who believe that this amount may not be adequate to fund the reservists currently on active duty.¹⁹

According to DOD, the \$4.1 billion in its request assumes a level of 80,000 reservists for the remainder of the year, a number that is close to the 81,235 reservists currently on active duty.²⁰ DOD assumes that the number of reservists will fall in the latter part of the year as the frequency of combat air patrols on the east and west coast – carried out primarily by Air Force reservists – is reduced and as the services trim the number of activated reservists who are currently carrying out guard duty at stateside military installations.

Although DOD has not provided definitive information about the tasks that reservists are performing, it appears that many of the reservists activated by the services are being used as guards at U.S. military installations, reflecting the heightened concerns of the military in the wake of the terrorist attacks. Some have suggested that the number of guards could be reduced as DOD completes security enhancements for bases – such as more fences and barriers – for which \$1.6 billion was allocated in the first emergency supplemental. DOD could also reduce the cost by using civilian rather than military to perform these duties. In fact, DOD has requested lifting the current statutory provision on contracting out security duty functions in the 2002 supplemental in order to permit DOD to use private guards who would be considerably less costly than the \$66,000 per person cost of relying on activated reservists.²¹

In its regular FY2003 budget, DOD requested an additional \$2.6 billion to improve physical security at military installations but has not specified whether reservists would continue to be used as guards at military installations (see **Table 3** above). If that request is approved, DOD would receive a total of \$3.9 billion over two years for additional physical security at bases.

Increasing munitions stockpiles and unmanned aerial vehicles.

Another major DOD initiative begun in the first emergency supplemental is to expand current industrial capacity to produce precision-guided or “smart munitions,” particularly, the weapon of choice in Afghanistan – the Joint Direct Attack Munitions (JDAM). DOD is requesting \$4 billion for weapons and munitions in the ETR, the FY2002 supplemental and the FY2003 request, including the funding for JDAMs (see **Table 4**). This category funds not only smart munitions but also replacement and an increase in the number of Global Hawk (unmanned air vehicles – UAVs) and

¹⁸ Department of Defense, *FY2002 Supplemental Request to Continue the Global War on Terrorism*, March, 2002, p. 7.

¹⁹ James Dao, “Budget Concerns Are Raised on Continued Use of Guard,” *New York Times*, April 26, 2002.

²⁰ Department of Defense press release, “National Guard and Reserve Mobilized as of May 1, 2002;” see [www.defenselink.mil/news/May2002/d200201ngr.pdf].

²¹ Department of Defense, *FY2002 Supplemental Request to Continue the Global War on Terrorism*, March, 2002, p. 28-29.

Predators (armed UAVs) that are being used for surveillance and reconnaissance in Afghanistan.

Concerned that JDAMs were being consumed faster than they could be replaced, DOD requested and received funding to increase the current productive capacity of about 1,500 per month. According to DOD, the additional funding requested in the FY2002 supplemental “will allow the JDAM production rate to increase in a more orderly manner,” will achieve the new, higher delivery rate of 2,800 missiles per month in August 2003 rather than July 2004, and will purchase an additional 17,900 missiles.²²

Although some have questioned whether the plan to double productive capacity this quickly is realistic, apparently the military leadership were convinced by the manufacturers that a doubling of capacity in about a year is possible. Any expansion will be dependent on both the level and timing of funding. The high expenditure rates for JDAMs that were experienced in the early part of the war, which generated such concern among the military, may also have fallen in more recent months as the nature of the war has shifted towards surveillance rather than combat.

DOD’s FY2002 request for weapons and munitions also includes replacing one Global Hawk UAV and two sensor packages, and accelerating the production of Predator UAVs to two vehicles per month.²³ DOD also plans to purchase additional UAVs with funds provided in the first emergency supplemental, and with funds requested in the FY2003 budget.²⁴

Command, control, communications, and classified programs. If the levels requested in the FY2002 supplemental and the FY2003 budget request are approved, DOD would receive an additional \$11.2 billion in command, control, communications, and classified programs to combat terrorism. (These funds would be in addition to the \$33.6 billion in the 2000 budget before the buildup to combat terrorism.²⁵) There is little visibility on most of this request because many of the programs are classified. For example, of the \$1.5 billion requested in the FY2002 supplemental, \$1.4 billion is for classified programs. Similarly, there is no unclassified information on the FY2003 request of \$3.1 billion, which includes \$2.6 billion for classified programs, and \$540 million for continuity of operations, that is, for plans to protect key government personnel and facilities in case of attack.

²² Department of Defense, *FY2002 Supplemental Request to Continue the Global War on Terrorism*, March, 2002, p. 20. The Global Hawk is manufactured by Northrop Grumman Corporation, while the Predator is made by General Atomics Corporation.

²³ *Ibid*, p. 10.

²⁴ The table above includes the funding for “Offensive Counter-terrorism” and “Procurement” in the ETR and the 2003 Defense Emergency Response Fund request as for weapons and munitions. In FY2003, \$800 million for procurement in the DERF funds both UAVs and KC-130 and KC-135s surveillance aircraft; see OMB, *Budget of the United States*, Appendix, FY2003, p. 277.

²⁵ Office of the Under Secretary of Defense (Comptroller), *National Defense Budget Estimates for 2003*, March 2002, p. 80; [www.defenselink.mil/budget].

Coalition support. DOD's FY2002 request also includes up to \$550 million that DOD could distribute to countries who aid the U.S. in the "war on terrorism," including \$420 million for those countries who provide military and logistical support, indigenous forces who support the U.S., and other foreign governments who fight terrorism. These proposed new general provision would represent a new use of DOD funds, as well as signal a new role for DOD in the distribution of assistance to foreign governments as discussed below.

Congressional action on the Administration's defense request. In preliminary deliberations, the House Appropriations Committee (HAC) recommends \$15.778 billion for the Department of Defense, an addition of \$1.756 billion. The committee also provides \$378.4 million for Department of Energy defense-related activities, an increase of \$352 million over the request, and \$30 million for military construction, for which no money was requested. As the Administration requested, HAC provides most of the money for defense in the Defense Emergency Response Fund (DERF), agreeing that the Pentagon needs flexibility in allocating the funds. The committee did, however, extend last year's requirement for quarterly reports on the allocation of DERF funds and required DOD to track war costs separately as part of the regular reporting.

