





has requested \$50.5 billion in total funding for DHS, reflecting a 6.8 percent increase over the previous year's base budget, and a 62 percent increase since the department's creation nearly five years ago.

This is a strong and fiscally sound budget that funds vital areas of our mission, including border security and immigration enforcement, secure identification, cargo security, infrastructure protection, emergency response, and the department's management.

The budget focuses resources on the greatest risks, it builds on our success to date, and most important, it gives our 208,000 employees the tools and support they need to continue to protect the American people.

Today I'm going to highlight some specific areas of the budget across our five priority goals, which are: protecting the nation from dangerous people, protecting the nation from dangerous things, protecting our critical infrastructure, improving our emergency response and building a culture of preparedness, and finally, strengthening our management and institution.

Let me first turn to the issue of protecting our nation from dangerous people. And let me start with that vast space, the thousands of miles that are between our ports of entry. A major priority for the President, this department and the American people is getting control of our borders and keeping dangerous people, criminals, drug dealers and illegal aliens from entering our country or worse, threatening our citizens. We have made an enormous amount of progress over the last year to tighten the border, build fence, train Border Patrol, and deploy technology.

As you can see depicted – and it's quite a picture – we have currently got 287 miles of fencing built across our Southwestern border; that includes pedestrian and vehicle fencing. We have, as of the end of last year, calendar year 2007, over 15,000 Border Patrol; that's an increase from a little over 9,000 when the President took office in 2001.

Since August 2006, we have sustained the end to Catch and Release at the border; that was the old method under which people were apprehended, and if they couldn't be returned in a single day, they were simply released on their own recognizance. The result of this deliberate and consistent effort is that apprehensions are down about 20 percent this past fiscal year, over the prior fiscal year. And that's very good news; it's one of a number of metrics that shows that we have turned the tide on illegal immigration and we're making progress in the right direction.

Now, there's some unfortunate metrics. We're seeing increasing violence against our agents as a result of this stepped-up enforcement. That includes the recent killing of an agent struck by a vehicle fleeing into Mexico. Over the past year, violence against the Border Patrol increased 31 percent, and in some sectors almost 700 percent.

Unfortunately, this is an all too predictable consequence of cracking down on illegal activity. Those who profit from illegal businesses fight hard to preserve their market

share, and fight hard to preserve their illegal activities, and as a consequence they're more willing to use violence. Our message, however, is clear: We will push back as hard as necessary, we will not relent, we will not give in, and we will continue to step up the pressure as we gain control of the border.

Now, of course, in addition to violence, illegal activity at the border – trafficking in drugs and other commodities, and also human trafficking – results in environmental degradation at the border. And here you see some of what we find at an illegal alien pickup location in Arizona. And it's because of the violence, it's because of the drug trafficking, it's because of the human trafficking, it's because of the degradation of the environment in the areas where trafficking takes place, that we are going to continue to build fencing where it meets our operational needs, we're going to deploy technology where it can assist the Border Patrol, and we're going to give the Border Patrol every tool necessary and every tool that they can want in order to protect themselves, in order to police the border, and in order to make it clear to drug dealers, drug traffickers, human smugglers, and anybody else who comes in illegally, that we are determined to keep the pressure up at the border in order to fulfill our promise to the American people.

In line with what we've done already, and to build on that foundation of a very good year last year, and our commitment to continue, for fiscal year 2009 the President's budget requests \$3.5 billion for the Border Patrol. That's an increase of almost half a billion dollars to hire, train and equip 2,200 new Border Patrol agents, over and above the 18,000 or so that we expect to have in the Border Patrol by the end of this calendar year.

The additional agents that we propose to fund represents the President's goal of adding 6,000 new Border Patrol agents by the end of the first quarter of fiscal year 2009, and by the end of next September to get to a total of more than 20,000 Border Patrol agents. That will be more than twice the number that were present on duty when the President took office in 2001.

For our technology-based SBInet, we're requesting an additional \$775 million to be added to the \$1.25 billion that was recently appropriated late last year, so that we can continue our efforts to develop and deploy technology and tactical infrastructure, including fencing, at the border to prevent incursions, improve Border Patrol response time, and make it safer for the Border Patrol to operate on the border.

Through this funding, which would be \$2 billion in total, we expect to have 370 miles of pedestrian fence and 300 miles of vehicle fence in place by the end of this calendar year. And to give you a visual sense of what that means, it means that we will have barriers and fencing in place from the Pacific Ocean pretty much to the New Mexico-Texas border – except in those areas where there's a natural obstacle like a mountain or something of that sort that makes fencing unnecessary – we'll have almost that entire area built up with barriers.

In addition, we will develop a Common Operating Picture technology to give us better awareness of the border through integrated cameras, sensors, radar, and unmanned aerial

systems. As you probably know, we acquired a new unmanned aerial system late last year for our third, and then we're going to have our fourth coming online within a matter of about a month or so.

Now, we all know that enforcing the rules against illegal immigration and trafficking require more than just resources at the border, although resources at the border are necessary. We also have to focus on interior enforcement, which is what attacks that economic engine that drives people to come into this country illegally in the first place.

Again, we made a lot of progress in fiscal year 2007. We increased worksite enforcement, with 863 criminal arrests and over 4,000 administrative arrests. If you look back, this is a huge – it's a transformative change in tough enforcement at the interior since three years ago and four years ago.

In addition, to continue to build on this very substantial effort, we're requesting \$1.8 billion, which is an increase of \$153 million over this past fiscal year, to help ICE expand detention beds by 1,000 so that there will be a total of 33,000 beds in fiscal year 2009. This is a 78 percent increase from where we were just four years ago, and gives us the capacity not only to have ended Catch and Release at the border, but to make sure that we are detaining as many as possible in the interior when we conduct enforcement operations.

In all, we're requesting \$3 billion in fiscal year 2009 for ICE interior enforcement-related activities. That's an increase of over \$300 million from this past fiscal year. It will include funding for increased fugitive operations; the Criminal Alien Program, which goes into prisons and identifies people who are criminal aliens who should be deported rather than released on the street; it supports anti-gang initiatives; and, of course, continued worksite enforcement.

Yet a third element of the strategy here is to work with employers so that it's easier for them to comply with the law, which, of course, means we have to do less of our own enforcement because the worksite begins to take care of itself.

We're requesting for fiscal year 2009 \$100 million for E-Verify, an increase in \$40 million. As you know, this program allows employers to use an automated system to run employment authorization checks against DHS and Social Security Administration databases.

Currently, more than 50,000 companies are enrolled, and we expect that number to more than double this year. This is a proven tool that attacks one of the most common ways in which illegal aliens fraudulently obtain work in the workplace, by using phony Social Security numbers or mismatched Social Security numbers.

And, as indicated by the increased enrollments, this is a program that is becoming ever more popular with employers themselves. That's why it's particularly important that this

year Congress reauthorize the program so that these employers can continue to benefit from E-Verify and not have to play detective when they hire new employees.

Finally, because we recognize that the issue of enforcing the law against illegal migration is one which has to engage state and local law enforcement as well, we're requesting \$92.5 million, which includes a \$12-million increase, to continue to train state and local law enforcement officers under our 278(g) program. This is a force multiplier for immigration enforcement. It also assures that when a locality chooses to work with us to help us enforce the immigration laws, that their police are properly trained to do it in the right way. To date, we have signed 34 Memoranda of Agreement with state and local law enforcement under this program, and there's a long line of other jurisdictions that want to sign up as well.

