Order Code RL31309

Report for Congress

Appropriations for FY2003: Commerce, Justice, and State, the Judiciary, and Related Agencies

Updated April 29, 2003

name redacted, Coordinator
Specialist in Foreign Policy and Trade
Foreign Affairs, Defense, and Trade Division

Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bound by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations.

This report is a guide to one of the 13 regular appropriations bills that Congress considers each year. It is designed to supplement information provided by the House and Senate Commerce, Justice, State Appropriations Subcommittees. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

This report is updated as soon as possible after major legislative developments, especially following legislative action in the committees and on the floor of the House and Senate.

NOTE: A Web version of this document with active links is available to congressional staff at: [http://www.crs.gov/products/appropriations/apppage.shtml].

Appropriations for FY2003: Commerce, Justice, and State, the Judiciary, and Related Agencies

Summary

The Commerce, Justice, and State, the Judiciary, and other related agencies (often referred to as CJS) appropriations for FY2003 were completed by Congress and signed (P.L. 108-7) by the President on February 20, 2003, five months into the budget year. The enacted CJS appropriation provides $44,773.7 million in new budget authority (before applying an across-the-board rescission of 0.65%).

President Bush sent the FY2003 budget request to Congress on February 4, 2002 seeking a total budget authority level for CJS appropriations of $44,019.0 million — a mandatory level of $649.3 million and a discretionary level of $43,369.7 million. The major components of the Administration's FY2003 CJS request included: Department of Justice — $22,800.3 million; Department of Commerce — $5,638.5 million; the Judiciary — $5,241.6 million; and Department of State — $8,139.2 million. The 107th Congress Senate Appropriations Committee reported out its CJS appropriations bill (S. 2778; S.Rept. 107-218) July 24, 2002. No House CJS bill was introduced by the 107th Congress. Congress passed a series of continuing resolutions keeping the government running through February 20, 2003.

In the 108th Congress, the Senate passed an omnibus budget bill (H.J.Res. 2) on January 23, 2003. It set CJS totals at $44,939.6 million. Congressman Frank Wolf, Chairman of the House Appropriations Subcommittee on Commerce, Justice, State, introduced a CJS bill (H.R. 247) on January 8, 2003, to provide a House version of funding for the conference. No other action occurred on that bill. Its CJS totals were $44,352.9 million. Following are some key CJS issues for the FY2003 budget:

Department of Justice. The FY2003 request was $22.8 billion, nearly $1 million below the FY2002 enacted level. The total enacted level, before an across-the-board rescission, is $23,988.3 million.

Department of Commerce. The FY2003 request was $5,638.5 million, almost 3% below the FY2002 funding level. The decline was largely due to reduced funding for science and technology. The enacted level, before rescissions, is $5,774.8 million.

The Judiciary. The FY2003 request emphasized court security, an increase in hourly pay to court-appointed attorneys representing indigent defendants in federal criminal cases, and cost-of-living salary increases for judges and justices.

Department of State and broadcasting. The FY2003 request was more than $8,139.2 million, similar to the FY2002 enacted level, including supplementals. The Department stressed its three top priorities from the previous year: additional hiring; embassy security; and technology improvements worldwide. The enacted FY2003 level is $7,900.7 million, before applying the rescissions.

Key Policy Staff

Area of Expertise	Name	CRS Division	Telephone and E-Mail
Department of State and Int'l Broadcasting	Susan Epstein	FDT	7-.... [redacted]@crs.loc.gov
Department of Commerce	Ben Canada	G&F	7-.... [redacted]@crs.loc.gov
Judiciary, FCC, and State Justice Institute	Steve Rutkus	G&F	7-.... [redacted]@crs.loc.gov
Department of Justice	Bill Krouse	DSP	7-.... [redacted]@crs.loc.gov
NIST-Technology Programs	(name redacted)	RSI	7-.... [redacted]@crs.loc.gov
Telecommunications	Glenn McLoughlin	RSI	7-.... [redacted]@crs.loc.gov
NOAA	Wayne Morrissey	RSI	7-.... [redacted]@crs.loc.gov
Equal Employment Opportunity	(name redacted)	DSP	7-.... [redacted]@crs.loc.gov
Legal Services Corporation	(name redacted)	DSP	7-.... [redacted]@crs.loc.gov
EDA, SBA, and FTC	Bruce Mulock	G&F	7-.... [redacted]@crs.loc.gov
Maritime Industry	(name redacted)	RSI	7-.... [redacted]@crs.loc.gov
Trade agencies	Ian Fergusson	FDT	7-.... [redacted]@crs.loc.gov
Bureau of the Census	(name redacted)	G&F	7-.... [redacted]@crs.loc.gov
Patent & Trademark Office	(name redacted)	RSI	7-.... [redacted]@crs.loc.gov
Commerce Dept, Science and Technology-related agencies	(name redacted)	RSI	7-.... [redacted]@crs.loc.gov
Immigration & Naturalization Service (INS)	(name redacted)	DSP	7-.... [redacted]@crs.loc.gov
SEC	(name redacted)	G&F	7-.... [redacted]@crs.loc.gov
Technical Coordinator	Marietta Sharperson	RSI	7-.... [redacted]@crs.loc.gov

Division abbreviations: ALD = American Law Division; G&F = Government and Finance Division; RSI = Resources, Science, and Industry Division, DSP = Domestic Social Policy Division; FDT = Foreign Affairs, Defense, and Trade Division.

Contents

List of Tables

Appropriations for FY2003: Commerce, Justice, State, the Judiciary, and Related Agencies

Most Recent Developments

Congress passed the conference report (H.Rept. 108-10) for H.J.Res. 2, the omnibus funding bill, on February 12, 2003. The President signed it into law February 20, 2003 — 5 months into the budget year. The consolidated funding package included a 0.65% across-the-board rescission. The Senate had passed its omnibus appropriation on January 23rd. Although the House never passed a CJS appropriation for FY2003, on January 8th Congressman Frank Wolf, Chairman of the House Appropriations Subcommittee on Commerce, Justice, State, introduced H.R. 247 as a point of reference for CJS accounts during the conference on the omnibus appropriation package.

Overview

The Administration's Commerce, Justice, State and Related Agencies (CJS) request for FY2003 totaled $44,019 million. The 107th Congress did not complete CJS FY2003 appropriations, but passed numerous continuing resolutions authorizing short-term funding into the 108th congressional term.

The 108th Congress passed the consolidated appropriation package (H.J.Res. 2; H.Rept. 108-10), which included 11 out of the 13 appropriations. Signed into law (P.L. 108-7) on February 20, 2003, it contains $44,773.7 million for Commerce, Justice, State, Judiciary and Related Agencies. This number and others in this report do not reflect the 0.65% across-the-board rescission which was also in the consolidated funding.

The Senate passed an omnibus spending package which included the CJS appropriations. The total CJS Senate level amounted to $44,939.6 million. The House bill (H.R. 247) set total CJS appropriations at $44,352.9 million. Neither House nor Senate numbers included rescissions.

For FY2002 and after the September 11th terrorist attacks, Congress reconsidered funding allocations in the conference of H.R. 2500 to bolster counter-terrorism activities within each agency's title in the bill. Congress enacted its FY2002 CJS appropriation (P.L. 107-77) totaling $41,706.6 million for FY2002 ($44,601.9 million including supplementals — P.L. 107-38, P.L. 107-117).

FY2002 Supplemental

In addition to the President's regular FY2003 budget request, the Administration submitted an FY2002 supplemental funding request on March 21, 2002. Out of the total $28.4 billion supplemental request, $427.7 million was for agencies within the CJS appropriation bill. The House passed $753.6 million; the Senate passed $1,280.2 million for the CJS supplemental funds. The final supplemental for CJS-related agencies, which was signed on August 2, 2002 (P.L. 107-206), totaled about $900 million, some of which was designated as contingent emergency funds. (For more detail, see CRS report RL31406, *Supplemental Appropriations for FY2002: Combating Terrorism and Other Issues,* by (name redacted) and (name redacted).)

Recent-Year Funding Trends

On November 14, 2001, Congress approved total FY2002 CJS funding of $41.6 billion. The President signed this measure into law on November 28th. Although the CJS funding legislation was at the conference stage on September 11th, Congress scrutinized security and anti-terrorism funding at the conference level and reallocated funding because of the terrorist attacks. In addition, the FY2002 budget levels for the Departments of Commerce, Justice, State and the Judiciary include the emergency supplemental funding passed by Congress September 18, 2001.

The table below shows funding trends for the major agencies included in CJS appropriations over the period FY1998-FY2002, including supplemental appropriations. As seen in the table below, funding increased, in current dollars, for the Department of Justice by $2,658 million (12.6%); for the Department of Commerce by $651 million (12.6%); for the Judiciary by $465 million (10.9%); and for the Department of State by $1,049 million (15.9%). Every agency except the Department of Commerce has seen a continual increase in funds between FY1998 and FY2002. The Department of Commerce budget generally increased over these years, with a greater than $3.5 billion increase in FY2000, largely due to funding the cost of the 2000 decennial census. Its FY2001 level is comparable to its pre-census level. The Department of State had a significant increase in its funding level every year from FY1999 to FY2002, reflecting the increase in costs associated with the FY1999 reorganization and terrorism. Of the four primary agencies within the CJS appropriations, the Department of Justice received the greatest nominal increase of $5,943 million from FY1998 to FY2002. The Department of State funding change since FY1998 shows the greatest percent increase of 89.5%; the Justice budget grew by 33.4%, Commerce by 36.5%, and the Judiciary by 36.3%. Much of the State Department increase has been attributable to increases in embassy security funding and improvements in technology and staffing, along with the consolidation of the U.S. Information Agency (USIA) and the Arms Control and Disarmament Agency (ACDA) into the Department of State in 1999.