The major committee changes to the request include:

- \$790 million added for reserve mobilization costs in the DERF. This has been a controversial matter. On May 7, Secretary of Defense Rumsfeld told the Senate Appropriations Committee that DOD had not requested and did not need the additional funds. The Administration specifically objected to the original draft of the House Appropriations Committee bill, which would have required the Administration to release the added money for reserve mobilization in order to gain access to the other defense money. That provision was reportedly altered in committee markup by an amendment offered by Committee Chairman Bill Young.
- \$604 million added in the DERF for additional support of service counter-terrorism operations.
- \$117 million for Army overseas operations not provided in the DERF.
- \$36.5 million for F-15 radio upgrades.
- \$20 million in research and development for remote chemical-biological weapons detection.
- \$30 million for classified projects.
- \$30.5 million for military construction projects.

- \$135 million for the Department of Energy for security at nuclear weapons facilities and for weapons and material transportation security.
- \$5 million for the Department of Energy for international non-proliferation measures, including implementation of the U.S.-North Korea “Agreed Framework.”
- \$67 million for the Department of Energy for security at environmental cleanup sites.
- \$16.6 million for the Department of Energy for security of facilities closure projects.

Foreign Aid to “Front-Line” States

The Administration seeks \$1.28 billion in additional FY2002 Foreign Operations funding, primarily to increase economic, military, and counter-terrorism assistance to so-called “front-line” states in the war on terrorism. Although the complete list remains classified, the United States has placed a growing priority on increasing assistance to over 20 nations representing not just those bordering Afghanistan or located in the region, but including countries globally that have committed to helping the United States in the war on terrorism. Administration officials have publically identified some of those front-line states for whom supplemental assistance is sought.²⁶

If enacted, the supplemental would nearly double the level of assistance allocated in FY2002 for emergency foreign assistance to combat terrorism. Beginning in October 2001, the President distributed \$1.5 billion for Foreign Operations programs, drawn from the \$40 billion emergency terrorism supplemental approved by Congress shortly after September 11 (P.L. 107-38). The proposed supplemental also includes several policy changes related to foreign aid activities that may raise controversy during congressional debate.

Funding Issues. The content of the \$1.28 billion foreign aid supplemental sharply contrasts with the types of assistance previously provided to front-line states and appears to respond somewhat to critics, including many in Congress, who argued that the President’s FY2003 Foreign Operations budget did not adequately address the new terrorism threat. Much of the \$1.5 billion emergency aid already distributed focused on two areas: 1) economic support to Afghanistan and neighboring countries in anticipation of food shortages, displacement and other social disruptions that would occur during the military campaign; and 2) efforts to stabilize the security and economic situation in Pakistan and demonstrate support for President Musharraf. By contrast, the proposed \$1.28 billion supplemental would distribute additional economic and military assistance among 23 countries in all regions of the world.

²⁶ The Administration has not identified those states that DOD would assist for their help in the war on terrorism.

When the Administration announced its FY2003 budget request in early February, officials said that amounts for Afghan reconstruction needs beyond 2002 would be added to the request later, though a decision about whether to seek supplemental foreign aid this year had not been reached. Initial congressional reaction, however, was critical, with Appropriation Subcommittee chairmen Representative Kolbe and Senator Leahy, calling the request inadequate in face of the war on terrorism.²⁷ The budget plan for FY2003 includes large amounts for a few key front-line states – Jordan, Pakistan, and India. But for many others, aid would grow only modestly, leading some to characterize the request as a “business-as-usual” foreign aid budget.

In several respects the \$1.28 billion supplemental proposal reflects what many said should have been incorporated in the FY2003 plan. Although like the FY2003 budget, the request includes significant amounts for Pakistan (\$145 million) and Jordan (\$125 million), it distributes considerable amounts of aid to Central Asian states that would not receive substantial increases in FY2003 and to nations globally. Key highlights include:

- Afghanistan – \$250 million in economic, military, and counter-narcotics support. This comes on top of \$297 million pledged for reconstruction needs this year.
- Middle East – in addition to Jordan, nearly \$80 million (mostly military aid) for three key regional countries – Bahrain, Oman, and Yemen – that have provided considerable support to the United States.
- Philippines – \$40 million to help Manilla combat its own terrorist insurgency in the Mindanao region.
- Africa – \$55 million to several key regional states cooperating in the war on terrorism.
- Central Asia – \$135 million for five regional states, exceeding amounts requested for FY2003 for Kyrgyz Republic, Tajikistan, and Uzbekistan.
- Turkey – \$228 million, primarily for economic support.
- Colombia – \$35 million, with most focused on anti-kidnaping training.

²⁷ See statement of Congressman Kolbe during a February 13, 2002, hearing of the House Foreign Operations Subcommittee on the FY2003 foreign affairs budget; and a February 26, 2002, press release by Senator Leahy regarding the Senate Foreign Operations Subcommittee hearing on the FY2003 request for the U.S. Agency for International Development.

Table 5 provides details on country and program distributions in the supplemental request, and compares that request to enacted aid levels for FY2001 and 2002, and to requested amounts for FY2003.

Table 5. FY2002 Supplemental Compared with Enacted & Requested
(\$s – millions)