Now, of course, common sense tells you that although a lot of attention is paid to those people who sneak in between the ports of entry, it makes no sense to fortify the land border only between the ports of entry while allowing people to simply walk through the ports of entry willy-nilly whether they're legal or illegal. And therefore, we need to continue to move forward on our efforts to strengthen our ports of entry and to prevent fraud and smuggling at our ports of entry as people attempt to bring in drugs or illegally traffick in human beings or, worse yet, come in to commit crimes or terrorist activities.

The President's budget supports our efforts to strengthen travel document security and identity management, which is the key to making sure that our ports of entry do not become an open door to illegal migration, even as we are building fences and barriers between the ports of entry.

Let me talk about some of our progress to date. First, we're requesting \$140 million this fiscal year to support the Western Hemisphere Travel Initiative. This is somewhat less than we received in '08 because we expected in this fiscal year '08, we will be building the vast majority of the infrastructure we need to have WHTI in place, ready to be up and running, by June 2009 when we can begin the process of implementation.

We anticipate that in 2009, 39 of the high-volume land ports will be covered by WHTI-accessible infrastructure, which will cover 95 percent of all vehicle passenger traffic. This, by the way, will not only add to security, it will actually make it quicker to get through the ports of entry. So for those who are worried about long lines at the ports of entry, land ports of entry, this is actually the cure to the problem, and something we ought to embrace as quickly as possible.

Of course, I don't need to remind you that having this kind of initiative to secure our land borders and make sure people can't come in with phony documents was a critical 9/11 Commission recommendation. And recently, last November, the Government Accountability Office, GAO, published a report which emphasized the vulnerabilities that remain if we allow thousands of different kinds of documents to be presented at the border, or allow people to simply walk in by announcing themselves under the honor system as American citizens.

Now, although WHTI itself cannot be implemented until June 2009, we have taken some steps last week to at least close as much of the gap as we can, using existing documentation. That's why we have indicated that we will no longer proceed on the honor system, where people are allowed simply to make an oral declaration of citizenship. And we are reducing – we've reduced dramatically the number of kinds of documents that can be presented as establishing identification and citizenship at our land borders.

I urge Congress to allow us to complete the process of implementation in June 2009 without continuing to kick the can down the road. Preliminary reports from this past week have indicated it is possible to transition into a new, more secure regime of management at the border without causing undue stress and delays. But at this point, staying on course and staying on the message is the best way we can guarantee that we will continue to move forward and honor this very important 9/11 Commission recommendation.

Another important tool at the border is US-VISIT. As you know, we have now moved from a two-print regime to a 10-print regime, not only at our consulates overseas but increasingly at our air ports of entry here in the United States. A few weeks ago we announced the rollout of 10-print US-VISIT at Dulles Airport. It's recently opened up at Logan. This, of course, has nothing to do with the Super Bowl. And we're going to continue to roll this thing out over time.

As a consequence, we've requested \$390.3 million for US-VISIT for fiscal year 2009, which will allow us to continue to build out this important biometric capability at all of our major ports of entry.

Another important 9/11 Commission recommendation was the need to make sure that driver's licenses do not become weapons in the hands of terrorists as they were on September 11th. As you know, this past fiscal year 2008, there has been \$360 million available in funding, potentially, for states that want to have support for their REAL ID efforts. This fiscal year 2009 we're requesting \$50 million to facilitate State compliance, and there will be another \$150 million in grants that will potentially be available to states for this purpose in fiscal year 2009.

I want to emphasize, though, the most important contribution we have made to allow REAL ID to be implemented in a way that is efficient and not overly burdensome for the states, is our cutting of the cost of the program by three quarters through rules, changes, that we recently announced in the last few weeks. This now means that the basic cost for a REAL ID-compliant license is about \$8 per license over the life of that license, and that is an amount of money that certainly is well within what we should be prepared to pay protect not only against the possibility of terrorism being facilitated with illegal licenses, but to make it harder for illegal immigrants to get licenses, and also to manage to reduce identity theft, which, of course, is a very real problem across the country.

Now, moving aside from protecting the country from dangerous people, we obviously want to continue in protecting the nation from dangerous things. This past year, as promised, we got to the point of scanning a hundred percent of containers coming into our southern border, and almost a hundred percent of containers coming into our nation's seaport. And we're at 91 percent scanning for radiation at our northern border. We want to continue building out to virtually a hundred percent scanning by the end of this year. And we also want to continue to expand our Container Security Initiative, as we have done to 58 ports, as I speak now.

Additionally, as you know, we've launched the Secure Freight Initiative as Congress mandated, and we have begun 100 percent radiation scanning at three pilot ports in Honduras, in Pakistan and in Southampton, United Kingdom.

Among the particular highlights I'd like to note in this year's budget is that – or fiscal year 2009 budget, rather – is our request for \$157 million for DNDO's Radiation Portal Monitor Program. This is an increase of \$67.7 million from this past fiscal year, and it will support the continued deployment of equipment to our land and sea ports of entry, so that we get close to one hundred percent scanning for radiation of every container and all the cargo that comes into the United States from other countries.

Our third goal is to protect the critical infrastructure that we have in this country – which of course we do in partnership with the private sector. And here again the budget continues to fund our efforts to set standards in chemical security, to prevent attacks with improvised explosive devices, to strengthen aviation security, and to boost cyber security.

As you know, last year we issued regulations for chemical plant security all across this country. For the fiscal year 2009, we are requesting an increase of \$13 million for the Chemical Security Compliance Project. Additional funding will be used to staff our regulatory program, collect and analyze vulnerability information, review security plans for the most hazardous plants, support and manage inspections, and enforce compliance of the new standards.

We're also requesting in the President's 2009 budget for Homeland Security \$1.3 billion – that's an increase of \$358 million – for Department-wide efforts to counter improvised explosive device threats. This request includes more than \$1.1 billion in funding for TSA explosive detection technology at airports, \$50 million for Science and Technology development, \$30 million for training of Transportation Security Officers, and \$9 million for our Office of Bombing Prevention. We've also made billions of dollars in grants available to states and communities for IED prevention and protection, and we continue to work with other federal agencies, like DOD and DOJ, to address this threat.

We also know that one of the elements of infrastructure that has been a particular focus for terrorists – and this is not only, of course, a reference to 9/11, but to 2006 airline plot that was aborted in the United Kingdom, last year's attack on Glasgow Airport; and, of course, the aborted German terrorist plot of last summer – we know that a continued focus for terrorism is on our aviation system. And that's why we continue to build and



enhance our security layers not only for the airplanes themselves, but for the airports in the entire aviation system.

As a consequence of our increased efforts to retool and increase our capabilities, we're requesting \$43 million for our Behavior Detection Officers program. The behavior detection-trained Transportation Security Officers are taught to identify potentially high-risk individuals based on physical and physiological reactions.

Our request in fiscal year 2009 will enable TSA to provide Behavior Detection Officer coverage for 89 percent of the air traveling passengers at 155 different airports. Additionally, we're requesting \$30 million for 10 Visible Intermodal Protection and Response Teams and 225 positions. These rapid response teams, which include federal air marshals, transportation security inspectors and canine teams give us a surge capability, and that is a visible deterrent across our entire transportation sector, including buses, mass transit and, of course, airports.