Table 1. Funding Trends for Departments of Commerce, Justice, and State, and the Judiciary
(in millions of current dollars)

Department or Agency	FY1998	FY1999	FY2000	FY2001	FY2002
Justice	17,764	18,207	18,647	21,049	23,707
Commerce	4,251	5,098	8,649	5,153	5,804
Judiciary	3,464	3,652	3,959	4,255	4,720
State	4,037	4,359	5,880	6,601	7,650

Sources: Funding totals provided by Budget Offices of CJS and Judiciary agencies, and U.S. House of Representatives, Committee on Appropriations.

FY2003 Appropriation

President Bush's FY2003 budget request for new budget authority totaled $44,019 million for Commerce, Justice, State, Judiciary, and Related Agency mandatory and discretionary spending, slightly above the FY2002 enacted level including the enacted supplementals. **Table 2** presents appropriations for the four major agencies within the CJS appropriation bill.

Table 2. Departments of Commerce, Justice, and State, and the Judiciary Appropriations
(in millions of dollars)

Department or Agency	FY2002 Enacted	FY2003 Request	House Bill H.R. 247	Senate Bill H.J.Res. 2	FY2003 Enacted
Justice	23,202	22,800	23,840	24,206	23,988
Commerce	5,805	5,639	5,257	5,918	5,775
Judiciary	4,720	5,242	4,971	4,951	4,917
State	7,650	7,632	7,414	7,210	7,394

Note: Figures for FY2002 enacted include supplemental appropriations. This table does not include funds for related agencies in the CJS legislation.

Sources: House Appropriations Committee and *the Congressional Record* on February 14, 2003 (H572-H587).

Brief Survey of Key Issues

In addition to heightened interest in counter-terrorism and security-related activities since the September 11th attacks, some other contentious issues and proposals that surfaced in the FY2003 CJS appropriations debate include:

- Restructuring the Federal Bureau of Investigation to improve counter terrorism, intelligence collection and analysis, and internal agency security.

- Restructuring the Immigration and Naturalization Service, by separating the agency's services and enforcement functions, to improve application processing and increase border security.

- Reassessing the Department of Justice's role in providing domestic preparedness training and assistance to state and local first responders, and shifting related programs to the new Department of Homeland Security.

- Streamlining community policing and crime prevention programs administered by the Department of Justice's Office of Justice Programs.

Other issues or concerns receiving attention included the following:

Department of Justice:

- Reducing firearms-related violence through enforcement of existing laws.

- Reducing the supply and use of illicit drugs.

- Improving juvenile justice, reducing violence against women, and providing legal assistance to victims of crime.

- Addressing civil rights violations, including racial profiling and infringement of voter rights.

- Establishing new efforts and capacities to fight cybercrime.

- More efficiently managing contract detention space.

- Establishing an entry/exit control system to track non-citizens admitted temporarily to the United States.

Department of Commerce:

- The Administration's proposal to eliminate National Telecommunications and Information Administration's (NTIA's) Technology Opportunities Program (TOP), as well as significantly reduce funding for NTIA's program to support construction of public broadcast facilities.

- The extent to which federal funds should be used to support industrial technology development programs at the National Institute of Standards and Technology (NIST), particularly the Advanced Technology Program (ATP) and the Manufacturing Extension Partnership (MEP).

- The Administration's proposal to transfer the National Sea Grant Program from the National Oceanic and Atmospheric Administration (NOAA) to the National Science Foundation, amid opposition from state Sea Grant partners and institutions.

- Funding for full implementation of the Census Bureau's American Community Survey, with which the Bureau plans to replace the decennial census long form, and for improved quality and timeliness of economic statistics collected by the Bureau.

- Increasing funding for the Bureau of Export Administration (to be renamed the Bureau of Industry and Security) to better enforce U.S. export regulations, specifically with regard to strategically-sensitive information.

Department of State:

- Visa issuance policies and the Homeland Security proposals.

- Expanded public diplomacy activities focusing on Muslim/Arab populations.

- Increased hiring of foreign, civil service, and security experts.

- Improved information/communication technology.

The Judiciary:

- Whether to increase the hourly rate of pay to court-appointed "panel attorneys" representing indigent defendants in federal criminal cases.

- Whether, as the Judiciary contended, federal judges and justices should receive a cost-of-living salary increase.

- What extent to provide emergency supplemental funding for court security.

Other Agencies:

- Adequacy of funding for the Securities and Exchange Commission (SEC) to investigate corporate fraud.

- Whether to end federal funding for the State Justice Institute.

- Adequacy of funding for the Equal Employment Opportunity Commission.

- Adequacy of funding for programs of the Small Business Administration (SBA).

Government Performance Results Act (GPRA) Requirements

As part of the budget process, the Government Performance and Results Act (GPRA) enacted by Congress in 1993 (P.L.103-62; 107 Stat 285) requires that agencies develop strategic plans that contain goals, objectives, and performance measures for all major programs. The GPRA requirements apply to nearly all executive branch agencies, including independent regulatory commissions, but not the judicial branch. Brief descriptions of the latest versions of the strategic plans of the major agencies covered by CJS appropriations are contained in the discussions of the individual agencies within this report.

Legislative Status

On February 4, 2002, President Bush submitted the FY2003 budget request for appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies. The House and Senate CJS Appropriations Subcommittees held hearings throughout March, April, and May. The Senate Appropriations Committee reported out S. 2778 on July 24, 2002. No other congressional action occurred on the CJS appropriation during the 107th Congress. In the 108th Congress, the Senate passed an omnibus budget package (H.J.Res. 2) which includes the CJS appropriations. The House funding levels for CJS were contained in H.R. 247 ,which received no congressional action. The table below shows the key legislative steps that have occurred for the enactment of FY2003 CJS appropriations thus far.

Table 3. Status of CJS Appropriations, FY2003

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
			1/8/03	7/24/02 S.Rept. 107-218	1/23/03 H.J.Res. 2	H.Rept. 108-10	2/13/03	2/13/03	2/20/03 P.L. 108-7

Department of Justice

Background

Title I of the CJS bill typically covers appropriations for the Department of Justice (DOJ). Established by an Act of 1870 (28 U.S.C. 501) with the Attorney General at its head, DOJ provides counsel for citizens and protects them through effective law enforcement. It represents the federal government in all proceedings, civil and criminal, before the Supreme Court. And in legal matters generally, the Department provides legal advice and opinions, upon request, to the President and executive branch department heads. Notwithstanding the transfer of the Immigration and Naturalization Service to the Department of Homeland Security and the transfer

of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATFE)[1] to DOJ, the agencies and major functions funded in the FY2003 DOJ appropriation are as follows:

- *United States Attorneys* prosecute criminal offenses against the United States, represent the federal government in civil actions, and initiate proceedings for the collection of fines, penalties, and forfeitures owed to the United States.

- *United States Marshals Service* provides security for the federal judiciary, protects witnesses, executes warrants and court orders, manages seized assets, and detains and transports unsentenced prisoners.

- *Federal Bureau of Investigation (FBI)* investigates violations of federal criminal law; protects the United States from terrorism and hostile intelligence efforts; provides assistance to other federal, state and local law enforcement agencies; and shares jurisdiction with Drug Enforcement Administration (DEA) over federal drug violations.

- *Drug Enforcement Administration (DEA)* investigates federal drug law violations; coordinates its efforts with state, local, and other federal law enforcement agencies; develops and maintains drug intelligence systems; regulates legitimate controlled substances activities, and conducts joint intelligence-gathering activities with foreign governments.

- *Immigration and Naturalization Service (INS)* administers and enforces immigration law by admitting or excluding aliens at the border, investigating immigration law violations, apprehending and processing for removal aliens illegally residing in the United States, and processing immigration- and naturalization-related applications.

- *Federal Prison System* provides for the custody and care of the federal prison population, the maintenance of prison-related facilities, and the boarding of sentenced federal prisoners incarcerated in state and local institutions.

- *Office of Justice Programs (OJP)* manages and coordinates the activities of the Bureau of Justice Assistance, Bureau of Justice Statistics, National Institute of Justice, Office of Juvenile Justice and Delinquency Prevention, Community Oriented Policing Services (COPS), and the Office of Victims of Crime.

---

[1] Formerly the Bureau of Alcohol, Tobacco and Firearms (ATF), this agency was previously located in the Department of the Treasury.

FY2003 Funding

Defending the Nation against future terrorist attacks is currently the principal focus of the Department of Justice. To this end, the Department is increasing its efforts to disrupt and dismantle terrorist organizations, and bring to justice those persons who carry out terrorist attacks against American interests at home and abroad. With the encouragement of the Attorney General, the Federal Bureau of Investigation is reorganizing, realigning and centralizing FBI assets to more effectively counter terrorism and foreign intelligence services, and provide greater internal security.

The Immigration and Naturalization Service (INS), meanwhile, has been transferred to the Department of Homeland Security (DHS). Prior to the homeland security debate, the Administration had sought to reorganize INS and separate the agency's service and enforcement functions as separate bureaus with DOJ. Such a separation was proposed to improve the processing of immigration-related applications and provide enhanced border security and prevent terrorists from entering the United States. Along these lines, the Homeland Security Act of 2002 (P.L. 107-296) dismantled INS, splitting the service and enforcement functions, and transferring former INS activities and programs to DHS. Other DOJ programs were also transferred to DHS. Most notably, they included the Office of Domestic Preparedness (ODP), formerly under the Office of Justice Programs, and the National Infrastructure Protection Center (NIPC), formerly part of the Federal Bureau of Investigation. Nonetheless, these activities and programs, although transferred to the DHS, are funded for FY2003 in the Commerce, Justice, State (CJS) appropriations act under DOJ.