Country/Program	FY2001 Enacted	FY2002 Enacted	FY2002 Supplemental Request	FY2003 Request
<i>South Asia:</i>				
Afghanistan	–	\$297.0	\$250.0	TBD
Nepal	\$21.3	\$30.0	\$20.0	\$41.2
Pakistan	\$3.5	\$921.0	\$145.0	\$305.0
<i>Middle East</i>				
Bahrain	\$0.2	\$0.4	\$28.5	\$0.5
Jordan	\$226.2	\$227.0	\$125.0	\$450.4
Oman	\$0.0	\$0.3	\$25.0	\$20.3
Yemen	\$4.2	\$5.5	\$25.0	\$12.7
Economic Initiative	–	–	\$50.0	–
<i>East Asia</i>				
Indonesia	\$121.0	\$124.7	\$16.0	\$71.9
Philippines	\$50.4	\$92.1	\$40.0	\$93.1
<i>Africa</i>				
Cote d'Ivoire			\$2.0	
Djibouti	\$0.2	\$0.2	\$6.0	\$0.2
Ethiopia	\$40.6	\$46.8	\$12.0	\$51.1
Kenya	\$34.6	\$40.7	\$22.0	\$48.8
Mauritania			\$1.0	
Nigeria			\$2.0	
Southern Sudan	\$4.5	\$11.4	\$10.0	\$22.3
<i>Europe/Eurasia</i>				
Georgia	\$97.8	\$100.9	\$20.0	\$95.2
Kazakstan	\$48.4	\$48.6	\$3.5	\$47.0
Kyrgyz Republic	\$35.2	\$37.6	\$42.0	\$41.1
Tajikistan	\$16.7	\$19.9	\$40.0	\$22.5
Turkey	\$1.7	\$22.7	\$228.0	\$20.3
Turkmenistan	\$7.3	\$7.6	\$4.0	\$8.2
Uzbekistan	\$28.4	\$95.6	\$45.5	\$41.5

Country/Program	FY2001 Enacted	FY2002 Enacted	FY2002 Supplemental Request	FY2003 Request
<i>Latin America</i>				
Colombia	\$49.0	\$381.7	\$35.0	\$538.2
Mexico	\$31.1	\$35.6	\$25.0	\$43.6
Ecuador	\$16.4	\$47.5	\$3.0	\$65.8
Regional Border Control	–	–	\$5.0	–
<i>Global</i>				
Antiterrorism Training	\$38.0	\$83.5	\$20.0	\$64.2
Terrorist Financing	–	–	\$10.0	–
Terrorist Interdiction	\$4.0	\$8.0	\$10.0	\$5.0
USAID admin/security	–	–	\$7.0	–
Defense admin costs	–	–	\$2.0	–
TOTAL	\$880.7	\$2,686.3	\$1,279.5	\$2,110.1

Source: Department of State.

Policy Issues. The supplemental request includes several general provisions that would change current policy positions regarding the distribution of military aid, assistance to Colombia, and conditions under which regular foreign aid is transferred. Each are expected to be closely examined during congressional debate.

DOD's role in military aid allocations. Currently, the State Department receives funding through the Foreign Military Financing (FMF) account of the Foreign Operations Appropriations and provides broad policy direction for U.S. military assistance programs. DOD frequently administers FMF activities, but under the policy guidance of the State Department. The Administration proposes in the FY2002 supplemental to grant DOD authority to use up to \$30 million to support indigenous forces engaged in activities combating terrorism and up to \$100 million to support foreign government efforts to fight global terrorism. The \$130 million total would come from defense funds, and be directed by the Secretary of Defense and be available “notwithstanding any other provision of law.” A third provision proposes \$420 million in DOD Operation and Maintenance funding for payments to Pakistan, Jordan, and “other key cooperating states for logistical and military support provided” to U.S. military operations in the war on terrorism that would also be under DOD's policy purview.

DOD officials say that these provisions are essential to help reimburse countries for costs they incur in assisting U.S. forces engaged in the war on terrorism. The United States had to delay payments to Pakistan for support provided in Operation Enduring Freedom because of competing demands on regular military aid funds and the absence of agreements between DOD and the Pakistan military that would allow such transfers out of the defense budget. Nevertheless, critics charge that such a change would infringe on congressional oversight and the State Department's traditional role in directing foreign aid policy and resource allocations. By including a “notwithstanding” proviso, the request further would remove human rights and

other conditions that must be observed by countries in order to qualify for U.S. security assistance.

At a House hearing on April 18, Deputy Secretary of State Armitage told the Foreign Operations Appropriations Subcommittee that although the State Department supports the “intent” of the provisions, the Administration drafted the legislation in a “rather poor way” and that the authority “is a little broader in scope than we really intended.” Secretary Armitage pledged that both State and DOD officials would work with Congress to adjust the provisions in a way that would protect the prerogatives of the Secretary of State as the “overseer of foreign policy and foreign aid.”²⁸

Colombia aid restrictions. An additional supplemental general provision seeks to broaden DOD and State Department authorities to utilize unexpended Plan Colombia, FY2002 and FY2003 appropriations to support Colombia’s “unified campaign against narcotics trafficking, terrorist activities, and other threats to its national security.”²⁹ The provision would broaden significantly the scope of how U.S. assistance could be used by Colombia – not only for counter narcotics operations, but also for military actions against Colombian insurgents and any other circumstances that threatened Colombian national security.

Although the most immediate effect of the change would be to permit the United States to expand how it shares intelligence information with Colombian security forces, the provision would also allow helicopters and other military equipment provided over the past two years to fight drug production to be used against any threat to Colombia’s security.

The Administration, however, is not asking Congress to soften two other Colombia aid restrictions concerning a 400 person limit on U.S. personnel inside Colombia and the prohibition of aid to Colombian military and police units that are engaged in human rights violations (Leahy amendment). Despite the inclusion in the request that past and future FY2003 aid be available “notwithstanding any provision of law” – except for the two restrictions noted above – Administration officials say they are not seeking to remove other enacted conditions on Colombian aid, such as those related to human rights and aerial coca fumigation. Coupled with a pending FY2003 \$98 million military aid request to help protect Colombia’s oil pipeline and other infrastructure against guerilla activity, critics argue that the U.S. objective in Colombia is shifting from one of combating narcotics production and trafficking to a counter-terrorism and insurgency strategy.

Removal of restrictions for other economic and military assistance. The Administration’s supplemental submission asks Congress to provide most of the economic and military aid funds “notwithstanding any other provision of law.” This

²⁸ Testimony by Secretary of State Armitage before the Foreign Operations Subcommittee, Senate Appropriations Committee, April 18, 2002.

²⁹ Department of Defense, *FY2002 Supplemental request to Continue the Global War on Terrorism*, March 2002, see page 28; for web site address, see [www.dtic.mil/comptroller/fy2003budget/fy2002_supp.pdf].

is a relatively unusual request for foreign aid appropriations, usually reserved for situations where humanitarian assistance or aid in support of the highest U.S. foreign policy interests would be prohibited due to existing legislative restrictions on assistance to governments that violate human rights, engage in weapons proliferation, came to power through a military coups, do not cooperate in counter-narcotics activities, or a series of other similar aid conditions.