And we're requesting \$100 million – which is a \$55 million increase – for our Travel Document Checking program to be deployed at airports nationwide. This program adds an important layer of defense for aviation security by ensuring only passengers with authentic boarding passes and documents access sterile area of airports and board aircraft. In all, we're requesting \$5.3 billion for aviation security in fiscal year 2009.

The Coast Guard is also receiving additional funding under the President's proposed budget. We're requesting \$990 million – that's an increase of over \$200 million – for Coast Guard's Deepwater budget, which includes \$353.7 million for the National Security Cutter program.

One area that will get sustained attention this year and beyond is cyber security. An unfortunate consequence of living in a networked, technologically dependent world is that terrorists and others seek to use our own technology against us, including the Internet.

This administration is currently intently focused on cyber security. We have a cyber security division here at DHS to help lead our interagency efforts to combat those who would turn the Internet against us. We've deployed the capability of the EINSTEIN program to detect malicious patterns in government computer network traffic. And we also have the United States Computer Emergency Readiness Team, or US-CERT, which stands a 24-hour watch, warning and response center in the case of cyber attacks.

This year, for fiscal year 2009, we're requesting \$293.5 million to further deploy our EINSTEIN system on federal networks so that we can better protect against cyber threats and intrusions. This increase of \$83.1 million will enhance US-CERT's ability to analyze and reduce cyber threats and vulnerabilities, to disseminate warning information and to coordinate instant response.

The fourth element of our strategic program is building an effective emergency response system and a culture of preparedness. Some threats we can prevent from coming to fruition, but some we cannot. And of course those unleashed by Mother Nature are those that are very hard to prevent. And that's why the President's budget devotes considerable resources to continuing to build our emergency preparedness and response capabilities.

Over the last few years we've put tremendous effort in the process of integrating the lessons we learned from Hurricane Katrina and from Hurricane Rita, and from all subsequent natural disasters. The purpose has been to make sure that FEMA has qualified leadership, a strong, permanent workforce, and effective tools to perform its very important mission.

Under Administrator Paulison's leadership, we have built new logistics capabilities, hired 10 full-time regional directors, developed a better disaster assistance and registration, and restructured the organization top to bottom. As a result, FEMA performed very well last year, responding to 68 Major Disaster Declarations, 11 Emergency Declarations, and 54 Fire Management Assistance Declarations, including of course the extraordinary California wildfires last October.

We want to continue to build these capabilities. Therefore, we're requesting \$164.5 million, an increase of \$64.5 million, for FEMA Vision Initiatives to bolster the Department's emergency preparedness and response capabilities for all hazards. These funds will allow us to modernize FEMA's IT systems, continue to reform its major management and administrative activities, and reshape its workforce by adding more permanent professional personnel.

We're also requesting \$209 million, an increase of \$149 million, to support FEMA's special disaster workforce. The purpose here is to transition four-year Cadre On-Call Response Employees from temporary to permanent full-time personnel. As full-time personnel, they will then become a cadre around which we can build enhanced search capabilities with temporary workers, knowing that the core of every disaster response will be led by people who are on the job full-time and therefore well-prepared to do what has to be done in an emergency.

Now, on Friday, we announced about \$3 billion in fiscal year 2008 grants for a host of programs, including the Urban Area Security Initiative, Port and Transit Security, and State Homeland Security grants. In all, through fiscal year 2008 this administration has made available more than \$23 billion to state and local communities to date, and, as you can see, a good deal of this remains to be drawn down. And this is not meant as a criticism; it reflects the fact that wisely actually spending the money does take a certain amount of time.

We're going to continue to build upon this capability enhancement process by making targeted, justified investments in fiscal year 2009. We are requesting total funding of \$2.2 billion to prepare state and local governments to prevent or respond to threats or incidents of terrorism and other catastrophic events. This is the same level of funding that we

requested last year, in fiscal year 2008, with the exception of the one-time interoperability grants, which were the result of a one-time advance on the auction of the spectrum, and as you all know, you can only sell an asset once. If you try to sell the same asset twice, you tend to get into trouble.

But putting to one side that program, we have maintained across the board in all of the major elements of our grant program, a request to fund at the same level we requested last year. And, as important, we're continuing to put resources where risk is the greatest, including the Tier I and Tier II high-threat urban areas. This is so that we can build capabilities in those areas with the greatest vulnerability, and where the consequences would be greatest, so that we can start to – continue the process of drawing down on our risk.

Another area where we've invested considerable resources is bio-defense. For fiscal year 2009, we continue to focus on protecting Americans against threats that could have catastrophic consequences for our nation, and this certainly includes biological threats. We're requesting an increase of \$34.5 million for the Office of Health Affairs' next generation BioWatch program.

This funding will build upon the already successful deployment of one generation of BioWatch detection across the country by procuring a second generation, a next generation of automated detection sensors so that we have an automated sensor system in all existing BioWatch jurisdictions that is even quicker to detect and characterize a bioterrorism incident.

Additionally, we will have available this year – and this is outside the \$50 billion that's in the budget – but for fiscal year 2009, we will have available \$2.175 billion to continue the development and procurement of critical vaccines and medication for bio defense. This is part of the authorization for Project BioShield that was passed by Congress a few years ago.

Finally, the President's budget funds our efforts to strengthen internal management of the Department and continue to institutionalize our operations. As you know, we're coming up on our fifth anniversary. We still do not have a permanent headquarters within which this Department can organically grow.

For this coming fiscal year 2009, we are requesting \$120 million to consolidate Coast Guard Headquarters, DHS Headquarters and component mission functions at St. Elizabeth's here in the District. That would be in addition to the \$346 million that GSA has requested for the same purpose. This is critical if we're going to develop and foster that "one DHS" culture which is so important in making sure that we continue to build progress on the integration that we've already accomplished over the last five years.

Additionally, we've requested an increase of \$15.5 million for the Office of the Chief Financial Officer to consolidate the financial systems of our component agencies. You will recall when the Department was formed five years ago, we had 22 agencies, 22

separate human resources offices, eight payroll systems, 19 financial management centers, and 13 procurement systems. We've made a lot of progress to date consolidating those systems. We've brought 17 data centers down to just two, and we're consolidating seven Wide Area Networks into a single network.

But we need to continue and complete the job. Our fiscal year 2009 funding request will not only help us continue integrating these financial systems, but in the long run will save money because it will eliminate some of the inefficiencies that crop up from time to time because we have not fully built one single financial management system.

We're also requesting \$1.65 million to develop the first ever Quadrennial Homeland Security Review, which will provide the United States with a strong and effective homeland security strategy not just for the next year or couple of years, but for the decades to come. This builds on the process that the Defense Department uses in dealing with national security issues, with a Quadrennial Defense Security Review. We face a patient enemy. We face a challenge to the homeland that is not going to evaporate in a couple of years. And developing a Quadrennial Homeland Security Review will give us the long-term vision that allows us to plan and manage this risk far into the future.

Finally, we're requesting an increase of \$3.1 million for the Office of the Chief Procurement Officer to enhance the Acquisition Intern Program, which recruits, trains, certifies and retains an appropriate workforce of acquisition professionals.