Crime control has traditionally been viewed as a state and local responsibility. Beginning with the passage of the Crime Control Act of 1968 (P.L. 90-351), the federal role in the administration of criminal justice has increased incrementally. Since 1984, Congress has enacted five major omnibus crime control bills, establishing new crimes, penalties, and additional law enforcement assistance programs for state and local governments. Crime control is one of the few areas of the federal budget where discretionary spending has increased over the past two decades.

FY2003 Budget Request and Authorization. For the Department of Justice (DOJ), Congress appropriated nearly $24 billion, a 1% increase over the department's FY2002 enacted budget of $23.7 billion, and a 5% increase over the Administration's request of $22.8 billion. The last year appropriations for DOJ were authorized was FY1980 (P.L. 96-132). Congress passed the 21st Century Department of Justice Appropriations Authorization Act (P.L. 107-273), authorizing the appropriation of specific amounts for DOJ agencies, activities, and programs for FY2002 and FY2003. This Act includes many other provisions that, among other things, establish a Violence Against Women Office, address drug treatment and prevention, increase penalties for witness tampering, authorize forensic sciences improvement and other justice-related grants, make technical immigration amendments to the investor visa program, and reauthorize and amend juvenile justice programs.

Department of Justice Accounts. The DOJ budget account structure roughly mirrors the departmental organizational structure. Congress appropriates funding for each account. The activity, agency, and program account structure, however, is not uniform. Some accounts represent a single agency, e.g., the Drug Enforcement Administration account. The Legal Activities account, by comparison, includes multiple activity, agency, and program accounts. The Office of Justice Programs account includes a series of law enforcement assistance grant programs, in addition to departmental office and bureau accounts. The table below displays the DOJ account structure. Amounts in this table and in the text are taken from a table printed in the February 13, *Congressional Record* on 2003 (H572-H576). Where possible comparisons are made to the Administration's amended FY2003 request. In regard to the Administration's request, some major requested budget increases over the activity or agency base budgets are also given.[2] Finally, last year's (FY2002) enacted funding level or appropriation is also given in the table.

Title I. Department of Justice Budget Accounts

(millions of dollars)

Accounts	FY2002 enacted	FY2003 request	House H.R. 247	Senate H.J.Res. 2	FY2003 enacted
General Administration[a]	432.9	1,934.3	1,814.2	2,262.8	1,824.0
U.S. Parole Commission	9.9	10.9	10.9	10.1	10.5
Legal Activities	3,513.5	3,067.7	3,026.5	2,896.7	3,038.8
General legal activities	*561.7*	*645.3*	*614.8*	*537.5*	*611.3*
U.S. Attorneys	*1,403.3*	*1,506.4*	*1,502.8*	*1,320.2*	*1,503.8*
U.S. Marshals Service	*668.0*	*706.5*	*699.3*	*768.2*	*695.6*
Prisoner detention[a]	*706.2*	—	—	—	—
Other	*174.3*	*209.5*	*209.6*	*270.9*	*228.1*
Radiation Exposure Compensation	2.0	2.0	—	—	—
Interagency Law Enforcement	338.6	362.1	365.1	400.1	372.1
Federal Bureau of Investigation	4,279.9	4,252.8	4,297.8	3,928.8	4,297.8
Salaries and Expenses	*4,246.1*	*4,251.6*	*4,296.6*	*3.927.6*	*4,234.6*
Foreign Terrorist Tracking Task Force	—	—	—	—	*62.0*
Construction	*33.8*	*1.3*	*1.3*	*1.3*	*1.3*
Drug Enforcement Administration	1,481.8	1,545.9	1,590.9	1,477.5	1,560.9
Immigration and Naturalization Service (direct appropriations)	4,084.3	4,027.4	3,998.1	3,508.9	3,848.4
Salaries and Expenses	*3,856.2*	*3,241.8*	*3,049.9*	*3,241.8*	*3,589.8*
enforcement and border affairs	*[2,739.7]*	*[3,153.2]*	*[2,961.3]*	—	*[2,880.8]*
immigration services	*[631.7]*	*[88.6]*	*[88.6]*	—	*[709.0]*
unallocated emergency appropriations	*[484.8]*	—	—	—	—

[2] Base budgets reflect the Administration's estimate of the level of funding necessary to conduct FY2002's anticipated level of activities and services in FY2003. Hence, increases "over base" are amounts requested by the Administration to carry out new or additional activities and services.

Accounts	FY2002 enacted	FY2003 request	House H.R. 247	Senate H.J.Res. 2	FY2003 enacted
Construction	*228.1*	*—*	*267.1*	*267.1*	*258.6*
Support and Administration	*—*	*785.6*	*681.1*	*—*	*—*
Offsetting Receipts	*(2,142.9)*	*(2,311.1)*	*(2,311.1)*	*(2,311.1)*	*(2,311.1)*
Net INS obligational budget authority	*(6,227.2)*	*(6,388.5)*	*(6,309.2)*	*(5,820.0)*	*(6,159.5)*
Federal Prison System	4,620.6	4,480.4	4,472.9	4,531.9	4,473.9
Office of Justice Programs	4,943.8	3,116.7	4,263.2	5,179.1	4,561.8
Justice assistance	*836.4*	*214.0*	*717.7*	*2,232.1*	*1,201.3*
State and local law enforcement	*2,654.5*	*751.9*	*2,281.0*	*1,368.4*	*2,044.3*
Weed and seed program	*58.9*	*58.9*	*58.9*	*58.9*	*58.9*
Community policing services	*1,050.4*	*1,381.0*	*896.2*	*1,120.2*	*928.9*
Juvenile justice programs	*305.9*	*257.8*	*257.8*	*315.4*	*275.3*
Election reform grants	*—*	*400.0*	*—*	*31.0*	*—*
Public safety officers benefits	*37.7*	*53.1*	*51.6*	*53.1*	*53.1*
Total: Justice Department[b]	**23,707.2**	**22,800.3**	**23,839.7**	**24,206.0**	**23,988.3**

Source: *Congressional Record*, February 14, 2003, H572-H576.

[a]The increase in funding for General Administration from $432.9 million in FY2002 to $1,824 million in FY2003 reflects the consolidation of contract detention space acquisition in the Detention Trustee's Office. Such a consolidation is also reflected in the lack of money appropriated for prisoner detention under the Legal Activities account, since such funding is now consolidated in the Detention Trustee's Office.

[b]FY2003 conference agreement amounts do not reflect an across-the-board rescission of 0.65%, nor do they reflect other rescissions included in the conference agreement ($78 million from the DOJ Working Capital Fund, $51 million from the Legal Activities account, and $580 thousand from the Immigration Emergency Fund).

For ***General Administration***, Congress appropriated $1.824 billion, as compared to the Administration's FY2003 amended request of nearly $1.934 billion. As in the Administration's request, the bulk of this funding goes to the Detention Trustee account to better manage departmental acquisition of contracted detention space. Besides the Detention Trustee, the General Administration account funds the Attorney General's office, senior departmental management, a counter terrorism fund, and the Inspector General's office. Conference report language designates increased funding to: 1) continue development of the Joint Automated Booking System (JABS), 2) integrate the FBI and INS biometric fingerprint identifications systems (IAFIS and IDENT), and 3) increase narrowband communications, among other things.

For the *Federal Detention Trustee's Office*, Congress appropriated $1.367 billion for FY2003, nearly the same amount as requested by the Administration. The Detention Trustee's Office was established in FY2001, with a $1 million appropriation, to manage contractual detention funding for the Department. For FY2003, the contractual detention resources of the Immigration and Naturalization Service ($593 million) and the U.S. Marshals Service ($774 million) are consolidated under this office. Although these agencies would remain responsible for daily detention operations, the Detention Trustee's Office would manage the disbursement of funds, which were previously carried under separate accounts. Conference report

language directs the Trustee to report to the Appropriations committees as to the appropriateness of transferring certain personnel responsible for procuring detention space from the Marshals Service and the former INS to the Trustee's office.

For the *counter terrorism fund*, Congress appropriated $1 million to "cover extraordinary costs associated with a terrorist threat or incident." Conference report language noted that this amount, along with unobligated balances and recoveries, provides $50 million for FY2003. The Administration's amended request included no dollars for this fund.

The *Office of the Inspector General (OIG)* is responsible for investigating departmental misconduct. In FY2001, the Attorney General ordered the OIG to investigate allegations of misconduct at the Federal Bureau of Investigation and the Drug Enforcement Agency. Previously such responsibility resided with the respective agency offices of professional responsibility.[3] The Senate Committee on the Judiciary reported a measure, the Federal Bureau of Investigation Reform Act of 2002 (S. 1974), that included a provision to make such oversight statutory. To assume these new responsibilities, the FY2003 amended request included $59 million for the OIG; Congress appropriated $58 million.

The ***U.S. Parole Commission*** adjudicates parole requests by federal and D.C. Code prisoners who are serving felony sentences. For the commission, the FY2003 request was $11 million. The authorization for the parole commission was due to expire in November 2002, but the 21st Century Department of Justice Appropriations Authorization Act (P.L. 107-273) authorized to be appropriated $10 and $11 million for the commission for FY2002 and FY2003, respectively. For FY2003, Congress appropriated nearly $11 million for the parole commission.

The ***Legal Activities*** account includes several accounts: (1) general legal activities, (2) U.S. Attorneys, (3) the U.S. Marshals Service, (4) prisoner detention, and (5) other legal activities. Among other things, the *general legal activities* account funds the Solicitor General's supervision of the department's conduct in proceedings before the Supreme Court. It also funds several departmental divisions (tax, criminal, civil, environment and natural resources, legal counsel, civil rights, and antitrust). For FY2003, Congress appropriated $3.039 billion for the legal activities account, as compared to the Administration's request of $3.068 billion. Also, the FY2003 appropriation reflects in part a $774 million transfer from the Marshals Service's prisoner detention account to the Detention Trustee's Office (discussed above).

