

PROTECTING THE HOMELAND

Together, we will confront the threat of terrorism. We will take strong precautions aimed at preventing terrorist attacks and prepare to respond effectively if they might come again. We will defend our country; and while we do so, we will not sacrifice the freedoms that make our land unique.

President George W. Bush
October 8, 2001

Overview

Our nation learned a terrible lesson on September 11th—America has evil, cold-blooded enemies capable of unprecedented acts of mass murder and terror. The characteristics of American society that we cherish—our freedom, our openness, our great cities, our modern transportation systems—make us vulnerable to terrorism of catastrophic proportions. This vulnerability will exist even after we bring justice to those responsible for the events of September 11th. Indeed, the threat of mass-destruction terrorism has become a reality of life in the 21st Century. It is a permanent condition to which not just America, but the entire world must adjust.

The federal government has an absolute obligation to secure the homeland from future terrorist attacks. This will involve major new programs and significant reforms by the federal government, several of which are described in this budget. But it will also involve new or expanded efforts by state and local governments, private industry, non-governmental organizations, and ordinary citizens. The higher priority we all now attach to homeland security has already begun to ripple through the land.

Homeland security is a challenge of monumental scale and complexity. It will not be cheap, easy, or quick. Achieving our homeland security objectives will require vast sums of money, strenuous labor, and many years. Our work has already begun, and it will continue. The American people should have no doubt that ultimately we will succeed in weaving a proper and permanent level of security into the fabric of America.

This budget reflects not just our absolute commitment to achieving a much more secure homeland, but also our determination to do so in a manner that preserves liberty and strengthens our economy.

September 11th and Our Response

The September 11th terrorist attacks on the World Trade Center and the Pentagon have presented an unprecedented challenge to our nation. The response has been, and must continue to be, equal to that challenge.

The President's Budget devotes a total of \$38 billion to a host of federal agencies that will develop a new level of security to protect Americans at home. Throughout this volume, this Minuteman appears at the bottom of pages where a discussion on homeland security begins.



In the immediate aftermath of the attacks, Congress swiftly appropriated \$40 billion to aid reconstruction, wage war against terrorism, and strengthen our defenses at home.

In the months since September 11th, the \$10.6 billion of the \$40 billion dedicated to homeland security purposes has helped to:

- dramatically increase the number of sky marshals riding on our airlines;
- support the largest criminal investigation in U.S. history;
- acquire enough medicine to treat up to 10 million more people for anthrax or other bacterial infections;
- investigate the sources of terrorist funding, and then freeze the financial assets of more than 150 individuals and organizations connected to international terrorism;
- deploy hundreds of Coast Guard cutters, aircraft, and small boats to patrol the approaches to our ports and protect them from internal or external threats;
- acquire equipment for certain major mail sorting facilities to find and destroy anthrax bacteria and other biological agents of terror; and
- station 8,000 National Guards troops at baggage-screening checkpoints at 420 major airports.



Aftermath of terrorist attack on the World Trade Center.

Now we will take the next step. When the President established a new Office of Homeland Security, under the leadership of Governor Tom Ridge, he directed the Office “to develop and coordinate the implementation of a comprehensive national strategy to secure the United States from terrorist threats or attacks.”

This strategy will meet four key tests:

- The strategy for homeland security will be comprehensive and will integrate the full range of homeland security activities into a single, mutually supporting plan.
- The strategy will be a national strategy, not a federal government strategy. The threat posed by terrorism does not fall neatly within the jurisdiction of the federal government. To defeat terrorism, the federal government must work with states and localities and the private sector.
- The strategy will commit the federal government to a long-term plan and a long-term budget to improve homeland security.
- Finally, the strategy will include benchmarks and other performance measures by which we can evaluate progress and allocate resources. These objectives will set the goals for federal departments and agencies. They will also give guidance to state and local governments and the private sector.

At the same time as we craft our national strategy, we will begin work immediately on four urgent and essential missions for the defense of our homeland:

- ensuring state and local first responders (firemen, police, and rescue workers) are prepared for terrorism;
- enhancing our defenses against biological attacks;
- securing our borders; and
- sharing information and using information technology to secure the homeland.

The President's Budget for 2003, including Department of Defense spending, provides \$21 billion to fulfill these four missions. Including other programs, total spending for homeland security would rise to \$38 billion in 2003—an \$18 billion increase over 2002, a virtual doubling of the pre-September 11th levels.

The task of homeland security, however, is extraordinarily broad. The national strategy, therefore, will go well beyond these four initiatives. The nation's response to the terrorist attacks, although impressive in many respects, revealed substantial shortcomings in our ability to prevent, mitigate, and investigate such events. The sheer size and wealth of America means that we present many targets to terrorists. Similarly, our freedom and openness makes our society vulnerable. Terrorists can strike at any place, at any time, with virtually any weapon. But America's free and open society has been challenged before and we can meet this new threat without abandoning these fundamental American principles.