I am constantly reminded by Congress of the fact that there's concern about our over-reliance on contractors to manage contracts. And that's a fair point. But there's only one corrective: You've got to hire permanent employees to manage those contracts. And in order to do that, we need to have the money to hire those people. Continually trying to punish us by cutting our management budget in order to induce us to hire more people is literally working at cross purposes. We're committed to building the kind of acquisition force that will allow us to properly manage some very expensive and important acquisition programs over the next years, but to do so we need to hire, train and retain the appropriate people.

Now that I've previewed where we are in our fiscal year 2009 budget, which the President is sending to Congress, let me just stand back and give you some general observations about where we are. On March 1st, we're going to celebrate the 5th anniversary of this department, and I think we'll have a lot to look back upon, things that we've learned as hard lessons, things we've achieved, and things we have yet to achieve.

But I hope that our 5th anniversary will be the opportunity to kick off a pretty honest and straightforward discussion with the American people about the tradeoffs that we face in protecting this country over the next five years and beyond.

In my mind, it's unmistakable that we face serious threats to our nation. It is true, and we are thankful for the fact, that we have not had a successful attack on American soil since September 11th. And my thanks go of course not only to the 208,000 people who work in

this department, but to our partners at the Department of Defense, Department of Justice, and a whole host of government agencies, as well as our partners overseas.

But no one should be misled by the fact that there has not been a successful attack into believing that the enemy has lost interest in us. If you have any doubts about their continued interest, just open up the newspapers in the last couple of weeks and read about the major plot that was disrupted in Spain. Consider the plot that was disrupted in Germany last summer, or the aborted attacks that were carried out in London and Glasgow last summer. Look back to the August 2006 airline plot in the United Kingdom.

Nobody who looks at these efforts, as well as all the cases that have been brought in this country, could reasonably conclude that the enemy has decided they no longer want to wage war against the United States. This is not a cause for us, therefore, to congratulate ourselves and say the job is done; it is cause for us to take a pause and consider what we must continue to do in order to stay ahead of where the enemy is.

That does require us to honestly consider what sacrifices and tradeoffs we're prepared to make. I recognize that as much as we try to balance our process of mitigating and minimizing risk, there will always be some cost. And therefore we have to ask ourselves, are we prepared to suffer some reasonable degree of inconvenience, and pay some reasonable amount of money in order to draw down that risk and prevent the possibility of another attack or another catastrophic attack? And I see this struggle about whether we're prepared to pay the price played out in a number of different arenas.

**Western Hemisphere Travel Initiative:** This did not originate with us at the department, this originated with Congress's implementation of the 9/11 Commission recommendations to secure the borders. Everything I read and see tells me the American public wants to secure the borders. But our ability to implement WHTI has been delayed. It's been delayed twice by Congress, and pushed off to June 2009. I accept the importance of implementing this initiative in a fashion that is smooth and causes as little disruption as possible.

But I'm also sometimes asked why it is seven years, practically seven years, since 9/11, and we haven't fully implemented this measure. At some point we're going to have to come to grips with the fact that there will be some cost, there will be some inconvenience, and we have to ask ourselves, are we unprepared to pay that price in order to keep out the kinds of people who would do the damage that was done to us on September 11th?

**REAL ID:** We have cut the cost of the REAL ID process. We've reduced it to about \$8 a license. But again, I will acknowledge, it's certainly going to be somewhat more inconvenient and somewhat more expensive than simply rolling along with the existing driver's license system. But anybody who has been in a college town knows that one of the easiest things in the world to do is to get a fabricated driver's license in this day and age. As long as people are going to ask for identification, and as long as people are going

to rely on driver's licenses for identification, it makes sense to invest what is necessary so that those licenses are more secure and harder to counterfeit.

**Border fence:** All this past year we've heard over and over again about the importance of building the fence. Sometimes I get criticized for not building enough fence – the mere 2,000 miles of it – sometimes too much fence. But one thing is clear, in that dangerous environment of the border, the Border Patrol has concluded that fencing is an important and necessary tool in some locations.

But again, when we build the fence on the border, it's going to have some impact on people who own land on the border. And they may very well, and maybe justifiably, feel put upon by the fact that they're going to wind up seeing fencing on their property – of course we pay for it – they're going to see fencing on their property, which is going to be necessary to prevent drug dealers and human smugglers and other criminals from sneaking in between the ports of entry.

Again I have to ask this question: As much as I respect the sensibilities of people at the border, am I prepared to say I'm not going to build fence if the consequence of that is more methamphetamine coming into the country, more human trafficking, more environmental degradation in the area, more violence at the border? I think the answer is the greater good requires that while we paid the fair share to the person whose land is being taken, we must move forward on the border before you get the border fence done.

Finally, chemical security: After a considerably long set of arguments, Congress gave us the authority to set performance-based standards for the chemical industry. We released rules last year, we considered comments, by and large industry applauded, we adjusted where we thought fair comments were made.

And now we have a final set of regulations that are out there. But recently the propane industry sued us because they felt our regulation that requires people who have 50,000 or 60,000 pounds of propane on their property should use a vulnerability assessment. Now it seems to me that if you've got huge tanks of propane on your property, and you're, let's say, next to a school or a residential development, it behooves you to do a survey to make sure your security is appropriate, so you don't become a bomb in place that could kill a lot of people.

But again, we were sued. Now, we won that case, but it's another example of the fact that we've got to make decisions if we're going to be determined to drive forward with this level of security that Congress and the public has clearly expressed that it wants to have for this country.

Bottom line is, there comes a point that rhetoric and promises do not secure the homeland; results secure the homeland. I'm interested in results. And this budget is another investment in getting those results. But money is not going to be enough. Willpower, determination, consistency and discipline are necessary to make sure that

money is spent properly, wisely, and in the way that best reduces and mitigates the risk that is very clearly still out there.

I believe the budget the President has submitted will allow us to continue on a path to secure our borders, protect our interior, improve our emergency preparedness and response. It's a budget that focuses on the greatest needs that still remain, and it's a budget that will leave this department in good standing as we prepare to hand over the reins to the next administration.

## **2. And now I'd be pleased to take questions if anybody has any.**

Question: I was just curious, you spoke a lot about information technology and how it's going to be implemented, a lot of new initiatives. And yet, I saw this morning that in the IT budget, it primarily stayed flat. Will funds come from other sources, or could you touch on that a bit?

Secretary Chertoff: I want to separate a couple of elements. There are – these are our only internal IT budget in terms of our development of our IT process. Then there is the budget for the Cyber Security Initiative, which is a separate item which is a very hefty increase. Additionally, other agencies that will participate in that will have their own budget. So it will be a well-funded effort.

Question: Hi, Mr. Secretary. I know there are a number of representatives from state and local governments here today. I happen to represent tribal governments. And as you know, tribal governments have all the same responsibilities as state and local governments in protecting our homeland, and take that responsibility very seriously.

Unfortunately, different offices within DHS continue to treat tribal governments very differently. Some are very helpful and work in coordination very well, while others are not. And we were wondering if in your new FTEs for the intergovernmental, if a new tribal liaison will be appointed in order to facilitate that.

Secretary Chertoff: You know, I do – I'm disappointed to hear that you feel there are some components that don't deal well with tribal governments. I know that Customs and Border Protection and people who are involved in immigration do do a lot of outreach with tribal government. I think if you want to really drill down into the weeds on this, I'm going to let the component heads answer those questions.