The *general legal activities* account funds the Solicitor General's supervision of the department's conduct in proceedings before the Supreme Court. It also funds several departmental divisions (tax, criminal, civil, environment and natural resources, legal counsel, civil rights, and antitrust). For FY2003, Congress appropriated $611 million, as compared to the Administration's request of $645 million.

---

[3] For further information, see CRS Report RS20944, *Statutory Inspector General for the FBI: Overview and Issues*, by (name redacted) and (name redacted).

The *U.S. Attorneys* and the *U.S. Marshals Service* are present in all of the 94 federal judicial districts. The U.S. Attorneys prosecute criminal cases and represent the federal government in civil actions. For the U.S. Attorneys, Congress appropriated $1.504 billion, as compared to the Administration's request of $1.506 billion. For the U.S. Attorneys, conference report language designates increases to more aggressively prosecute corporate fraud ($13 million), coordinate an intermodal transportation security pilot project ($5 million), provide additional legal training from the National Advocacy Center ($25 million), increase violent crime task force activities ($1.5 million), and prosecute federal copyright and counterfeit software crimes ($10 million). The U.S. Marshals are responsible for the protection of the Federal Judiciary, protection of witnesses, execution of warrants and court orders, and custody and transportation of unsentenced federal prisoners. For FY2003, Congress appropriated $696 million for the Marshals Service, as compared to the Administration's amended request of $707 million. Conference report language designated funding increases to improve the warrant information network (nearly $3 million), increase security for the judicial process (nearly $16 million), acquire additional courthouse security equipment ($12 million), continue funding two existing fugitive task forces and related efforts ($8 million), and provide for new construction ($15 million), among other things.

For *other legal activities*. e.g., the Community Relations Service, the Independent Counsel, the U.S. Trustee Fund, and the Asset Forfeiture program, the FY2003 amended request included $210 million. Congress appropriated $228 million for these purposes.

The ***Radiation Exposure Compensation (RECA)*** account funds a program to compensate individuals exposed to radiation during atmospheric nuclear tests or uranium production. To administer programs under this account, the FY2003 request included $2 million, the same amount as appropriated for FY2002, for the Civil Division in the Legal Activities account rather than the RECA account.

The ***Interagency Law Enforcement*** account reimburses departmental agencies for their participation in the *Organized Crime Drug Enforcement Task Force (OCDETF)* program. Organized into 9 regional task forces, this program combines the expertise of federal agencies[4] with the efforts of state and local law enforcement to disrupt and dismantle major narcotics trafficking and money laundering organizations. The FY2003 request included $362 million for OCDETF; Congress appropriated $372 million. Conference report language designated funding increases to step up DEA participation in task force operations ($15 million), enhance wiretap investigations ($6 million), establish a U.S. Attorneys electronic surveillance tactical group ($724 thousand), and further investigate links between drug traffickers and terrorists ($3 million).

---

[4] The federal agencies that participate in OCDETF are the Drug Enforcement Administration; Federal Bureau of Investigation; U.S. Customs Service; Internal Revenue Service; Bureau of Alcohol, Tobacco, Firearms and Explosives; U.S. Coast Guard; U.S. Marshals Service; Immigration and Naturalization Service; the Justice Tax and Criminal Divisions; and the U.S. Attorneys.

The ***Federal Bureau of Investigation*** (FBI), as the lead federal investigative agency, recently reorganized to focus on counter terrorism. For FY2003, Congress appropriated nearly $4.298 billion for the FBI, as compared to the Administration's amended FY2003 request of $4.253 billion. The FY2003 appropriation included $491 million in programmatic increases; this amount included increases to step up counterterrorism and counterintelligence investigations ($181 million), improve technology as part of the Trilogy program ($127 million), enhance internal agency security through an enterprise security operations center ($30 million), increase aviation support ($19 million), bolster agency capabilities to handle hazardous materials and devices ($13 million), provide for better quality language translations ($5 million), among other amounts. In addition, Congress appropriated an additional $62 million — the full amount requested — to improve the operations of the Foreign Terrorist Tracking Task Force.

It is also significant to note that the Homeland Security Act of 2002 (P.L. 107-296) transferred the National Infrastructure Protection Center (NIPC), the National Domestic Preparedness Office (NDPO), and the Domestic Emergency Support Teams (DEST) from the FBI to the DHS. NIPC was formed to detect, deter, assess, and warn computer users about cyber threats and to investigate and prosecute unlawful computer intrusions. For a time, NDPO served as a single point of contact for state and local authorities seeking interagency assistance in the areas of planning, training, equipment, and exercises to prepare for domestic terrorist incidents, but NDPO activities were largely absorbed by the OJP's Office of Domestic Preparedness. DEST was an interagency team of experts that could be quickly assembled by the FBI to provide an on-scene commander (Special Agent in Charge) with advice and guidance in situations involving weapons of mass effect (WME). According the DOJ FY2004 Budget Summary, NIPC's transfer to DHS's Information Analysis and Infrastructure Protection Directorate included about $51 million and 307 positions. Meanwhile, the NDPO and DEST transfers to DHS's Emergency Preparedness and Response Directorate included neither dollars nor positions.

The ***Drug Enforcement Administration*** (DEA) is the lead federal agency tasked with reducing the illicit supply and abuse of dangerous narcotics and drugs. For FY2003, Congress appropriated $1.561 billion for the DEA, as compared to the Administration's amended request of $1.546 billion. In addition to appropriated funding, conference report language noted that an additional $89 million was anticipated to be available to DEA for FY2003 from the Drug Diversion Control Fee Account,[5] bringing FY2003 anticipated new budget authority for the DEA to $1.650 billion. Conference report language included designated increases to hire an additional 133 agents to partially offset the shift of 567 FBI agents away from organized crime and related narcotics trafficking investigations to counterterrorism ($15 million), improve physical security ($18 million), bolster the agency's data security infrastructure ($6.7 million), and better monitor the financial holdings and transactions of drug trafficking organizations.

---

[5] The Drug Enforcement Administration registers annually over 900,000 entities involved in the manufacture, import, export, or distribution of legitimate pharmaceuticals. Registrants pay an annual fee, which funds the drug diversion program.

For the former ***Immigration and Naturalization Service (INS)***, Congress directly appropriated $3.848 billion for FY2003, as compared to the Administration's amended request of $4.027 billion. Direct appropriations included $2.881 billion for immigration enforcement and border affairs, $709 million for immigrations services, and nearly $259 million for new border patrol construction (stations, check points, and barriers). In addition, Congress appropriated an additional $2.311 billion in anticipated offsetting receipts, bringing net obligational budget authority for bureaus of the former INS (currently located in the DHS) to nearly $6.160 billion, as compared to the Administration's amended FY2003 request of $6.339.

For immigration enforcement and border affairs, conference report language designated funding increases to establish an efficient entry/exit control mechanism to record noncitizens traveling to and from the United States ($362 million), hire an additional 570 border patrol agents ($57 million) and 460 land border inspectors ($25 million), advance the journey level for immigration enforcement officers from GS-9 to GS-11 ($58.5 million), conduct interior enforcement ($10 million), increase INS participation on joint terrorism task forces ($6 million), bolster human trafficking investigations ($3.7 million), explore alternatives to immigration detention ($3 million), and provide legal orientation to immigration detainees ($1 million). By comparison, the Administration's FY2003 request included the same amount for entry exit control, but greater amounts for hiring the same number of additional border patrol agents ($75 million) and inspectors ($34 million).

Concerning offsetting receipts, conference report language noted that additional user fees would provide funding to hire an additional 615 airport inspectors and 85 seaport inspectors. As requested by the Administration, report language designated an additional $50 million in exam fee receipts to reduce the average processing time for all immigration-related applications to 6 months. Furthermore, section 108 of the DOJ general provisions of the FY2003 CJS appropriations act amended the Immigration and Nationality Act to authorize a $3 cruise line inspection fee. Report language is silent as to the Administration's requested $83 million for electronic information management upgrades.

The Homeland Security Act of 2002 (P.L. 107-296) dismantled INS, splitting the agency's service and enforcement functions, transferring them to the Department of Homeland Security (DHS) as separate bureaus. Immigration service programs were reconstituted as a Bureau of Citizenship and Immigration Services under the DHS Office of the Deputy Secretary.[6] Immigration enforcement programs were transferred to DHS's Directorate of Border and Transportation Security. Under this directorate, the Administration established the Bureau of Customs and Border Protection by merging immigration inspections and the Border Patrol with U.S. Customs Service commercial operations and inspections, along with agricultural quarantine and inspections. Under the same directorate, the Administration established a Bureau of Immigration and Customs Enforcement by consolidating Customs and immigration investigations, the Customs air and marine drug

---

[6] The Homeland Security Act also locates under the DHS Office of Deputy Secretary the Office of Shared Services (formerly INS support programs, e.g., data and communications), Immigration Statistics Branch, and the Office of Immigration Policy, as separate entities.

interdiction program, the immigration detention and removal program, and the Federal Protective Service.[7]

The ***Federal Prison System*** maintains 106 penal institutions nationwide, and contracts with state, local, and private concerns for additional detention space. The Administration projected that this system will house an average daily population of 143,197 sentenced offenders in federal institutions, and another 28,043 in contract facilities, in FY2003. For FY2003, the Administration requested $4.480 billion; Congress appropriated $4.474 billion. Conference report language noted that the FY2003 appropriation included over $101 million to activate a new medium security facility in Glenville, West Virginia, and new high security facilities in Big Sandy and McCreary Kentucky, and Victorville, California, which will provide an additional 4,400 beds. In addition, another $10 million is provided to expand the Marion, Illinois and Stafford, Arizona facilities, which will provide an additional 764 new beds.