Mission One: Supporting First Responders

When disaster strikes, the first people on the scene are our "first responders"—firefighters, local law enforcement, rescue squads, ambulances, and emergency medical personnel. These brave and dedicated men and women, many of them volunteers, are our first line of defense when terrorists attack. More than 300 first responders were killed in the September 11th attacks on the World Trade Center and the Pentagon. While others ran out of burning, collapsing buildings, they charged in, risking their own lives to save others.

In this war on terrorism against our homeland, first responders are the infantry, protecting our lives and freedoms 24 hours a day. What they do in the first minutes after an attack can mean the difference between life and death for the terrorist's victims. We ask much from them, and they always deliver. Now it's time to come through for them.

The President's Budget provides \$3.5 billion to support first responders, a more than twelvefold increase over 2002. The funds would be used to buy personal protective equipment, emergency medical equipment, biological and chemical detection equipment, communications, and other items



Local fire, police, and rescue workers are the first to arrive at catastrophes, such as the September 11th attacks.

that local first responders tell us they need. It would help first responders acquire the latest technology and training that can shave critical minutes or hours off of response time, but due to the cost may have been out of reach for many localities. For example, this funding could be used to acquire diagnostic test equipment that can reduce the time required to test for anthrax from 40 hours to a matter of minutes.

In the hours and days that followed the terrorist attacks on September 11th, communications between local police, fire, and rescue units and federal agencies providing assistance was extremely unpredictable, and in some cases, virtually impossible. The collapse of the two World Trade Center buildings knocked out antennas used for cellular telephones, threatened emergency communications systems, and damaged landline switches in nearby buildings. The limited interoperability of emergency responders' communications equipment, and the inherent complications for line-of-sight communications in densely built-up Manhattan, caused further problems. If rescue workers cannot talk to one another, they cannot do their jobs.

The funds will also be used to conduct more frequent regional terrorism drills and rehearsals, enabling first responders to work together and identify gaps in their responses. The funds would be used to upgrade emergency communications systems throughout the nation, enabling more first responders and their agencies to talk with one another in "real time." Finally, a portion of this funding will be dedicated to a new Homeland Security Corps that will be coordinated by the Federal Emergency Management Agency (FEMA) and be a key component of the USA Freedom Corps.

The role of first responders, who are largely under state or local control, is a reminder that our war on terrorism is a national, not a federal, effort. Under the budget, first responders will have increased freedom to determine their own needs and how best to

meet them. FEMA will work closely with state and local officials to ensure their planning, training, and equipment needs are addressed. FEMA will also be charged with improving the federal government's coordination with state and local governments and reducing duplication within federal agencies.

Mission Two: Enhancing Our Defense Against Biological Attacks

On October 4, 2001, a Florida man named Robert Stevens was diagnosed with inhalation anthrax. The source of the anthrax attacks is still unknown. But the effects of the attacks are clear: five people murdered; hundreds treated; thousands tested; and a new American vulnerability laid bare. The consequences of new, larger, more sophisticated attacks could be much worse. We must have no illusions about the threat of germ terror.

We learned that we must strengthen effective means to detect and react quickly to bioterrorism—and that a failure to do so endangers our people and our nation. So the President's 2003 Budget requests \$5.9 billion to enhance our defenses against bioterrorism, principally in the following four major areas:

- First, the President proposes spending \$1.2 billion in 2003 to increase the capacity of state and local health delivery systems to respond to bioterrorism attacks. The largest share of this funding, \$591 million, would be provided to hospitals for infrastructure improvements such as communications systems and decontamination facilities, comprehensive planning on a regional basis to maximize coordination and mutual aid, and training exercises that will help the public health and emergency response communities work together better. The budget also includes \$210 million for states to assess their existing ability to respond to such attacks, and then strengthen their capacity to do so. An additional \$200 million would be used to increase state laboratory capacity and related systems to permit rapid collection and identification of potential biological agents.
- Second, the President's Budget includes an aggressive \$2.4 billion research and development program to develop technologies that will strengthen our bioterrorism response capabilities in the mid- and long-term. Almost \$1.7 billion would be provided to the National Institutes of Health to perform fundamental research leading to the development of vaccines, therapeutics, diagnostic tests, and reliable biological agent collection, rapid identification and monitoring technologies, and to create a safe and reliable anthrax vaccine. Another \$420 million is proposed for the Department of Defense (DoD) to study the technology and tactics of bioterrorists and devise countermeasures to the use of biological agents as weapons. The budget also includes \$100 million to improve security at the nation's biological research laboratories and \$75 million for the Environmental Protection Agency to develop improved techniques and procedures to cope with future biological or chemical incidents.
- Third, the President's bioterrorism initiative includes \$851 million to improve federal capabilities to respond to bioterrorist events. The National Pharmaceutical Stockpile will contain a sufficient amount of antibiotics to provide treatment for 20 million people by the end of 2002. The budget includes \$300 million to manage this stockpile, increase the supply of chemical antidotes, and conduct the proper planning and training to ensure that states can effectively receive and distribute stockpile allotments. It also includes \$100 million to improve our ability to distribute and effectively use the nation's supply of smallpox vaccine and \$99 million for the Food and Drug Administration to enhance the safety of the nation's food supply.
- Fourth, the budget proposes spending \$392 million to strengthen our ability to detect and react quickly through improved communications to a biological attack. A key component of this ability is information management and exchange. The budget includes \$202 million to create a national information management system that links emergency medical responders with public health officials, enables early warning information to be distributed quickly, and permits emergency medical care and public health care providers to share diagnostic and treatment information and facilities. The budget also includes \$175 million to assist state