Question: I was wondering why the government needs a next generation of biological detectors. Is there any reason that the government thinks that the current generation is not good enough?

Secretary Chertoff: Without getting into things that are maybe more detailed than I would want to say publicly, the current generation is good, actually works very well, but the time frame for detection is not as quick as it could be in the next generation. And when you deal with the issue of any kind of a hazard, whether it's a man-made or a natural

biological hazard, the quicker you can detect and characterize, the quicker you can respond.

Question: Mr. Secretary, two related questions, one on – just sort of a follow-up. You mentioned cyber security being a well-funded effort, and I was wondering if you could tell us across the government how much is being spent on that. And then I have a second question related to sort of across-government homeland spending.

Secretary Chertoff: Well, the answer to the first question is: Large parts of it are classified, and I'm not going to talk about classified matters. What's the second question?

Question: The second question is just related to homeland security spending across the government, because obviously you would have some input into that. Can you talk a little bit about what that money is going toward? Because in the rundown that the White House gave, it looked like it was maybe half the total spending on homeland security.

Secretary Chertoff: I don't have – as I'm standing here, I don't have the total number in my head. I can give you some idea of some of the other things that would be characterized as homeland security. Obviously a big piece of what we're doing at the border involves interaction with the Department of Justice in terms of prosecutions and assistance. Obviously a lot of the counterterrorism budget is in the Department of Justice, with the FBI and other associated entities, including prosecutors. No doubt there are substantial classified portions of the budget. I don't know if that was in the generic trigger that was given. And there are things that DOD does, and other agencies do, that contribute to homeland security, as well.

Question: You seem to be making a lot of references to the way the Department of Defense does business. You've got some programs that get a lot of criticism from GAO and the Congress – radiation detection portals, Deepwater, Project 28 and the border technology. Yet all these programs are getting raises and you're sticking with the same contractors. And is this really the way you want to do business, or are you starting to become more like the – some of the Defense Department's more notorious practices of throwing good money after bad?

Secretary Chertoff: That is a very neutral question. Acquiring new technology is a challenge. I think if you look at each of these programs, when there's been legitimate criticism, we've taken criticism on board. For example, in Deepwater, Admiral Allen has really retooled the acquisition program; reorganized the Coast Guard to have a more robust acquisition program and a more professional acquisition program.

That's one of the reasons, by the way, we're putting money into hiring acquisition of the workforce, because when you punish us, because you don't like the way we procure things, by cutting our budget for managing procurement you're actually working at cross-purposes.



When you look at P28, I think our program for moving forward with that has been disciplined. We're not buying a pig in a poke; at every step of the road we are testing and challenging, and we're taking the operators and giving the operators the say as to whether they want to move forward with something or not. So I think our philosophy here is sound.

At the end of the day, though, not to use technology would be to sacrifice our edge in dealing with all of these challenges. I mean, you can quarrel about the Deepwater budget, but here is the reality: Over the weekend, a 378-foot cutter which was on a search and rescue mission, split a seam and had to be taken back into port. That cutter is 40 years old. How many band-aids are you going to put on top of it? I think we owe it to the Coast Guard's men and women who go out and take their lives in their hands, performing rescues at sea or securing the country, to occasionally replace their equipment with something that is modern, up-to-date and isn't going to burst a seam.

So we're going to have to move forward with this technology. We want to do it intelligently, but we also don't want to delay to the point that we wind up risking the lives and the well-being of those very important people who make up the sinews of this department.

Question: Mr. Secretary, it looks like there are substantial cuts to state and local programs and assistance to firefighter grants; those are things that members of Congress and state and local officials hold dear. What would you say to them about the thinking in those reductions?

Secretary Chertoff: Well, I will tell you that if you look at the firefighter grants, the request we've made this year is exactly the same as the request we made last year. Now, it's not a secret that Congress invariably appropriates more for grants than we request. I think the number that we've picked, which is the same we picked last year, is a sound and sensible number. If others in Congress have a different view, obviously, you know, in the end it's their purse strings. But I think what I would call attention to is the fact that we have continued the same level of request this year that we did last year.

Question: (Inaudible).

Secretary Chertoff: Well, I'm going to tell you, last year, for assistance to – for fire grants last year, we requested \$300 million, and this year we're requesting \$300 million, for '09.

Question: (Inaudible).

Secretary Chertoff: Let me – which specific program are you talking about?

Question: (Inaudible).

Secretary Chertoff: Well, if you look at the State Homeland Security Grant program, last year we requested \$250 million. This year we're requesting \$200 million for that

program, but we're also requesting a new program that would go to the states for national security and terrorism prevention grants that would be \$110 million. So if you add \$200 million and \$110 million, you're \$60 million over our request last year.

The difference is the new program we're proposing would be competitively-based and risk-based, as opposed to the base State Homeland Security Grant program, which as you know, is still driven to some degree by a formulaic every-state-gets-something approach.

Question: Last year you also requested about – between the DHS and GSA requests – about \$470 million for the St. Elizabeth's complex. Congress didn't go along with that. Do you have any indication that Congress may change its mind this year? And if not, should there be more than \$6 million requested for the current headquarters, considering it needed more than \$25 million for '06 and '07?

Secretary Chertoff: I'm optimistic Congress will act this year. Obviously last year everything was rolled into a giant appropriations bill. But this year I think I'd really like to make the case that not only for the increased efficiency of the department, but for the benefit of the people who work in the department, giving them a permanent place to hang their hat with modern security features, with the ability to meet together in one place rather than having to shuttle across town, would be a very, very important step forward in institutionalizing this department.

So I'm optimistic. We're going to go out there to make the case this year, and I think it's time that, as with any other department, we move out of our temporary quarters and we get into something that is going to be permanent.

Question: I have a question about the ASP program. There were all kinds of rumors circulating before the budget came out that it was going to be cut, but it looks like it's clearly not, for FY'09. And I'm wondering if that's still – it says that certification is supposed to come this year sometime. Do you know if the money, the \$67.7 million, is still contingent on that certification? If so, when is the certification expected?

Secretary Chertoff: Well, first of all, this is a fiscal year 2009 budget, so it's not an '08 budget. Second, the money in the line item there includes deployment of existing systems, which we obviously want to do to get to the close to 100 percent scanning that we want to have in place by the end of this calendar year.

As to when certification will occur, it will occur when I'm ready to certify it, and that's going to be when I'm satisfied that the testing has gotten to the point that I can make the necessary representations.

Question: (Inaudible).

Secretary Chertoff: It will approach (inaudible) when it comes.

Thanks. ###

### **3. Fact Sheet:**

## **U.S. Department of Homeland Security Announces 6.8 Percent Increase in Fiscal Year 2009 Budget Request**

**Release Date: February 4, 2008**

**For Immediate Release  
Office of the Press Secretary  
Contact: 202-282-8010**

President Bush's fiscal year 2009 budget request for the Department of Homeland Security (DHS) represents \$50.5 billion in funding, which is an increase of 6.8 percent over the 2008 fiscal year level – excluding funds provided in emergency supplemental funding. The request targets five areas that are essential to preserving freedom and privacy, meeting future challenges, and fulfilling our mission of securing America.