The ***Office of Justice Programs (OJP)*** manages and coordinates the National Institute of Justice, Bureau of Justice Statistics, Office of Juvenile Justice and Delinquency Prevention, Office of Victims of Crimes, Bureau of Justice Assistance, and several grant programs. For the Office of Justice programs and related offices, bureaus, and programs, Congress appropriated $4.562 billion, as compared to the Administration's $3.117 billion request. The Administration's request included a proposal to zero out Byrne and Local Law Enforcement Block grant programs, replacing them with a consolidated justice assistance grants program. In addition, the request included another proposal to transfer $1.2 billion in funding from OJP to the Federal Emergency Management Agency (FEMA) to fund and consolidate domestic preparedness programs by eliminating about $1.8 billion in state and local assistance grant programs. Congress rejected the first proposal and the second proposal was overtaken by events, as the Office of Domestic Preparedness (ODP) was transferred to the DHS Directorate of Border and Transportation Security. Notwithstanding this transfer, Congress appropriated for ODP $1.0 billion for FY2003 in the CJS appropriation act. Congress funded the Byrne grant programs at $651 million and Local Law Enforcement Block grants at $400 million, but cut the State Criminal Alien Assistance Program by $315 million, funding that program at $250 million.

The *Justice Assistance* account funds the operations of OJP bureaus and offices. Besides funding OJP management and administration, this account funds research, evaluation, and demonstration programs; technology centers; criminal justice statistical programs; and other cooperative efforts that address missing children, regional drug intelligence, and white collar crime. For this account, Congress appropriated $1.201 billion, as compared to the Administration's request of $214 million. The FY2003 appropriation included $1.0 billion for ODP.[8]

---

[7] For further information, see CRS Report RL31549, *Department of Homeland Security: Consolidation of Border and Transportation Security Agencies*, coordinated by (name reda cted).

[8] For further information, see CRS Report RS21400, *FY2003 Appropriations for First Responders: Fact Sheet*, by Ben Canada and (name redacted).

The Office of Justice Programs administers a number of grant programs to assist state and local governments with law enforcement and other justice-related issues. As part of the FY2003 request, these programs include (1) State and Local Law Enforcement Assistance, (2) Weed and Seed crime prevention efforts, (3) Community Oriented Policing Services (COPS), (4) Juvenile Justice Formula Grants, (5) a proposed Election Process Improvement Program, and (6) Public Safety Officers Benefits.

Under *State and Local Law Enforcement Assistance*, Congress appropriated $2.044 billion for FY2003, as compared to the Administration's request of $752 million. Although the Administration's FY2003 request included no funding for the Byrne Grants and Local Law Enforcement Block Grants, Congress appropriated $500 million for the Byrne formula grants and $151 million for Byrne discretionary grants, as well as $400 million for Local Law Enforcement Block Grants. As requested by the Administration, however, Congress reduced funding for Indian Country Tribal Prison Construction and State Criminal Aliens Assistance Program, appropriating $5 million for the former — a reduction of $30 million, and $250 million for the latter — a reduction of $315 million. In addition, Congress appropriated $390 million for the Violence Against Women Program, $65 million for the State Prison Drug Treatment, $45 million for Drug Courts, and lesser amounts for victims of trafficking, prescription drug monitoring, prison rape prevention, and terrorism prevention and response training.

The *Weed and Seed program* was designed to "weed out" crime in selected neighborhoods, and "seed" them with coordinated crime prevention and human service programs. For FY2003, Congress appropriated $59 million for Weed and Seed, the same amount as requested by the Administration.

To enhance public safety, the *Community Oriented Policing Services (COPS)* provides grants to state, local, and Indian Tribal governments to expand community policing and cooperation between law enforcement agencies and members of the community. The authority for the COPS grant programs lapsed at the end of FY2000. Congress, however, has continued to appropriate funding for these programs.[9] For FY2003, Congress appropriated nearly $929 million, as compared to the Administration's request of $1.381 billion. The reduction in funding for the Public Safety and Community Policing Grants program accounted for the largest difference between the appropriation and request — $143 million. In addition, the community prosecutors program appropriated $85 million — a nearly $15 million reduction. Congress, however, appropriated $401 million for crime fighting technologies, an increase of $49 million. The Administration had proposed that a COPS justice assistance grant program be established to replace the Byrne and Local Law Enforcement Block grants, but Congress rejected this proposal (see discussion above).

Under the *Juvenile Justice Formula Grants program*, OJP provides funding to improve juvenile justice and corrections. Under this program, the Administration's

---

[9] For further information, see CRS Report 97-196, *The Community Oriented Policing Services (COPS) Program: An Overview*, by JoAnne O'Bryant.

FY2003 budget proposed funding Project ChildSafe ($75 million), to advance the goal of ensuring that child safety locks are available for every handgun in the United States; Congress appropriated $25 million. The overall FY2003 request for juvenile justice grants included $258 million. For FY2003, Congress appropriated $275 million for the Juvenile Justice Formula Grants Program. The authorization to make appropriations for this program had lapsed six years ago at the end of FY1996. The 21st Century Department of Justice Appropriations Reauthorization Act (P.L. 107-273), however, authorized the appropriation of "such sums as may be appropriate" for these programs for fiscal years 2003 through 2007.[10]

The FY2003 request included $400 million to establish a new *Election Process Improvement Grant program*. Based on recommendations made by the National Commission on Federal Electoral Reform, this program provided state and local governments with annual grants to fund improvements in voting administration, machines, registration, education, and poll worker training. Although the Senate-approved CJS appropriations act would have provided $31 million for this program, the enacted appropriation provides no funding for this program. In addition, the FY2003 request included $53 million for *Public Safety Officer Benefits (PSOB)* — the same amount as appropriated by Congress. The PSOB program provides death benefits to survivors of public safety officers who die in the line of duty, and disability benefits to those officers injured and disabled in the line of duty. Benefits provided by this program were increased by the USA Patriot Act of 2001 (P.L. 107-56).

The ***Government Performance and Results Act (GPRA)*** required the Department of Justice, along with other federal agencies, to prepare a 5-year strategic plan, including a mission statement, long-range goals, and program assessment measures. In September 2000, the Department submitted its Strategic Plan for 2000-2005 to Congress. Building upon the strategic plan, the Department's FY2003 performance plan included eight goals:

- protect the United States from the threat of terrorism;
- enforce federal criminal laws;
- prevent and reduce crime and violence by assisting state, tribal, local, and community-based programs;
- defend and protect the rights and interests of the American people by providing legal representation and enforcement of federal laws;
- administer immigration and naturalization laws fairly and effectively;
- protect American society by providing for the safe, secure, and humane confinement of persons in federal custody;
- protect the federal judiciary and support the federal justice system; and

---

[10] For further information, see CRS Report RS20576, *Juvenile Justice: Legislative Activity and Funding Trends for Selected Programs*, by JoAnne O'Bryant, (name redacted), and David Teasley.

- ensure professionalism, excellence, accountability, and integrity in the management and conduct of the Department of Justice.[11]

Detailed performance plans for individual activities, agency, and program accounts were included in the departmental budget submission to Congress as well.

Related Legislation

P.L. 107-273 (H.R. 2215; S. 1319)

21st Century Department of Justice Appropriations Authorization Act. Authorizes appropriations for the Department of Justice, among other things. Amended and ordered reported by the Committee on the Judiciary on June 20, 2001. Passed the House on July 23, 2001. Amended in the Senate with the text of S. 1319 and passed on December 20, 2001. Conference agreement reported on September 25, 2002. House passed the conference agreement on September 25, and the Senate on October 3, 2001. Signed into law (P.L. 107-273) on November 2, 2002.

P.L. 107-296 (H.R. 5005)

Homeland Security Act of 2002. Establishes a cabinet level Department of Homeland Security. H.R. 5005 was amended and reported (H.Rept. 107- 609) by the Select Committee on Homeland Security on July 19, 2002, which was amended and passed by the House on July 26, 2002. A similar measure (H.R. 5710) on November 12, 2002. Amended and passed in Senate on November 19, 2002. Signed into law (P.L. 107-296) on November 25, 2002.

S. 924 (Biden)

Protection Act of 2002. Reauthorizes the Community Oriented Policing Services (COPS) programs, among other things. Amended and reported without a written report by the Committee on the Judiciary on April 11, 2002. No further action was taken.

S. 1974 (Leahy)

Federal Bureau of Investigation Reform Act of 2002. Includes provisions to reform and improve oversight of the FBI. Ordered reported by the Committee on the Judiciary on April 25, 2002. Report filed on May 10, 2002 (S.Rept. 107-148). No further action was taken.

Additional Reading

CRS Report 97-196. *Community Oriented Policing Services (COPS) Program: An Overview*, by JoAnne O'Bryant.

CRS Issue Brief IB10095. *Crime Control: The Federal Response*, by JoAnne O'Bryant.

---

[11] US. Department of Justice, Office of the Attorney General, *Fiscal Year 2001 Performance Report & Fiscal Year 2002 Revised Final Performance Plan, Fiscal Year 2003 Performance Plan*, (Washington, 2002), [http://www.usdoj.gov/ag/annualreports/pr2001/TableofContents.htm].

CRS Report RL31549. *Department of Homeland Security: Consolidation of Border and Transportation Security Agencies*, coordinated by (name redacted).

CRS Report RS21400. *FY2003 Appropriations for First Responders: Fact Sheet*, by Ben Canada and (name redacted).

CRS Report RS20576, *Juvenile Justice: Legislative Activity and Funding Trends for Selected Programs*, by JoAnne O'Bryant, (name redacted), and David Teasley.

CRS Report RS20539. *Federal Crime Control Assistance to State and Local Governments*, by JoAnne O'Bryant.

CRS Report RS20944. *Statutory Inspector General for the FBI: Overview and Issues*, by (name redacted) and (name redacted).

Department of Commerce

Background

Title II typically includes the appropriations for the Department of Commerce and related agencies. The origins of the Department date back to 1903 with the establishment of the Department of Commerce and Labor (32 Stat. 825). The separate Department of Commerce was established on March 4, 1913 (37 Stat. 7365; 15 U.S.C. 1501).