Disease has long been the deadliest enemy of mankind. Infectious diseases make no distinctions among people and recognize no borders. We have fought the causes and consequences of disease throughout history and must continue to do so with every available means. All civilized nations reject as intolerable the use of disease and biological weapons as instruments of war and terror.

President George W. Bush
November 1, 2001

and local public health providers begin to acquire the necessary hardware and assistance to access this information.

Mission Three: Securing Our Borders

America's borders must be made secure—and they must remain open. To achieve both these goals, the border system of the future must gain a new ability to identify low- and high-risk traffic, speeding low-risk traffic on its way, while focusing the attention of border security personnel on high-risk traffic. Accomplishing this separation in a quick and reliable manner is an enormously difficult task. It will require more sophisticated use of data and close cooperation with private industry and other governments, especially Canada, Mexico, and our other large trading partners.

As it is, nearly a dozen federal agencies are charged with patrolling or inspecting along the border. The State Department issues visas. The Justice Department's Immigration and Naturalization Service (INS) inspects them. The Treasury Department's Customs Service checks any bags the visa-holder may bring with him. DoD and the National Guard patrol our skies. The Coast Guard, which reports to the Secretary of Transportation, patrols our seas. The Department of Agriculture regulates imports of food, the Commerce Department monitors imports of manufactured goods, the Food and Drug Administration polices imports of legal drugs, and the Drug Enforcement Administration tries to halt imports of illegal ones. The intelligence agencies and the new Transportation Security Administration have important roles as well.

This complex arrangement has evolved over many years, but thanks to the dedicated professionals who staff it, often produces superb results—including the thwarting of al Qaeda's Millennium plot against American targets in 2000.

All of the 19 September 11th hijackers had entered the United States legally but three had overstayed legal visas. The Immigration and Naturalization Service estimates that approximately 40 percent of persons currently in the United States illegally have overstayed legally obtained visas.

Although border security has been strengthened as a result of the terrorist attacks, the INS must do a better job of targeting illegal traffic while welcoming legitimate travelers. Therefore, the President's Budget includes \$380 million to establish a reliable system to track the entry and exit of immigrants, particularly those who might pose a security threat to the United States. The new system will leverage

advanced technology and construction funding to ensure timely and secure flow of traffic. The Administration's goal is to complete implementation of this new, comprehensive initiative by the end of 2004.

Additional funds will be spent to make passports and other documents of North American nations more compatible with one another and more easily read by one another's computers—and to develop other identification techniques to halt illegal entrants and speed and smooth the way for lawful travelers and cargoes.

The northern border, in particular, has become an attractive route for potential terrorists. Until very recently, many northern entry points into the United States were not staffed around the clock; entry into the United States was sometimes controlled by no more than orange cones in the middle of the road. Such measures stop only honest people.

Ending this vulnerability is an urgent priority that must build on the long history of cooperative border management between the United States and Canada, partners in the largest trading relationship in the world. In December 2001, the United States and Canada declared a mutual commitment to create a “smart border” that could safeguard against terrorist activity while ensuring the free flow of people and goods. The President’s Budget provides funds to implement this agreement.

The President’s Budget would more than double the number of Border Patrol agents and inspectors across the northern border. It supports deployment of force-multiplying equipment, including remote operated infrared cameras, to monitor isolated areas where illegal entry may have once occurred. The budget also provides resources to integrate once-separate information systems to ensure timely, accurate, and complete enforcement data is available in the field.



A car waits at an unattended northern border point of entry, blocked only by orange traffic cones in the middle of the road.

Mission Four: Sharing Information and Using Technology to Secure the Homeland

After September 11th, it became evident that important information about the hijackers’ activities was available through a variety of federal, state, and local databases. It also became clear that there is no comprehensive system for sharing information relevant to our security across jurisdictional lines.