### **Continue to Protect Our Nation from Dangerous People**

The Department of Homeland Security's main priority is to prevent terrorist attacks against the nation and to protect our nation from dangerous people. DHS will continue to prevent the entry of terrorists while facilitating the legitimate flow of people by strengthening border security efforts and continuing to gain effective control of America's borders. Requested funding for the following initiatives will support this significant goal:

- An increase of \$442.4 million is requested in the President's Budget to hire, train and equip 2,200 new Border Patrol Agents. The additional agents represent the fiscal 2009 increment of the president's goal of adding 6,000 new Border Patrol Agents by the end of the first quarter of fiscal year 2009.
- Total funding of \$140 million to support U.S. Customs and Border Protection's Western Hemisphere Travel Initiative (WHTI) to implement the rollout of WHTI to land and sea ports of entry after June 1, 2009. WHTI is mandated by law and requires that all travelers present acceptable documents for entry into the United States. Standardized, secure and reliable documentation will enable the Department of Homeland Security to quickly, reliably and accurately identify travelers at air, land and sea ports-of-entry.
- Total funding of \$100 million is requested for E-Verify. This U.S. Citizenship and Immigration Services program allows employers to use an automated system to verify name, date of birth and Social Security Number, along with immigration information for non-citizens, against federal databases to confirm the employment eligibility of both citizen and non-citizen new hires. The program will deploy

additional staff to include information status verifiers, and compliance and monitoring staff.

- An increase of \$30 million will support the Transportation Security Administration's (TSA) vetting programs to stabilize and enhance the agency's multiple systems such as crew vetting, Secure Identification Display Area checks, and the Alien Flight Student program. This enhancement will enable TSA to efficiently and effectively conduct vetting operations on populations that access the most vulnerable areas of the transportation system.
- An increase of \$32 million will accelerate implementation of the Secure Flight program by replacing the current airline-managed passenger vetting program with a government-operated program. In addition to using improved technology, the Secure Flight program will alleviate the variability in performance of the current system and reduce the risk of compromised watch list data.
- An increase of \$46 million will help provide 1,000 additional beds, staffing, and associated removal costs required to meet current demand and demand generated by increased enforcement activities.
- Total funding of \$57 million for Immigration and Customs Enforcement (ICE) automation and modernization of information technology systems to acquire secure and interoperable tactical communications equipment, a biometric detainee location tracking module, and to develop and integrate an enhanced Investigative Case Management system. These improvements promote officer safety, emergency response coordination, and case management efficiencies.

An increase of \$10 million is requested for improved border security law enforcement training

- through the Federal Law Enforcement Training Center (FLETC).
- An increase of \$4.2 million to support National Protection and Programs Directorate's US-VISIT identity management and screening services program. This program provides biometric identity services to law enforcement, intelligence and civilian stakeholders with timely, accurate, and actionable information. Additional funding will complete the biometric interoperability between the US-VISIT IDENT system and the FBI's Integrated Automated Fingerprint Identification system.
- Total funding of \$7.3 million to support continued development of Command 21, and additional watchstanders at U.S. Coast Guard command centers to meet increasing operational demands and support additional vessel monitoring, information collection, and interagency coordination. These initiatives will provide information sharing and situational awareness tools required to close the

gap between current port and coastal surveillance capabilities and the need for greater maritime domain awareness in an all-hazards, all-threats operating environment.

## **Continue to Protect Our Nation from Dangerous Goods**

As a part of its risk-based approach, the Department is expanding its programs to identify, track, and intercept nuclear and radiological components and systems at ports of entry and in transportation systems within U.S. borders. The Department is also intensifying efforts to strengthen capabilities that reduce the risk of a biological attack in the United States. The following initiatives support the Department's mission to protect the nation from dangerous goods:

- Total funding of \$334.2 million to support Domestic Nuclear Detection Office (DNDO) research, development and operations programs, which provides resources for the development and evolution of the global nuclear detection architecture. Included in this research is the development of an Advanced Spectroscopic Portal that is suitable for examining cargo containers, trucks and privately-owned vehicles. Funding will also provide for the development of Human Portable Radiation Detection Systems to be used as primary detection tools by Customs officers, Border Patrol agents, and Coast Guard personnel.
- An increase of \$34.5 million is requested for the Office of Health Affairs' Next Generation BioWatch. Funding will procure BioWatch automated detection sensors and initiate deployment activities of the automated sensor system to all existing BioWatch jurisdictions. Automated detection will enhance the capabilities of the BioWatch environmental monitoring system designed for early warning of bioterrorism incidents.

## **Protect Critical Infrastructure**

The Department aims to protect critical infrastructure and key resources, essential government operations, public health and welfare, and the nation's economic and national security interests. Efforts to bolster the resiliency and protection of our nation's critical infrastructure and key resources helps to mitigate potential vulnerabilities and to ensure terrorist plans are not successful. The following are funding requests essential to guarding the nation's infrastructure:

- Total funding of \$19 million for the U.S. Secret Service's protective terrorist countermeasures will provide state-of-the-art equipment for use in the event of an explosive, chemical, biological, or radiological attack. It is critical for the Secret Service to have the means to address new threats that may evolve or are identified.

- An increase of \$13 million for National Protection and Programs Directorate's (NPPD) chemical security compliance project. The Department has issued regulations establishing risk-based security standards for chemical facilities. Additional funding is requested to increase the staff of this regulatory program and to provide tools and systems to collect and analyze vulnerability information, review plans, support and manage inspections activity, issue decisions, address appeals, and support compliance enforcement.
- An increase of \$55 million for deploying the Transportation Security Administration's Travel Document Checking program to airports nationwide. This additional layer of defense for aviation security will help ensure only passengers with authentic boarding passes have access to the sterile area of airports and aboard aircraft.
- Total funding of \$1.3 billion for Department-wide efforts to counter IED threats. This request includes more than \$1.1 billion in funding for TSA explosives detection technology at airports, \$50 million for Science and Technology development, \$30 million for training of Transportation Security Officers, and \$9 million for our Office for Bombing Prevention. The Department has also made billions of dollars in grants available to states and communities for IED prevention and protection, and we continue to work with other federal agencies to address this threat.
- A total of \$293.5 million for the National Cyber Security Division to further deploy our EINSTEIN system on Federal networks to protect against cyber threats and intrusions. This includes additional funding for enhancing the United States Computer Emergency Readiness Team's ability to analyze and reduce cyber threats and vulnerabilities, to disseminate warning information, and to coordinate incident response.

## **Build a Nimble and Effective Emergency Response System and Culture of Preparedness**

Improving the nation's ability to respond to disasters, man-made or natural, is a top priority for the Department. The Department is improving its capabilities and preparing those who respond to acts of terror and other emergencies by incorporating lessons learned from Hurricane Katrina, other disasters, and the 9-11 Commission Recommendations. The President's Budget requests funding for the following initiatives that support strengthening the department's ability to build an effective emergency response system and culture of preparedness:

- An increase of \$64.5 million in funding to support the Federal Emergency Management Agency's (FEMA) Vision- Shape the Workforce program. Phase II of FEMA's transformation will strengthen FEMA's ability to marshal an effective

national response, deliver service of value to the public, reduce vulnerability to life and property, and instill public confidence.