The Department's responsibilities are numerous and quite varied, but its activities center around five basic missions: 1) promoting the development of American business and increasing foreign trade; 2) improving the nation's technological competitiveness; 3) encouraging economic development; 4) fostering environmental stewardship and assessment; and 5) compiling, analyzing and disseminating statistical information on the U.S. economy and population.

The following agencies within the Commerce Department carry out these missions:

- *Economic Development Administration (EDA)* provides grants for economic development projects in economically distressed communities and regions.

- *Minority Business Development Agency (MBDA)* seeks to promote private and public sector investment in minority businesses.

- *Bureau of the Census* collects, compiles, and publishes a broad range of economic, demographic, and social data.

- *Economic and Statistical Analysis Programs* provide 1) timely information on the state of the economy through preparation,

development, and interpretation of economic data; and 2) analytical support to department officials in meeting their policy responsibilities. Much of the analysis is conducted by the Bureau of Economic Analysis (BEA).

- *International Trade Administration (ITA)* seeks to develop the export potential of U.S. firms and to improve the trade performance of U.S. industry.

- *Bureau of Export Administration (BXA)* enforces U.S. export control laws consistent with national security, foreign policy, and short-supply objectives (to be renamed the Bureau of Industry and Security).

- *National Oceanic and Atmospheric Administration (NOAA)* provides scientific, technical, and management expertise to 1) promote safe and efficient marine and air navigation; 2) assess the health of coastal and marine resources; 3) monitor and predict the coastal, ocean, and global environments (including weather forecasting); and 4) protect and manage the nation's coastal resources.

- *Patent and Trademark Office (PTO)* examines and approves applications for patents for claimed inventions and registration of trademarks.

- *Technology Administration*, through the Office of Technology Policy, advocates integrated policies that seek to maximize the impact of technology on economic growth, conducts technology development and deployment programs, and disseminates technological information.

- *National Institute of Standards and Technology (NIST)* assists industry in developing technology to improve product quality, modernize manufacturing processes, ensure product reliability, and facilitate rapid commercialization of products based on new scientific discoveries.

- *National Telecommunications and Information Administration (NTIA)* advises the President on domestic and international communications policy, manages the federal government's use of the radio frequency spectrum, and performs research in telecommunications sciences.

The total appropriation for the Department of Commerce in FY2002 was $5.43 billion (not including supplementals), which was about $341 million above the President's request. The enacted amount was also about $322 million above the House-passed bill and about $166 million below the Senate-passed bill. (For more information on funding of individual agencies, see the Appendix.)

FY2003 Funding Issues

In his FY2003 budget request to Congress, the President requested $5.64 billion in total funding for Title II, which includes the Department of Commerce and related agencies. This amount was approximately $160 million (2.8%) less than the $5.80 billion (after adding supplementals) that Congress appropriated in FY2002. The 107th Senate Appropriations Committee recommended $5.92 billion, roughly $320 million above the Administration request. The FY2003 omnibus appropriations bill provided $5.78 billion for Title II, which is roughly $280 million above the Administration amended request.

For the Department of Commerce alone, the President requested $5.55 billion, which was about $170 million below the FY2002 appropriation of $5.72 billion. The 107th Senate Appropriations Committee recommended $5.83, roughly $280 million above the Administration request. For FY2003, the omnibus bill provided $5.69 billion, which is roughly $140 million above the Administration request.

The President's budget request called for $70.9 million for ***Departmental Management***. This amount would have been $8.3 million (14.3%) more than the $62.6 million appropriated for FY2002. The 107th Senate Appropriations Committee recommended $62.1 for departmental management, roughly $8.8 million below the President's request. The Senate bill allocated $41.5 million to salaries and expenses, and $20.6 million to the Inspector General's office. The omnibus appropriations bill provided a total of $65.6 million, which was $5.3 million below the President's request, but $3 million more than the FY2002 amount. Of this amount, roughly $45 million was for salaries and expenses and $20.6 million for the Inspector General's office.

The Department's ***Economic and Statistical Analysis*** programs are conducted by the Bureau of Economic Analysis (BEA) and the Bureau of the Census. The President requested $73.2 million for these programs, which was about $10.7 million (17.1%) above the $62.5 million appropriated in FY2002. The Administration believed that the BEA's timely and accurate statistical reports were essential for providing reliable data to policymakers, industry leaders, and consumers. The 107th Senate Appropriations Committee recommended $63.8 million, roughly $10 million below the Administration request. The omnibus bill provided $72.2 million, which was one million below the Administration request, but roughly $9.7 million above the FY2002 amount.

For the ***Bureau of the Census***, the President requested an FY2003 total of $705.3 million, $225.8 million higher than the $479.5 million appropriated for FY2002. (The $479.5 million took into account an $11.3 million rescission.) The Conference Committee approved $554.5 million, $150.8 million less than the FY2003 request but $75 million more than the FY2002 appropriation.

The conferees included $1 million to have the Bureau study the response rates in a test of voluntary versus mandatory answers to the American Community Survey, the intended replacement for the decennial census long-form questionnaire, and directed the Secretary of Commerce to report the study results to the Appropriations Committees as soon as they are available. Filling out the census long form has been

mandatory, and the Bureau maintained that the ACS response rates will drop if answering the survey becomes optional. Some in Congress believe, however, that the mandatory approach is too burdensome and intrusive for respondents.

The President's request for the ***International Trade Administration*** was $377.2 million, a $31.7 million increase over the FY2002 levels ($345.5 million, including the FY2002 supplemental). The Senate provided $350.2 million and the Conference agreed on $362.2 million, a $16.7 million increase over the FY2002 level. ITA is divided into four policy units and an Executive and Administrative Directorate, which the Conference appropriated $25.1 million.

- The Administration requested $58.3 million for the **Trade Development Unit**. In FY2002, Congress appropriated $67.7 million, including several textile related initiatives not incorporated into the President's FY2002 request of $52.3 million. Although these initiatives are not funded in the President's FY2003 request, the Senate Appropriations Committee restored approximately $13 million for the National Textile Center and the Textile/Clothing Technology Corporation. The Senate's provision for Trade Development was $68.1 million. The Conference trimmed this amount to $67.7 million.

- The Administration requested $37.2 million for the **Market Access and Compliance Unit (MAC)**. This request included approximately $5 million for increased compliance monitoring and enforcement, and support for World Trade Organization and Free Trade of the Americas negotiations. The Senate appropriated $28.2 million. The Senate Appropriations Committee recommended that $23.5 million of these funds be used for compliance efforts and $1.5 million for field officers to monitors compliance in China, Japan, the European Union and other markets. The Conference appropriated $31.2 million: $3.5 million more than MAC's $27.7 million appropriation in FY2002.

- In the President's FY2003 budget, the **Import Administration (IA)** unit received a $7.6 million increase to $53.6 million in FY2003 — up from $46 million in FY2002, including an additional $5.9 million request for anti-dumping and countervailing duty enforcement. The Senate appropriated $44 million. The Senate Appropriations Committee specified $1.5 million of this amount for overseas anti-dumping and countervailing subsidy monitoring and compliance efforts; $3.5 for the agency to monitor import surges in key sectors and to take expedited action to respond to such surges; and $2.5 to review and evaluate the compliance of China and Japan with regard to their existing World Trade Organization (WTO) commitments on anti-dumping and countervailing subsidies. The Conference appropriated $44.2 million, a $1.8 million cut from FY2002.

- The Administration requested $201.8 million for the **U.S. and Foreign Commercial Service (USFCS)**, an increase of $6 million from the $195.8 million appropriated in FY2002. In part, this increase was designed to fund trade compliance-related training for U.S. Export Assistance Center employees and seminars for U.S. exporters. The Senate provided $199.6 million for USFCS. The Conference appropriated $202 million, a $6.2 million increase from FY2002. The agency had reviewed its fee based programs with an intent to recoup more of its costs through fees. ITA's FY2003 budget justification cautioned that increased funding for several programs were dependent on receiving at least $10 million in additional fee collections.

The President's FY2003 request for the ***Bureau of Industry and Security(BIS)*** (formerly the ***Bureau of Export Administration***) was $103.3 million, a $34.4 million increase from the level Congress enacted in 2002 ($68.9 million). This figure represents a $14.4 million increase for BXA's principal activities including administering and enforcing the Export Administration Regulations, ensuring U.S. compliance with multilateral proliferation control regimes, and managing the Critical Infrastructure Assurance Office (CIAO). An additional $20 million was requested to fund the Homeland Security Information and Technology Evaluation Program within CIAO to coordinate information technology policy with the Office of Homeland Security and OMB and better utilize federal information systems for homeland security purposes. The CIAO was transferred to the Information Analysis and Infrastructure Protection Unit of the Department of Homeland Security.

The Senate recommended $100.2 million, a $3.1 million reduction from the President's FY2003 request. The Senate language directed that industry development programs of BIS be transferred to the International Trade Administration. These programs are located with the Bureau's Office of Strategic Industry and Economic Security. The Conference approved $74.7 million, a $5.8 million increase from FY2002, and directed that $7.3 million of that figure be used to fund Chemical Weapons Convention compliance activity.

The ***Economic Development Administration (EDA)*** has experienced an unsettled appropriations history over the past several Congresses.[12] Last year was typical. For FY2002, the Administration requested a substantial reduction ($76 million, or 17%) in EDA's overall funding. The House set funding for FY2002 at the Administration's requested level, i.e., $30.6 million for Salaries and Expenses (S&E) and $335 million for Economic Development Assistance Programs (EDAP), for a total EDA appropriation of $365.6 million. The Senate Appropriations Committee recommended slightly more — $371.6 million. The conference agreement provided $30.6 million for S&E and $335 million for EDAP, for a total FY2002 appropriation of $365.6 million.