Because of its sweeping and broad nature, Congress has often been reluctant to enact such a waiver without fully understanding the implications of excluding foreign aid restrictions. More often, Congress prefers to waive specific legislative constraints rather than approving across-the-board waivers. Administration officials have said that the impediments apply to Afghanistan, Yemen, and Ethiopia because they are overdue in making debt payments to the U.S. (Brooke amendment, section 512 of the Foreign Operations Appropriations, FY2002) and to Cote d'Ivoire because of the military coup against a democratically elected government in 1999 (section 508 of the Foreign Operations Appropriations, FY2002).

Congressional action on the Administration's foreign aid request.

In preliminary action taken during the House Appropriations Committee markup of May 9, the panel had approved about \$1.85 billion, roughly \$575 million more than requested. New items added by the Committee include \$200 million in assistance to Israel, \$50 million for the Palestinians, and \$200 million to combat HIV/AIDS, malaria, and tuberculosis. The House Committee also raised assistance to Afghanistan for reconstruction and security support to \$360 million, \$110 million higher than the request. In most other areas, the Committee recommends amounts as requested (see **Table 5**, above).

On policy issues, the Appropriations Committee removed the requested "notwithstanding any provision of law" provisos, but grant specific waivers that will permit the State Department to program most of the funds as proposed. On Colombia, the panel's substitute language is similar but less sweeping than the Administration's request. The draft bill text would allow Colombia to use American aid for a unified campaign against narcotics trafficking, against organizations designated as terrorist groups, and for humanitarian rescue operations. All current restrictions on Colombian aid, however, would remain in effect. After initially denying DOD authority to directly fund military assistance to foreign countries, the draft bill includes a provision permitting such spending after the Defense and State Departments consult with the Committee.

Aviation Security Issues³⁰

Established on November 19, 2001 by the Aviation and Transportation Security Act (ATSA) (P.L. 107-71), the new Transportation Security Administration (TSA) is responsible for the security of all modes of transportation. Responsibility for airport security is transferred from Federal Aviation Administration (FAA) control to the new agency.

³⁰ This section was prepared by D. Randy Peterman, Resources, Science, and Industry Division.

To pay for enhancements in aviation security mandated in the new law, the ATSA may collect fees from passengers, and air carriers. The Administration is also requesting a supplemental appropriation of \$4.4 billion to pay for enhanced airport security.

In hearings, controversy is developing about several issues, including:

- whether the TSA will be able to meet the new security requirements that were enacted in the wake of the terrorist attacks;
- whether the funding requested in the FY2002 emergency supplemental is adequate and sufficiently defined in the request;
- whether the size of the aviation security workforce can be accurately estimated at this time;
- the appropriate mix of types of explosive detection equipment for baggage screening; and
- whether TSA should reimburse airports fully for federally-required increases in security costs rather than funding those costs with airport capital improvement funds.

New Security Requirements. To enhance aviation security, the Aviation and Transportation Security Act required several significant changes in current procedures, including:

- the screening of all individuals, goods, property, vehicles, and other equipment that move within secure areas at airports;
- the replacement of privately-hired contract screeners with federal workers by November 19, 2002;
- the use of federal workers for all screening activities at all but five commercial airports (where pilot programs using contract private screeners under federal oversight would be used) for two years;
- the deployment of Federal Air Marshals on every passenger flight that may present a high security risk; and
- the installation of explosive detection systems in place at airports by December 31, 2002.

Cost of enhanced aviation security. In addition to the \$4.4 billion requested in the supplemental, the TSA is expected to collect about \$1 billion from new customer fees and about \$700 million to \$1 billion per year from air carriers authorized by the new law.³¹ The TSA's FY2002 regular budget is \$2.4 billion.

In the FY2002 emergency supplemental, the Administration requested \$2.5 billion as an emergency appropriation and an additional \$1.9 billion as a "contingent emergency" appropriation to be held in reserve until the Administration has a better understanding of what the TSA's needs are. For FY2003, the President requested \$4.8 billion for the agency.

³¹ After two years, airports will have the option of contracting with private companies for screening rather than using federal workers. The air carrier fee is also only authorized for two years.

Among issues that may arise are whether Congress will approve funds designated as contingent emergency funds, if Congress would not know how the monies would be spent, whether airports can meet the current deadline for deploying explosive detection systems, the size of the new federal workforce to be hired, and the adequacy of the Administration's request.

Funding Issues. The Administration's proposal that Congress approve \$1.9 billion as a contingent emergency, with no detail about costs, was not well received by some appropriators, who likened it to signing blank checks. On the other hand, the DOT's Inspector General suggested that Congress actually make an even larger portion of the Administration's request - \$2 to \$2.25 billion rather than \$1.9 billion - contingent on TSA submitting periodic detailed budget estimates in light of the uncertainty surrounding the agency's needs for the current fiscal year.

The Transportation Security Administration has not definitely decided the number or the type of explosive detection systems needed to check baggage. Nor does the agency know the size of the required total workforce. One machine under consideration is the size of a small minivan and relies on computed tomography (CT), the same technology used for medical purposes. These large machines cost \$1 million apiece but require fewer screeners than a smaller, less sophisticated, and cheaper machine that relies on swabbing of bags to detect explosive materials, and would cost \$45,000 each but require more screeners and be more intrusive.

When the Act was passed, it was estimated that about 30,000 employees would be needed for aviation security. The new requirement to screen luggage as well as passengers could require an additional 25,000 to 30,000 employees. With other administrative personnel, some have estimated that the number of TSA employees could reach 70,000.³²

Another significant unknown is the cost of reconfiguring airports to make use of the explosive detection systems. One estimate puts this cost at \$2 billion.³³ It is not yet clear who would pay for this additional cost. Nor is it clear whether enough machines can be manufactured in time to meet the deadline. These uncertainties about the types of machines, the size of the workforce, and the likelihood of meeting statutory deadlines have already surfaced during congressional consideration of the Administration's request for \$4.4 billion in emergency supplemental funding for TSA.