- Total funding of \$2.2 billion will support FEMA's state and local assistance programs, which prepares state and local governments to prevent or respond to threats or incidents of terrorism and other catastrophic events. This funding will support existing Homeland Security grants, Port and Rail Security grants and Emergency Management Performance grants, and also proposes a new discretionary grant program targeted towards high priority security initiatives including REALID implementation.
- Total funding of \$209 million will support FEMA's disaster workforce, which will transition 4-year Cadre On-Call Response Employees from temporary to permanent full-time personnel. This transition will achieve the level of readiness and response capability required in response to major disasters and emergencies declared by the president. An additional \$200 million is provided in a new Disaster Readiness and Support Activities account to assist FEMA in working with state and local partners in preparing for future disasters and institutionalizing logistical and other capabilities in support of state disaster readiness leadership.
- A funding increase of \$43 million to support S&T laboratory facilities to include initial operations of the National Bio-defense Analysis and Countermeasures Center (NBACC). NBACC will provide the nation with essential bio-containment laboratory space for biological threat characterization and bio-forensic research. The programs conducted at NBACC will provide knowledge of infectious properties of biological agents, effectiveness of countermeasures, decontamination procedures, and forensics analyses to support policy makers and responders' development of policies, programs, and technologies.

## **Strengthen and Unify DHS Operations and Management**

A cohesive and operationally-efficient organization is essential to the rapid implementation of homeland security priorities, policies, and objectives. As such, the department has aligned its resources into areas that will most effectively accomplish its mission. Successful mission performance is driven by human capital development, executing efficient procurement operations, and possessing state-of-the-art information technology resources. A variety of critical investments will ensure that DHS is managed and operated in an efficient and unified manner:

- A total of \$1.65 million for the first Quadrennial Homeland Security Review (QHSR) will fund the research, organization, analysis, and development the QHSR. This document will recommend long-term strategy and priorities of the nation for homeland security and comprehensively examine programs, assets,

budget, policies, and authorities required to provide the United States with strong, sound and effective future homeland security capabilities.

- An increase of \$15.5 million for the Office of the Chief Financial Officer (CFO) will continue implementation of the Transformation and Systems Consolidation (TASC) project. One of the main objectives of DHS at its formation was to consolidate the support systems of the component agencies to realize cost savings and operational efficiencies. The CFO aims to reduce the number of DHS financial systems, and ensure the manual processes for internal controls are integrated with these financial systems.
- An increase of \$3.1 million for the Office of the Chief Procurement Officer’s (CPO) DHS-wide acquisition workforce intern program will enhance the way the department recruits, trains, certifies, and retains an appropriate workforce of acquisition professionals. In fiscal year 2009, the intern complement will be raised to 100 people.
- An increase of \$6.4 million for the Office of the Inspector General (OIG) to expand staff oversight of DHS preparedness programs, through audits of preparedness grant programs, S&T programs, and Department-wide programs that establish baseline preparedness efforts; and to strengthen OIG oversight of DHS border security and enforcement programs through a proactive program of audits and on-going oversight of the policies, and initiatives and funds to secure the nation’s borders.
- A total of \$23.8 million will continue consolidation of the Department’s 17 legacy data centers into two enterprise-wide data centers. This consolidation will result in improved cyber security, information sharing and configuration management.

For more information on the Department of Homeland Security’s budget, visit [www.dhs.gov](http://www.dhs.gov).

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## 4. Department of Homeland Security Budget Overview ([White House Office of Management and Budget](#))



# DEPARTMENT OF HOMELAND SECURITY

The President's 2009 Budget will:

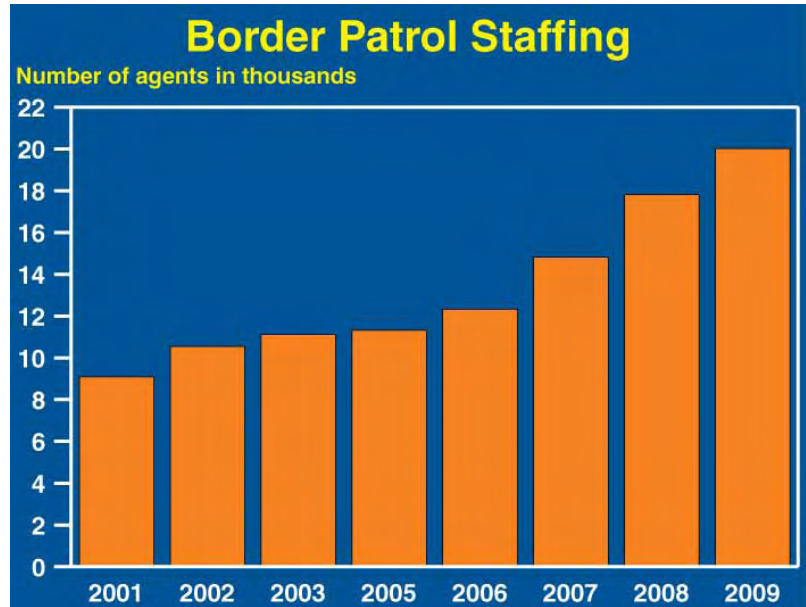
- Increase the Department's capabilities;
- Strengthen border security, interior enforcement, and immigration services;
- Enhance the security of the Nation's transportation system;
- Reinforce maritime safety and security;
- Fortify cyber security across the Federal Government;
- Improve BioWatch capabilities; and
- Expand the Federal Emergency Management Agency's operational capacity.

### Increasing Homeland Security Capabilities

- *Boosts overall spending to secure the Homeland. 10.7-percent growth Government-wide compared to 2008. Within the Department of Homeland Security (DHS), spending will increase by 7.6 percent compared to 2008.*

### Strengthening Border Security, Interior Enforcement, and Immigration Services

- **Increases Border Patrol agents.** Nearly \$500 million for 2,200 new Border Patrol agents, to accomplish the President's goal of more than doubling the size of the Border Patrol—from approximately 9,000 agents to 20,000 agents—since September 11, 2001.
- **Builds SBInet.** Funding to ensure \$2 billion over two years to continue to construct the most effective mix of current and next generation technology, as well as additional miles of fencing and other infrastructure to protect the border.
- **Supports the Southwest Border Counternarcotics Strategy.** The increased 2009 investments by the Department in personnel and technology will enable DHS and partner agencies to capitalize on an array of intelligence and information sharing programs to much more effectively confront all border threats.
- **Provides additional detention beds.** 1,000 new detention beds, bringing the total number to 33,000 beds, to ensure the continuation of “catch and return.”
- **Partners with State and local law enforcement.** Expands the 287(g) program to improve coordination and provide assistance and training in immigration law for State and local law enforcement officials.



Additionally, this Budget supports key reforms in the programs and systems that provide immigration benefits and services, such as:

- **Expands E-Verify, the Employment Eligibility Verification Program.** \$100 million to continue expansion and enhancements for the Internet-based system that helps participating U.S. employers hire and maintain a legal workforce.
- **Reforms existing temporary-worker programs.** Proposes changes to the H-2A, H-2B, and H-1B programs to streamline the process for U.S. employers to hire the labor they need when no Americans are available, while also providing for appropriate labor protections for workers.
- **Improves the background check process for immigration benefit applicants.** Takes steps to eliminate the existing backlog of pending FBI name checks and prevent any new backlog.