---

[12] For background, see CRS Issue Brief IB95100, *Economic Development Administration: Overview and Issues*, by (name redacted).

For FY2003, the Administration requested a total appropriation of $348 million for EDA. The conference agreement provides a total EDA appropriation of $320.8 million — $290 million for EDAP and $30.8 million for S&E. More specifically, $205 million is for Public Works and Economic Development, $40.9 million is for Economic Adjustment Assistance, $24 million is for planning, $9.1 million is for technical assistance (including university centers), $10.5 million is for trade adjustment assistance, and $500,000 is for research.

For the ***Minority Business Development Agency*** (MBDA), the Bush Administration request was $28.9 million for FY2003, about $.5 million (1.7%) above the $28.4 million appropriated in FY2002. The 107th Senate Appropriations Committee recommended $28.6 million, roughly $200,000 above the FY2002 appropriation. The FY2003 enacted funding was $28.9 million, which matched the Administration request.

The ***U.S. Patent and Trademark Office (USPTO)*** is funded by user fees collected from customers. After a series of Continuing Resolutions that funded the Office at FY2002 levels, the Omnibus Budget Act (P.L. 108 -7) provided the USPTO with the budget authority to spend $1,182.6 million for FY2003. Of this amount, $1,015.2 million is to be derived from offsetting collections and $166.8 million is from fees collected in previous years. The budget authority is 5% more than the previous fiscal year, but is less than the $1,527 million expected to be collected in patent and trademark fees in FY2003.

The Administration's FY2004 budget would provide the USPTO with the authority to spend $1,203 million from fees collected in that fiscal year. In addition, the Administration is proposing legislation to change the statutory fee structure to raise an additional $201 million to be spent by the Office. The expected $1,404 million in budget authority is $100 million less than the anticipated $1,504 million fee collection for FY2004.

Since 1990, appropriation measures have limited the Patent and Trademark Office's use of the full amount of fees collected in each fiscal year. This is an area of controversy. Opponents argue that since agency operations are supported by payments for services, the total amount of these collections should be available to provide for those services in the year the expenses are incurred. Proponents of the current approach maintain that the fees are necessary to balance the budget and that the level of fees appropriated back to the USPTO are sufficient to cover operating expenses.[13]

For FY2003, President Bush requested a total of $3.21 billion in appropriations for the ***National Oceanic and Atmospheric Administration (NOAA)***. Of this amount, $2.28 billion was requested for NOAA's Operations, Research and Facilities (ORF) account; $811.4 million for the Procurement, Acquisitions, and Construction (PAC) account; and $114.1 million for NOAA's Other Accounts. Additional budget authority of $75 million would be transferred from the Promote and Develop Fishery

---

[13] For more information see CRS Report RS20906, *U.S. Patent and Trademark Office Appropriations Process: A Brief Explanation*, by (name redacted).

Products and Research Pertaining to American Fisheries (PDAF) account, and $3 million in collected fees would be transferred to ORF from the Coastal Zone Management Fund (CZMF). Total Budget Authority requested for NOAA for FY2003 would be $3.33 billion. NOAA's Office of Financial Administration (OFA) reported that $574.8 million was requested for research and development (R&D) spending for FY2003.

The FY2003 request was 5.65% greater than the President's FY2002 request, and 1.35% less than FY2002 appropriations of $3.38 billion. Of the total ORF funding requested, $385.3 million was for the National Ocean Service (NOS); $603.5 million for the National Marine Fisheries Service (NMFS); $296.9 million for Oceanic and Atmospheric Research (OAR); $725.3 million for the National Weather Service (NWS); $151.9 million for the National Environmental Satellite Data and Information Service (NESDIS); and $213.2 million for Program Support. Program Support was subsequently divided as follows: $79.8 million for Corporate Services (NOAA Administration), $108 million for the Office of Marine and Aviation Operation (OMAO), and $24.6 million for NOAA Facilities (FAC). NOAA's Other Accounts include Pacific Coastal Salmon Funding (PCSF) for which $110 million was requested; $3 million from the CZMF, which is transferred to NOS; and $1.1 million for other fishery-related funds.

Highlights of the FY2003 President's request included significant changes to base funding for all NOAA programs for Civil Service Retirement System expenses (CSRS). These new obligations totaled $92.2 million in discretionary funding, expenses which were originally funded by the federal Office of Personnel Management (OPM). The OMAO request included $815,000 for new hires for NOAA's uniformed CORPS, and $36.7 million for the CORPS Officer's retirement fund (mandatory). Another significant change to base funding for OAR was a reduction of $62.4 million for the Ocean and Great Lakes Research Programs, which was premised on the President's proposal to transfer the National Sea Grant College Program to the National Science Foundation (NSF). This transfer was supported by the NOAA Administrator, who is also Undersecretary of Commerce for Oceans and Atmosphere. In addition, the President requested a total of $348.5 million for coastal conservation spending for FY2003, authorized under the Coastal and Estuarine Lands Conservation Program (CELCP) in Title VIII of Department of Interior Appropriations for FY2001 (P.L. 106-552). That funding was proposed to be divided as follows: NOS, $184.5 million; NMFS, $52.8 million; OAR and NESDIS, $1.2 million; and PCSF, $110.0 million.

In the Defense Appropriations Act for FY2002 (P.L. 107-117), NOAA received additional funding of $2.75 million for NESDIS for satellite control operations security, and $0.75 million for oversight and enforcement of the licencing program for satellite data and imagery. Funding was also restored under that same Act for DOD/USAF, a partner of NOAA in NPOESS, a program to consolidate all federal polar orbiting environmental observation satellites systems under one program. This funding raised total appropriations for NPOESS to levels requested for FY2002; similar levels were requested for FY2003. The President's request for Homeland Security activities at NOAA for FY2003 was $24.6 million. New for FY2003, $8.7 million was requested for an "Energy Initiative" under OAR which would both manage the agency's research facilities energy use and assist the entire nation with

weather advice to help conserve energy nation-wide. The President also proposed legislation to establish a Business Management Fund to manage NOAA's operating costs. For information on NOAA funding for FY2002, see CRS Report RL31117, *National Oceanic and Atmospheric Administration: a Review of the FY2002 Budget Request and Appropriations*.

The FY2003 CJS appropriations bill, reported by the Senate Committee on Appropriations (S. 2778, S.Rept. 107-218) on July 24, 2002, would provide total appropriations of $3.350 billion for NOAA, which is $216.7 million, or about 4.4%, more than the President's request of $3.210 billion for FY2002, and almost 7.0% more than the FY2002 funding level of $3.133 billion. FY2003 ORF funding levels approved by the Committee would be $2.337 billion, including $78.2 million in transfers from Other Accounts, and ORF funding would be divided as follows: $403.5 million for NOS; $587.9 million for NMFS; $395.7 million for OAR; $682.0 million for NWS; $133.8 million for NESDIS; and $202.9 million for Program Support, including $89.5 million for Corporate Services, $95.9 million for the Office of Marine Aviation Operations, and $17.5 million for FAC. Total PAC appropriations approved for FY2003 would be $903.4 million, and include $102.4 million for NOS, $24.0 million for NMFS, $17.1 million for OAR, $66.8 million for NWS, $608.6 million for NESDIS, and $84.5 million total for Program Support. Further, the Committee approved $110.1 million for NOAA's Other Accounts including, $95 million for the Pacific Coastal Salmon Recovery Fund, an increase of $5.0 million above the President's FY2003 request; $20 million for Pacific Salmon Treaty obligations; $1.4 million for various fishery accounts. Further, $3.0 million would be transferred to ORF from CZMF; and there would be a $3.0 million reduction from fisheries financing.

S. 2778 requires the National Sea Grant College Program to remain in NOAA, where it would be funded at $63.4 million for FY2003. In addition, the bill would provide $20.0 million for exploration of the world's oceans, $6.0 million more than FY2002 levels; create a new initiative, "Ocean Health," which it would fund at $10 million; provide $1 million to establish a NEPA office in NMFS and to encourage NOAA to improve its fisheries management capabilities; provide $4.0 million for NOAA responsibilities under the National Invasive Species Act; and encourage NOAA to develop plans for a national system of ocean observation platforms, including a relocatable underwater laboratory/habitat. The Committee further approved $2.0 million for Arctic Research; would provide $14 million for minority colleges and universities to train future scientists; would provide $3.5 million for fisheries and shellfish restoration in the Chesapeake Bay; and would establish a Business Management Fund in NOAA. Conservation spending approved for FY2003 is $480 million, with $264.5 million of that intended for ORF; $100.5 million for PAC, and $115 million for PCSF.

The Committee did not approve $18 million requested for NOAA's part in the President's Climate Change Research Initiative (CCRI), but instead it noted its support for climate research activities being conducted under the U.S. Global Change Research Program. The report did not address the proposed NOAA "Energy Initiative," but would provide a $23.2 million increase for homeland security programs, and would include funding for a NWS weather and climate supercomputing backup, and backup for other programs in NESDIS recommended

under the President's Critical Infrastructure Protection Initiative. Further, the report addresses the President's proposal to transfer financial responsibilities for CSRS and retiree health benefits for all civilian employees to federal agencies. The Senate Appropriations Committee noted that because the Senate Government Affairs Committee — which has authorizing jurisdiction over such matters — had not considered the proposal, funding tables in S.Rept. 107-218 exclude amounts proposed for funding those benefits. S. 2778 is under consideration by the Senate.