Congressional action on the Administration's aviation request. Preliminary decisions taken by the House Appropriations Committee reduce by \$400 million – to \$4 billion – spending for the Transportation Security Administration. After initially adding a provision that would double the tax on airline tickets – thus providing a \$150 million offset – the House panel voted to delete the section, which

³² See statement of Kenneth M. Mead, Inspector General, U.S. Department of Transportation, *Key Budget Issues Facing the Transportation Security Administration*. Testimony before the House Committee on Appropriations, Subcommittee on Transportation, April 17, 2002.

³³ *Ibid.*

faced strong opposition from the airline industry. Instead, the committee supported a \$75 million reduction in prior appropriations for secure airline cockpit doors and an additional \$75 million in unspecified cuts to the Transportation Security Administration's budget.

Aid to New York City

In a Rose Garden meeting with Governor George Pataki and New York City Mayor Michael Bloomberg on March 7th, President Bush pledged to give New York City a total of \$21.5 billion in aid to help the city recover from the terrorist attacks on September 11th, 2001. This announcement was intended to meet the President's earlier commitment shortly after the attacks to give the city more than \$20 billion in aid as well as respond to congressional concerns raised during debate about the Emergency Terrorism Response (ETR) supplemental. Congressional concern paralleled the language included in the ETR, which called for not less than \$20 billion to be "allocated for disaster recovery activities and assistance related to the terrorist acts in New York, Pennsylvania, and Virginia on September 11, 2001."³⁴

Combining the request for \$5.5 billion for aid to New York in the FY2002 emergency supplemental with \$5 billion in business tax credits for Lower Manhattan passed by the House in early March, and funding already provided in the ETR, the Administration contends that New York City would receive a total of \$21.5 billion.³⁵ The FY2002 emergency supplemental includes \$5.5 billion in funding for aid to New York provided by FEMA disaster assistance, Community Development block grants and transportation grants to rebuild mass transit, and roads.³⁶

FEMA request.³⁷ Of the Administration's \$3.1 billion request for the Federal Emergency Management Agency (FEMA), \$2.75 billion, or 88%, is for the Disaster Relief Fund (DRF) administered by FEMA.³⁸ That fund is used to help communities recover from and rebuild after major disasters as designated by the President under the Stafford Act.³⁹ Combined with \$6.6 billion allocated to FEMA in the first emergency supplemental, the total for disaster assistance would be \$9 billion, a historic high for eligible costs. According to FEMA, most of the funds allocated to

³⁴ P.L. 107-38.

³⁵ Raymond Hernandez, "Bush Reassures New Yorkers on Aid Package," *New York Times*, March 8, 2002. The Administration apparently assumes that \$10 billion is included for New York City in the ETR.

³⁶ Letter of OMB Director, Mitch Daniels, to President George Bush forwarding request for \$27.1 billion in emergency funding, March 20, 2002;" [<http://w3.access.gpo.gov/usbudget/fy2003/amndsup.html>]

³⁷ This section was prepared by Keith Bea, Government and Finance Division.

³⁸ The remaining \$326.5 million is for grants to state and local governments for first responder teams, see Appendix A.

³⁹ 42 U.S.C. 5121 et seq., popularly known as the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

New York City in the first emergency supplemental were released within two months of the attack.⁴⁰

Some, however, may contend that considerably more recovery assistance is needed. For example, a report issued by a partnership of economic development organizations in New York City reported that “the city’s economy will sustain a gross loss of approximately \$83 billion due to the attack, including \$30 billion in capital losses, \$14 billion in cleanup and related costs and \$39 billion in loss of economic output to the economy.”⁴¹ Only some of those types of costs, however, would be eligible for FEMA funding.

The Stafford Act limits FEMA assistance to individuals and families, state and local governments, and non-profit organizations that provide essential services. Although some have argued that the Stafford Act should be amended to authorize federal assistance to for-profit enterprises such as utilities and medical centers, others want to retain the current criteria, and rely on other federal programs to aid private corporations.

HUD Community Development Block Grants.⁴² In order to meet the needs of utilities and other businesses - reportedly in need of millions of dollars in assistance after the September attacks - the Administration’s request includes \$750 million for the Community Development Block Grant (CDBG) program administered by the Department of Housing and Urban Development (HUD). According to press reports, these funds are intended primarily to help Con Edison and Verizon rebuild their facilities.⁴³

One of the chief advantages of these grants is that state and other eligible local governments are given broad discretion and flexibility in the use of funds. Although the Community Development Block grants program is designed to foster economic development and benefit primarily low- and moderate-income persons, Congress has routinely waived specific programmatic requirements, and used the funds to support disaster recovery efforts, including assistance to Oklahoma City following the bombing of the Alfred Murrah Building, and to aid utilities affected by disasters, notably the ice storm that paralyzed much of New England in 1998.⁴⁴

⁴⁰ U.S. Federal emergency Management Agency, Office of Congressional and Intergovernmental Affairs, personal communication with CRS, Nov. 13, 2001.

⁴¹ New York City Partnership and Chamber of Commerce, *Working Together to Accelerate New York’s Recovery*, (New York, 2002); see [<http://www.nycp.org/impactstudy/EconImpactStudy.pdf>].

⁴² This section was prepared by Eugene Boyd, Government and Finance Division.

⁴³ Edward Wyatt and Randy Kennedy, “\$7 billion Estimate to Rebuild Transit Near Ground Zero,” *New York Times*, April 20, 2002.

⁴⁴ Consistent with the practice in previous disasters, the FY2002 emergency supplemental would permit HUD to waive the specific programmatic requirements of the statute - that programs benefit primarily low and moderate income persons, help eliminate slums or counter urgent health and safety threats - the grants would still have to comply with (continued...)

Under the 2001 Emergency Terrorism Response supplemental, New York City received \$2.7 billion in CDBG funding for disaster recovery activities that is to be administered by the Lower Manhattan Development Corporation (LMDC). A non-profit corporation created to direct the redevelopment of the World Trade Center area, the Lower Manhattan Development Corporation is to use those funds to assist individuals, non profits, and small businesses recover from economic losses resulting from the September 11, 2001, terrorist attacks.