The President’s Budget proposes \$722 million for improvements to information-sharing within the federal government and between the federal government and other jurisdictions.

These improvements are often highly technical—and yet are crucial to the successful protection of our society from terrorist attack. Technology investments will improve the performance of agencies in preparing for, detecting and responding to homeland security threats. So we will:

- ensure that federal agencies with homeland security responsibilities have needed access to threat information throughout the federal government;
- establish a process to provide for appropriately secure communications with state and local officials so they may receive homeland security information in a timely manner;
- ensure that crisis communications for federal, state, and local officials is reliable and secure; and

- unify federal government security and critical infrastructure protection initiatives, and make strong security a condition of funding for all federal investments in information-technology systems.

Sheikh Omar Abdel Rahman, the “blind sheikh” involved in the 1993 car bombing of the World Trade Center, not only entered the United States legally but was granted permanent resident alien status despite a terrorist past that dated to the assassination of Egyptian President Anwar Sadat. Improved information-sharing could make a repeat of such tragic mistakes unlikely.

Other Initiatives

These four missions lead our homeland security agenda—but they are not the whole of it. We must also finish the job of securing our airways. In 2003, the new Transportation Security Administration (TSA) will strive to meet the tight deadlines and rigorous aviation security requirements set by Congress. The TSA is responsible for screening passengers and baggage at each U.S. airport with commercial air service. The budget requests \$4.8 billion for TSA, a 210 percent increase on aviation security over 2002. It includes funds to:

- complete the hiring of approximately 30,000 new federal airport security workers to check passenger identities and inspect carry-on and checked baggage;
- accelerate the installation of explosive detection technology so that all baggage loaded in aircraft is safe; and
- implement other measures to enhance passenger safety and facilitate air travel.

We also propose a robust expansion in domestic law-enforcement work. The Attorney General has instructed all department bureaus to shift their primary focus from investigating and prosecuting past crimes to identifying threats of future terrorist acts, preventing them from happening, and punishing would-be perpetrators for their plan of terror. The 2003 Budget requests enhancements to the capabilities of the FBI and other law enforcement/intelligence agencies. These enhancements will:

- enable the FBI to add more than 300 agents and other investigative staff to the surveillance of terrorists and collection of information about their activities;
- add more than 15 investigators to the Foreign Terrorist Asset Tracking Center (FTAT), to identify and close down the sources of money that supports the terrorist cells. FTAT and the Office of Foreign Assets Control work together to seize the terrorists’ assets; and
- add approximately 150 FBI special agents and investigative staff to the task of protecting our banking, finance, energy, transportation, and other critical systems from disruption by terrorists, including by cyber attack.

We face new kinds of threats from new kinds of enemies. Defeating those threats will be the great challenge and the great achievement of this generation of Americans.

The Homeland Security Budget

To develop the homeland security budget, the Office of Homeland Security and the Office of Management and Budget (OMB) identified those activities that are focused on combating and protecting against terrorism and occur within the United States and its territories. Such activities include efforts to detect, deter, protect against and, if needed, respond to terrorist attacks.

As a starting point, funding estimates for these activities are based on data that has been reported since 1998 in OMB's *Annual Report to Congress on Combating Terrorism*, and include combating terrorism and weapons of mass destruction (WMD), critical infrastructure protection (CIP), and continuity of operations (COOP).

In addition, homeland security includes funding for border security (i.e., Immigration and Naturalization Service's enforcement and detention activities, Customs' enforcement activities, Coast Guard's enforcement activities, the Agricultural Quarantine Inspection Program, and State's visa program) and aviation security.

Since homeland security focuses on activities within the United States, estimates do not include costs associated with fighting terrorism overseas; those costs are captured within the war on terrorism abroad category.

The budget uses the Combating Terrorism Report's definitions for combating terrorism and WMD preparedness, CIP, and COOP. Combating terrorism includes both antiterrorism (defensive measures used to combat terrorism) and counterterrorism (offensive measures used to combat terrorism), and includes the following five categories of activities as they directly relate to such efforts:

- law enforcement and investigative activities;
- preparing for and responding to terrorist acts;
- physical security of government facilities and employees;
- physical protection of national populace and national infrastructure; and
- research and development activities.

CIP is defined as efforts associated with enhancing the physical and cybersecurity of public and private sector infrastructures, especially cyber systems that are so vital to the nation that their incapacitation or destruction would have a debilitating impact on national security, national economic security, and/or national public health and safety.

COOP refers to the capability of federal agencies to perform essential functions during any emergency or situation that may disrupt normal operations.

As the Office of Homeland Security develops a comprehensive national strategy to secure the United States from terrorist threats or attacks, it may refine the definition used to establish the boundaries of this category.