## Enhancing the Security of the Nation's Transportation System

- **Devotes nearly \$6 billion to the multi-layered, risk-based aviation security system.**
  - \$3 billion for over 48,000 Transportation Security Officers and technologies to screen passengers and their baggage for weapons and explosives.
  - \$1.2 billion to recapitalize checked baggage screening devices and accelerate deployment of inline systems that will increase baggage throughput up to 300 percent. The Budget

proposes a temporary, four-year surcharge in the passenger security fee of \$0.50 per enplanement with a maximum increase of \$1.00 per one-way trip. The additional fee collections of \$426 million would be deposited in the Aviation Security Capital Fund to accelerate the deployment of optimal checked baggage screening systems and address the need to recapitalize existing equipment deployed immediately after September 11, 2001.

- \$128 million for enhancements at passenger checkpoints to improve the detection of prohibited items, especially weapons and explosives, through the use of additional sensors, such as whole body imaging, liquid bottle scanners, automated explosive sampling, and cast and prosthesis scanners. The Transportation Security Administration (TSA) will continue to provide specialized training in the detection of suspicious behaviors, fraudulent documents, and improvised explosive devices.
- Nearly \$100 million for air cargo security inspectors, canine teams, and the Certified Shipper Program to achieve 100-percent screening of passenger air cargo in 2010.
- *Enhances security assessments.* Funds security assessments on more than 2.4 million individuals in the Nation's transportation system, including commercial HAZMAT drivers, airport and port workers, and international airline flight crews. In addition, TSA will continuously vet 13 million individuals who have already undergone a security assessment. These assessments will be based on terrorism and criminal information from the U.S. intelligence community and FBI databases. And, TSA will assume the watch list matching of over two million airline passengers daily with the implementation of Secure Flight.
- *Addresses surface transportation vulnerabilities.* \$37 million for surface transportation security, including funding for nearly 100 inspectors to conduct risk-based assessments in the largest mass transit and rail systems.

## Reinforcing Maritime Safety and Security

- *Recapitalizes assets.* \$990 million to fund Integrated Deepwater Systems, a multi-year recapitalization project for the Coast Guard's aircraft and largest sea-going ships that continues to build Maritime Domain Awareness, a major goal outlined in the President's National Strategy for Maritime Security.
- *Supports Transportation Worker Identification Credentials (TWICs).* Issues more than 100,000 TWICs to maritime workers to better safeguard U.S. ports. TWIC is one of the world's most advanced, interoperable biometric credentialing programs and is powered by state-of-the-art technologies.
- *Builds on law enforcement.* \$17.6 million in new funding to enhance Coast Guard intelligence and investigative capabilities.
- *Supports the Marine Inspection Program.* \$20 million in new funding for more marine inspectors to ensure compliance with vessel safety and security standards and to keep pace with the growth in maritime commerce.

## Fortifying Cyber Security across the Federal Government

- *Enhances the U.S. Computer Emergency Readiness Team (US-CERT).* \$242 million to maintain and expand the capabilities of US-CERT to provide additional network defense measures and

cyber security posture of the Federal Government and help ensure our networks are protected.

## Improving BioWatch Capabilities

- *Upgrades the BioWatch Monitoring System.* Increases its investment in Gen 3, the next-generation BioWatch technology, to enable the BioWatch system to become fully automated and reduce detection times to as little as four hours. Completes the full testing and multi-city pilots of Gen3 technologies and begins procurement and deployment.

## Expanding Federal Emergency Management Agency's (FEMA's) Operational Capacity

- *Expands FEMA capabilities.* \$215 million to allow FEMA to implement Phase II of the Vision initiatives, including:
  - Completing the conversion of temporary, full-time employees to permanent staff.
  - Updating the information technology and logistics systems.
  - Meeting requirements of the Post-Katrina Emergency Management Reform Act, such as through the establishment of regional strike teams.
  - Improving emergency communications.
- *Provides grant support.* \$2.2 billion in support, primarily in the form of grants, to the Department's State and local partners in homeland security. The Budget continues to emphasize programs that distribute grant awards on the basis of risk, and this year introduces a grant program to help States implement Real ID requirements and provide a more efficient, merit-based allocation of limited resources.

## Since 2001, the Administration has:

- Established the Department of Homeland Security, merging elements of 22 disparate agencies into a department of 166,234 personnel and \$40.7 billion in resources.
- Funded nearly 11,000 new Border Patrol agents, acquired nearly 13,000 new detention beds, and constructed close to 100 miles of new border fencing.
- Provided over \$27 billion to State, local, and tribal governments to enhance first responder preparedness.
- Created TSA, hired and trained a workforce, and deployed sufficient technology to electronically screen 100 percent of airline passengers and checked baggage.
- Strengthened marine transportation system and cargo supply chain security through the Container Security Initiative, Customs Trade Partnership Against Terrorism, and the Maritime Transportation Security Act; and awarded more than \$1 billion in port security grants to enhance the physical security of the Nation's seaports.
- Created the Domestic Nuclear Detection Office to detect, identify, and track down the origins of nuclear and radiological materials and help prevent terrorism.
- Successfully protected the Nation's leadership and visiting heads of foreign countries against potential terrorism and other threats, and helped maintain the integrity of the Nation's currency and financial systems, through the vigilant work of the U.S. Secret Service.

<b>Department of Homeland Security</b> <b>(Dollar amounts in millions)</b>			
	<b>2007 Actual</b>	<b>Estimate</b>	
		<b>2008</b>	<b>2009</b>
Spending			
Gross Discretionary Budget Authority:			
Departmental Management and Operations	913	840	1,084
Office of the Inspector General	99	109	101
Citizenship and Immigration Services	180	-4	151
U.S. Secret Service	1,277	1,386	1,415
Transportation Security Administration	6,028	6,315	6,423
Federal Law Enforcement Training Center	250	267	274
Immigration and Customs Enforcement	4,446	4,817	5,364
Customs and Border Protection	6,332	7,875	9,494
U.S. Coast Guard	7,079	7,156	7,835
National Protection and Programs Directorate	945	1,016	1,447
Federal Emergency Management Agency	5,875	6,823	5,729
Science and Technology	848	830	869
Domestic Nuclear Detection Office	481	486	564
Total, Gross budget authority	34,753	37,916	40,749
Less fee-funded activities	-2,976	-2,957	-3,139
Total, Discretionary budget authority (net)	31,777	34,959	37,611
<i>Bioshield (non-add)</i>	—	—	2,175
<i>Memorandum:</i>			
<i>Budget authority from enacted supplementals</i>	7,669	5,719	—
<i>Additional funding requirements</i>	—	63	—

Total, Discretionary outlays	39,897	41,071	44,043
Mandatory Outlays:			
Citizenship and Immigration Services	1,655	2,390	2,539
Customs and Border Protection	1,035	2,281	1,463
U.S. Coast Guard	1,234	1,395	1,513
Transportation Security Administration	95	424	287
Legislative proposal	—	—	320
All other	-4,730	-5,209	-5,856
Total, Mandatory outlays	-711	1,281	266
Total, Outlays	39,186	42,352	44,309
Credit activity			
Direct Loan Disbursements:			
Disaster Assistance	162	160	160
	Number of Programs		2009 Savings
Major Savings, Discretionary			
Reductions	1		-1,905