The President's proposed FY2002 supplemental appropriations request would appropriate \$750 million in additional CDBG assistance to be administered by the LMDC. These funds would be used to rebuild utility infrastructure damaged or destroyed by the September 11, 2001 attacks, and to reimburse New York State and New York City's regular CDBG allocation for costs incurred in response to the September 11 attack on the World Trade Center.

One potential issue that may arise during the debate on the supplemental may be the desire by some to use this funding for other needs - particularly transportation needs. According to press reports, some New York City officials believe that the funding requested in the supplemental for rebuilding New York City's mass transit system may be inadequate.

Transportation grant funds. The Administration's FY2002 emergency supplemental includes \$1.8 billion to pay the costs of rebuilding Manhattan's public mass transit that would not be covered by FEMA funds for disaster recovery as well as \$167 million to repair roads like the West side highway that are eligible for federal funds.

FEMA funds can only be used to remove debris, and repair and replace subways and train stations, but not to redesign or modernize current systems as desired by New York officials. In a meeting with Members of Congress in mid-April, New York officials outlined a proposal to modernize and rebuild the Lower Manhattan transportation system that would cost \$7.3 billion.⁴⁵ Those plans could require using a mix of FEMA funds from those already available or the new request as well as tapping other sources in the FY2002 emergency supplemental. Congress is likely to face some pressure to add to or re-allocate funds included in the Administration's request to help New York City to carry out these plans.

Congressional action on the Administration's New York City request. Action taken by the House Appropriations Committee during its unfinished markup of May 9 provides the full \$5.5 billion in aid to New York City, as requested. The panel, however, allocates \$175 million for first responder support to the Department of Justice rather than FEMA, as proposed. Initially, the Committee

⁴⁴ (...continued)

regulations related to fair housing, nondiscrimination, environmental review, and labor standards. For use of CDBG funds to aid utilities in 1998, see P.L. 107-174, 112 Stat. 76.

⁴⁵ Edward Wyatt and Randy Kennedy, "\$7 Billion Estimate to Rebuild Transit Near Ground Zero," *New York Times*, April 20, 2002.

recommended that the money be managed by the Office of Homeland Security, but switched to the Justice Department after White House objections.

Appendix – FY2002 Emergency Supplemental Request Organized by Appropriations Bill and Account

The following 13 tables provide details of the \$27.1 billion FY2002 emergency supplemental allocation, organized according to appropriation bills and accounts.

Table A-1. Summary of All Appropriations Bills
(\$s – millions)

Appropriations Bill	Administration Request	House	Senate	Enacted
Agriculture & Related Agencies	\$0.0			
Commerce, Justice, State	\$386.3			
Defense & Military Construction	\$14,043.0			
District of Columbia	\$0.0			
Energy & Water Development	\$26.4			
Foreign Operations	1224.5			
Interior	\$0.0			
Labor, Health/Human Services, Education	\$750.0			
Legislative Branch	\$7.5			
Transportation	\$6,631.8			
Treasury, Postal Serv, Executive Office of President, & Gen Govt	\$146.3			
Veterans, Housing & Urban Dev, & Independent Agencies	\$3,865.9			
TOTAL	\$27,081.7			

Table A-2. FY2002 Supplemental: Administration Request by Agency
(millions of dollars)

Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Commerce, Justice State/ Commerce Department							
Departmental management/ Salaries and Expenses	Increased guard and protection services.	0.4	SEC	4.8	-	-	-
Export Administration, Operations and Administration	Initiate information sharing program for homeland security.	8.7	PRE	0.0	-	-	-
National Institute of Standards and technology	Develop standards for chem/bio/nuclear/radiological explosive threat detecting equipment and biomedical recognition equipment.	4.0	PRE	0.0	-	-	-
Commerce, Justice State/ Justice Department							
General Administration/Salaries and Expenses	Funds fingerprint identification system to be used by INS inspectors to conduct criminal background checks of suspect aliens.	5.8	INV/LE	5.0	-	-	-
FBI/Salaries and Expenses	Funds equipment for multi-agency task force working to keep foreign terrorist and their supporters out of the U.S.	10.0	INV/LE	50.0	-	-	-
INS/Salaries and Expenses	Funds air and sea port security initiatives and makes up for drop in immigration user fee revenue.	35.0	SEC	189.3	-	-	-
Commerce, Justice State/ State Department							
Diplomatic and Consular programs	Support operation in Kabul and Tajikistan.	20.3	SEC	0.0	-	-	-

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Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Diplomatic and Consular programs	Supports security and emergency medical response.	8.3	SEC	96.7	-	-	-
Diplomatic and Consular programs	Restore mail operations contaminated by anthrax.	15.3	SEC	10.0	-	-	-
Diplomatic and Consular programs	Expand public diplomacy.	7.5	PUB DIP	62.9	-	-	-
Capital investment Fund	For development of a classified, anti-terrorism global database.	2.5	PRE	0.0	-	-	-
Educational and Cultural Exchange Program	For Educational and Cultural Exchange programs.	10.0	PUB DIP	62.9	-	-	-
Embassy security, construction, and maintenance	New construction in Tajikistan (\$80M) and rehabilitation of Kabul compound (\$120M).	200.5	SEC	0.0	-	-	-
Emergencies in the Diplomatic and Consular Service	For humanitarian payments to injured individuals and their families in connection with April 20, 2001 incident with civilian floatplane in Peru.	8.0	NA	NA	-	-	-
Contributions to International Organizations	For U.S. share of UN Special Representative's operation in Afghanistan.	7.0	HUM AID	0.0	-	-	-
Contributions for International Peacekeeping Activities	For U.S. share of UN peacekeeping operations.	43.0	SEC ASSIST	0.0	-	-	-
Commerce, Justice State/ Judicial Branch							
Supreme Court/ Care of buildings and grounds	Perimeter security enhancements at Supreme Court.	10.0	SEC	31.3	-	-	-
US Courts of Appeals for the Federal Circuit/ Salaries and expenses	Security upgrades.	0.9	SEC	0.0	-	-	-

Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Court of Appeals, District courts/salaries and expenses	Protective window film and other security measures.	3.1	SEC	82.2	-	-	-
Defense and Military Construction/ Department of Defense							
Military Personnel, Air Force	Funds full end strength of 358,800 including those AF required to stay because of global war on terrorism.	206.0	DEFENSE	NA			
Defense Emergency Response Fund (DERF), a transfer account/b/	A transfer account for operational and special pay costs associated with conflict in Afghanistan and elsewhere, including replacement of equipment and intelligence activities, cost of activating reservists for enhanced security at bases and other activities, and cost of combat air patrol in U.S./b/	11,300.0	DEFENSE	15,883.3			
Operation and Maintenance, Army	Funds communication program (\$5.2M), and classified programs.	107.0	DEFENSE	/c/			
Operation and Maintenance, Navy	Classified programs.	36.5	DEFENSE	/c/			
Operation and Maintenance, Air Force	Replace intelligence and surveillance equipment, including support of Predator (\$9 million), and classified programs (\$32M).	41.0	DEFENSE	/c/	-	-	-
Operation and Maintenance, Defense wide	Funds payments to Pakistan, Jordan and other “key cooperating nations” for logistical and military support.	420.0	DEFENSE	[288.0]			
Operation and Maintenance, Defense wide	Replaces various intelligence and surveillance and reconnaissance equipment (\$35.5M), and classified programs (\$283.5M).	319.0	DEFENSE	/c/			

Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Other Procurement, Army	Replaces various intelligence and surveillance and reconnaissance equipment (\$68.8M), and classified programs (\$10.4M)).	79.2	DEFENSE	/c/			
Aircraft Procurement, Navy	Upgrades White House Communications (\$14.8M) and classified programs (\$8M).	22.8	DEFENSE	/c/			
Procurement of Ammunition, Navy and Marine Corps	Nearly doubles production rate of Joint Direct Attack Munitions (JDAMs) from 1,500. month to 2,800 a month and buys additional munitions.	262.0	DEFENSE	[443.5]/d/			
Other Procurement, Navy	Funds various intelligence, surveillance and reconnaissance classified programs.	2.5	DEFENSE	/c/			
Aircraft Procurement, Air Force	Accelerates production of Predator unmanned aerial vehicles to two per month (\$37M), retrofits ground station (\$8M), and buys one replacement Global Hawk UAV (\$35M), and two sensor packages (\$13M).	93.0	DEFENSE	NS			
Procurement of Ammunition, Air Force	Nearly doubles production rate of Joint Direct Attack Munitions (JDAMs) from 1,500 month to 2,800 a month and buys additional munitions.	115.0	DEFENSE	[443.5]/d/			
Other Procurement, Air Force	Funds classified command, control, and communication programs.	752.0	DEFENSE	/c/			
Procurement, Defense wide	Replaces and upgrades intelligence, surveillance, and reconnaissance equipment (\$38.1M), funds classified programs (\$46.9M), and White House communications upgrades (\$14.8M).	99.5	DEFENSE	/c/			
RDT&E, Army	Funds fielding of new medical treatment for wounds.	8.2	DEFENSE	/c/			
RDT&E, Navy	Funds upgrades to White House	19.0	DEFENSE	/c/			

Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
	communications systems and other command, control, and communications systems.						
RDT&E, Air Force	Accelerates upgrades to unmanned aerial vehicles (\$23M), and classified programs (\$37.8M).	60.8	DEFENSE	/c/			
RDT&E, Defense wide	Funds improvements to equipment for special operations forces (\$37.8M), and classified programs (\$46.9M), and upgrades to White House communications (\$14.8M).	99.5	DEFENSE	/c/			
Energy and Water Development/ Department of Energy							
National Nuclear Security Administration/ Weapons Activities	Improve emergency response of radiological search teams in urban areas (\$8.8M), support law enforcement officials, consequence management teams and other local emergency responders.	19.4	PRE	0.0	-	-	-
Environmental and other defense activities/Other defense activities	Vulnerability assessments of critical infrastructure and training, conferences, and logistical support for energy assurance activities.	7.0	PRE	0.0	-	-	-
Foreign Operations							
US AID Operating Expenses	Funds US AID's presence in Afghanistan.	7.0	HUM AID	0.0	-	-	-
US AID Disaster Assistance	For international reconstruction projects.	40.0	HUM AID	50.0	-	-	-
Economic Support Fund	Economic and development assistance for Afghanistan.	80.0	HUM AID	0.0	-	-	-
Economic Support Fund	Economic and development assistance for Pakistan.	40.0	HUM AID	600.0	-	-	-

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Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Economic Support Fund	Economic support for \$100M for Jordan, \$5M for Yemen, \$50M for Middle East Economic Initiative.	100.0	HUM AID	0.0	-	-	-
Economic Support Fund	Economic support for Philippines (\$15M).	15.0	HUM AID	0.0	-	-	-
Economic Support Fund	Economic support for Turkey (\$200M).	200.0	HUM AID	0.0	-	-	-
Economic Support Fund	Economic Support for Southern Sudan, Kenya, Ethiopia, and Djibouti, and other African nations.	35.0	HUM AID	0.0	-	-	-
International Narcotics Control and Law Enforcement	For counter narcotics and law enforcement activities in Afghanistan (\$60M).	60.0	HUM AID	0.0	-	-	-
International Narcotics Control and Law Enforcement	For counter narcotics and law enforcement activities in Pakistan (\$20M).	20.0	HUM AID	73.0	-	-	-
International Narcotics Control and Law Enforcement	For border security with Mexico (\$25M), Western Hemisphere Regional (\$5M), Colombia (\$4M).	34.0	HUM AID	0.0	-	-	-
Independent States, Former Soviet Union	Funds assistance to Central Asian nations of Uzbekistan, Kyrgyz Republic, Tajikistan, Kazakhstan and Turkmenistan, including \$22 million for drug law enforcement and \$12M for border security.	110.0	HUM AID	46.5	-	-	-
Foreign Military Financing	Military aid for Turkey (\$28M) and Uzbekistan (\$11M).	39.0	SEC ASSIST	45.0	-	-	-
Foreign Military Financing	Military aid for Afghanistan (\$50M), Nepal (\$20M), and Pakistan (\$75M).	145.0	SEC ASSIST	0.0	-	-	-
Foreign Military Financing	Military aid for Bahrain (\$28.5M), Jordan (\$25M), Oman (\$25M), Yemen (\$20M).	98.5	SEC ASSIST	0.0	-	-	-
Foreign Military Financing	Military aid for Philippines (\$25M).	25	SEC ASSIST	0.0	-	-	-

Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Foreign Military Financing	Military aid for Djibouti (\$2M), Ethiopia (\$3M), Kenya (\$15M).	20	SEC ASSIST	0.0	-	-	-
Foreign Military Financing	Military aid for Georgia (\$20M), Kazakstan (\$2M), Tajikistan (\$3M), Kyrgyz Republic (\$9M) .	34	SEC ASSIST	0.0	-	-	-
Foreign Military Financing	Military aid for Colombia (\$6M), and Ecuador (\$3M).	9	SEC ASSIST	0.0	-	-	-
Foreign Military Financing	Defense administrative costs (\$2M).	2	SEC ASSIST	0.0	-	-	-
Non-proliferation, anti-terrorism, De-mining, and related programs	Training/equipment for counter-terrorist aid to Pakistan (\$10M), Indonesia (\$8M), Colombia (\$25M), and others (\$10M).	53.0	SEC ASSIST	45.5	-	-	-
Non-proliferation, anti-terrorism, De-mining, and related programs	Terrorist interdiction training to various countries as needed.	30.0	SEC ASSIST	46.4	-	-	-
Peacekeeping Operations	Funds salaries of Afghanistan military forces who support U.S. operations, and training of civilian and military personnel to support peacekeeping in Indonesia.	28.0	SEC ASSIST	0.0	-	-	-
Labor, Health and Human Services, and Education/Department of Labor							
Training and Employment Services (Contingent Emergency)	National Emergency Grants of at least \$550 million to states to aid dislocated workers.	550.0	VIC RELIEF	32.5	-	-	-
Training and Employment Services (Contingent Emergency)	Demonstration training projects.	50.0	VIC RELIEF	0.0	-	-	-
Training and Employment Services (Contingent Emergency)	Transfer to Commerce Department for long-term economic assistance programs.	40.0	VIC RELIEF	0.0	-	-	-
Training and	Grants under Workforce Investment Act.	110.0	VIC RELIEF	0.0	-	-	-

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Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Employment Services (Contingent Emergency)							
Legislative Branch							
Library of Congress	To fund shortfall in copyright Office from lower receipts in FY2002.	7.5	VIC RELIEF	0.0	-	-	-
Transportation and Related Agencies/ Department of Transportation							
Coast Guard operating expenses	Funds six months of additional expenses for personnel (\$82M), operating costs (\$60M), and maritime security initiatives (\$46M).	189.0	SEC	227.2	-	-	-
Coast Guard, Acquisition, Construction, and Improvements	Acquire and replace patrol boats (\$24M), monitoring systems (\$23M), improve communications and infrastructure (\$14M)).	63.0	SEC	0.0	-	-	-
Transportation Security Administration	Funds initial and then Federal screener personnel, airport managers, law enforcement, National Guard provided by DOD, and other support personnel, with up to \$1 billion for explosive detection equipment.	2,445.0	SEC	325.0	-	-	-
Transportation Security Administration (Contingent Emergency)	For additional equipment, screeners, law enforcement personnel, staff, and consultants for aviation security to be further defined in a later request.	1,945.0	SEC AV	325.0	-	-	-
Federal Aviation Administration Operations	Provides more guards and barriers at air traffic control facilities to be paid for with fees (\$100M).	NA	SEC AV	599.0	-	-	-
Federal Highway Admin., Federal-aid Highways, Emergency Relief	Funds repair and restoration of highways and roads in NYC damaged by attacks that are eligible for federal funding.	167.0	REC	75.0	-	-	-
Federal Motor Carrier Safety Administration,	Funds personnel, and efforts to detect license frauds.	19.3	INV/LE	0.0	-	-	-

Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Border Enforcement Program							
Federal Transit Administration, Capital Investment Grants (Contingent Emergency)	To fully fund rebuilding of public mass transportation in Manhattan that are not eligible for FEMA funds.	1,800.0	REC	0.0	-	-	-
Research and Special Programs	Upgrades new center to monitor crises.	3.5	PRE	2.5	-	-	-
Treasury, Postal Service, Executive Office of the President, and General Govt.							
US Postal Service, US Postal Service Fund	To provide additional protection to postal employees and customers from biohazardous material.	87.0	BIO	675.0	-	-	-
Executive Office of the President, Office of Administration, S&E	Funds outfit of off-site facility for Office of Homeland Security.	5.0	PRE	0.0	-	-	-
GSA, Real property Activities/Federal Buildings Funds	Increases security services at federal buildings.	51.8	SEC	135.1	-	-	-
GSA, General Activities/Policy and Operations	Funds new office to assess potential disruptions in information technology.	2.5	PRE	0.0	-	-	-
Veterans Affairs, HUD, and Independent Agencies							
FEMA, Disaster Relief	Covers remaining response and recovery efforts in NYC that are eligible for federal reimbursement.	2,750.0	REC	6,356.9	-	-	-
FEMA, Emergency Management Planning and Asst	Provides equipment and training grants to states and localities for first response teams.	326.7	PRE	220.0	-	-	-
HUD, Community Planning and	Provides grants to Lower Manhattan Development Corporation to rebuild and	750.0	REC	2,000.0	-	-	-

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Subcommittee/Agency or Department & Appropriation account	Purpose	Admin FY2002 Supp Request	Spending Category /a/	ETR Funding for same spending category	House action	Senate Action	Enacted
Development/Community Development Block Grants	restore utility infrastructure and equipment destroyed in lower Manhattan.						
EPA, Hazardous Substance Superfund	For additional expenses for anthrax investigation and cleanup of U.S. Capitol and Congressional offices.	12.5	REC	41.3	-	-	-
National Science Foundation/Education and Human Resources	Funds additional Cybercorps/Scholarships for Service programs for undergraduates and graduates studying computer security.	19.3	INV/LE	0.0	-	-	-
Broadcasting Board of Governors/International Broadcasting Operations	Funds IBC's operations in Afghanistan.	7.4	PUB DIP	0.0	-	-	-