On July 19, 2002, Conferees reported out H.R. 4775, the *Homeland Security Emergency Supplemental Appropriations Act for FY2002* (H.Rept. 107-593). Appropriations for NOAA under this Act would total $33.5 million, including $4.8 million in ORF funding for homeland security expenses incurred by the agency in FY2002. Of this amount, $2.0 million is for NOS to address critical mapping and charting backlog requirements, and $2.8 million is for NESDIS to develop backup capability for NOAA's critical satellite products and services. $2.5 million is provided for a coral reef mapping program and some $25.1 million would be slated for various fishery programs. In addition, $7.2 million is for a NWS supercomputer backup, which would be funded under NOAA's PAC account. Under the original Senate bill (S. 2551), an $8.1 million rescission was proposed from funding provided for NPOESS in FY2002; however, H.R. 4775 (amended) rescinds $8.1 million from funding provided by Section 817 of P.L. 106-78 (Norton Sound Fisheries agriculture transfer), instead. The President signed H.R. 4775 into law as P.L. 107-206 on August 2, 2002.

On January 8, 2003, Rep. Wolf introduced H.R. 247, which recommended House funding for CJS Appropriations for FY2003. It was subsequently referred to the House Appropriations Committee. H.R. 247 proposed a total of $2.97 billion for NOAA, and reduced funding for most of NOAA's line offices below the President's request, except for NWS. Of total appropriations proposed, $2.14 billion was for ORF. Some $701.3 million was for PAC, and $133.3 million was for NOAA's Other Accounts. Additional budget authority of $92 million would be provided from transfers and deobligations. H.R. 247 also provided additional funding of $40 million for a final payment for U.S. requirements under the 1999 Pacific Salmon Treaty. A total of $305 million was for NOAA conservation programs. In addition, $7 million was rescinded from unobligated "Coastal Impact Assistance" funds. H.R. 247 also authorized "such sums as necessary," for new mandatory funding for NOAA retirees' pay and other expenses. Costs were estimated to be around $52 million.

On January 13, the Senate Appropriations Committee reported H.J.Res. 2 (amended), its version of FY2003 CJS Appropriations. S.Amdt. 1 was a new bill in the nature of a substitute, which recommended a total of $3.35 billion for NOAA. Of that sum, $2.35 billion would be for ORF; $903.4 million would be for PAC; and $93.8 million for NOAA's Other Accounts. Overall funding levels were slightly greater than those proposed in S. 2778, because of proposed increases for NOS and NMFS; however, there would be a decrease for NOAA's Other Accounts. The amendment authorized $52.3 million in mandatory spending for NOAA retirees' pay and health benefits. In most cases, funding recommendations were greater than those requested by the President for NOAA for FY2003, except for NWS, NESDIS, and Program Support. Funding levels were greater than those proposed in H.R. 247, except for NWS, NESDIS and Other Accounts. Further, as in S. 2778, the Sea Grant

program was funded within NOAA (OAR) at $63 million, rather than in NSF. The Senate passed H.J.Res. 2 (amended) by unanimous consent on January 13, 2003. Overall spending levels for NOAA did not change from Committee-recommended levels, except funding for Other Accounts increased by $0.7 million. Senate floor amendments to H.J.Res. 2, which affected NMFS funding, called for the transfer of $20 million from the PDAF account to create an "Alaska Fisheries Marketing Board," and $3 million for Louisiana oyster industry disaster assistance.

On January 13, conferees on H.J.Res. 2 approved the FY2003 Consolidated Appropriations Resolution, Section K of which funded NOAA. On February 15, 2003, conferees reported the resolution (H.Rept.108-10). Appropriations for NOAA were $3,194.6 million, with $2,316.5 million of that for ORF, $759 million for PAC, and $59 million for Other Accounts. Additional spending authority of $75 million would be derived from transfers and deobligations. NOS, NWS, and NESDIS received funding levels greater than any approved previously; however, NMFS, OAR and Program Support received decreases. Funding for PAC was reduced, but funding for Other Accounts increased, owing to an additional $40 million authorized as a final payment for the 1999 Pacific Coastal Salmon Treaty. The conferees also approved a transfer of $10 million for Alaskan seafood marketing program from the PDAF account (Section 209), and $3 million for Louisiana oyster industry relief from NMFS funding. Further, $7 million was rescinded from unobligated balances under "Coastal Impact Assessment." Conferees appropriated $50.9 million for fisheries replacement vessel (FRV) #2 under Program Support. NOAA's Administrative expenses for FY2003 were capped at $243 million. Notable funding for FY2003 also included $574 million for the weather satellites system (NESDIS), and $760 million for the National Weather Service "to ensure better weather forecasting."

The ***National Institute of Standards and Technology (NIST)*** received $712.1 million in appropriations for FY2003, an increase of almost 5% above FY2002. Included in this figure is $359.4 million for intramural R&D performed under the Scientific and Technical Research and Services (STRS) account, $180 million for the Advanced Technology Program (ATP), $106.6 million for the Manufacturing Extension Partnership (MEP), and $66.1 million for construction. Funding for activities under the STRS account is 12% above the previous fiscal year while support for ATP and MEP remain fairly constant.

The Bush Administration's FY2004 budget request includes $496.8 million for NIST, 30% less than the FY2003 appropriation. The major portion of this decreased funding is due to significant cuts in support for the Advanced Technology Program and the Manufacturing Extension Partnership, two extramural programs operated by NIST. The $27 million requested for ATP is to cover on-going commitments; no new projects would be funded. The $12.6 million for MEP is to finance the operation of centers that have not reached 6 years of federal support.[14] Internal

[14] For additional information see CRS Report 97-104, *Manufacturing Extension Partnership Program: An Overview*, by (name redacted).

agency R&D under the STRS account would receive $387.6 million, an increase of 8% over the previous fiscal year. The construction budget would be $69.6 million.[15]

Continued support for the Advanced Technology Program has been a major funding issue.[16] ATP provides "seed financing," matched by private sector investment, to businesses or consortia (including universities and government laboratories) for development of generic technologies that have broad applications across industries. Opponents of the program cite it as a prime example of "corporate welfare," whereby the federal government invests in applied research activities that, they maintain, should be conducted by the private sector. The Clinton Administration defended ATP, arguing it assisted businesses (and small manufacturers) develop technologies that, while crucial to industrial competitiveness, would not or could not be developed by the private sector alone. Since FY2000, the initial appropriation bills passed by the House have contained no further funding for ATP, although the program has continued to receive funding in the final versions of the appropriations bills. The Bush Administration's FY2004 budget proposal once again would eliminate the program.

The ***Office of the Undersecretary for Technology and the Office of Technology Policy (OTP)*** was funded at $9.9 million in FY2003, a 21% increase over the previous fiscal year. The Bush Administration's FY2004 budget calls for funding OTP at $8 million.

For FY2003, the ***National Telecommunications and Information Administration (NTIA)*** received $73.7 million, including $15.5 million for the Technology Opportunities Program (TOP) grants (the Administration had requested the elimination of the TOP grants in FY2003), $43.6 million for the Public Telecommunications Facilities, Planning and Construction (PTFPC) program, and $14.7 million for salaries and expenses. For FY2004, the Bush Administration has proposed that NTIA receive $21.4 million, down from $73.7 million appropriated for FY2003. Much of this change would come from the Bush Administration's intent to eliminate funding in FY2004 for TOP, and to suspend the PTFPC program by giving it $3 million to finish ongoing projects. While critics of the TOP grants contend that the program has achieved its objectives of funding pilot programs in areas that do not have easy or direct access to the Internet or high-speed telecommunications, supporters maintain that the program is very important to closing the "digital divide." For PTFPC, the Bush Administration would like the Corporation for Public Broadcasting to pick up responsibility of this program, which in recent years has supported conversion of public broadcast transmission to digital. Finally, the Bush Administration has proposed that salaries and expenses for NTIA, the third part of the administration's budget, be $18.8 million for FY2004.

The ***Government Performance and Results Act (GPRA)*** enacted by Congress in 1993 (P.L. 103-62; 107 Stat 285) required that agencies develop strategic plans

---

[15] For more information see CRS Report 95-30, *The National Institute of Standards and Technology: An Overview*, by (name redacted).

[16] For additional information see: CRS Report 95-36, *The Advanced Technology Program*, by (name redacted).

that contain goals, objectives, and performance measures for all major programs. The latest Strategic Plan issued by the Department of Commerce for years FY2000-FY2005 listed three strategic goals:

- Strategic Goal l. Provide the information and the framework to enable the economy to operate efficiently and equitably.
- Strategic Goal 2. Provide infrastructure for innovation to enhance American competitiveness.
- Strategic Goal 3. Observe and manage the Earth's environment to promote sustainable growth.

As mandated by GPRA, the Department's FY2001 Annual Program Performance Report and FY2003 Annual Performance Plan were released with the FY2002 budget proposal. Both the program plan and report are available at: [http://www.doc.gov/bmi/budget/].

Title II. Department of Commerce and Related Agencies

(millions of dollars)

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Departmental Management	63.0	70.9	68.9	62.1	65.6
Bureau of the Census	479.5	705.3	557.7	558.9	554.5
Economic and Statistical Analysis	62.5	73.2	73.2	72.2	72.2
International Trade Administration	345.5	363.7	360.8	350.2	362.2
Bureau of Industry and Security	70.6	100.2	69.9	100.2	74.7
Minority Business Development Agency	28.4	28.9	28.9	28.9	28.9
National Oceanic and Atmospheric Administration	3,249.7	3,130.6	2,965.9	3,349.5	3,194.6
Patent and Trademark Office[a]	(1,127.5)	(1,304.4)	(1,256.0)	(1,205.6)	(1,182.0)
Technology Administration	8.2	7.9	7.9	7.9	9.9
National Institute of Standards and Technology	684.8	563.1	515.5	721.2	712.1
National Telecommunications and Information Administration	81.3	60.3	75.2	73.5	73.8
Economic Development Administration	365.6	348.0	348.0	288.7	320.8
Subtotal: Commerce Department	5,723.0	5,552.2	5,171.9	5,830.0	5,685.8

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Office of the U.S. Trade Representative	30.1	32.3	32.0	33.0	35.0
International Trade Commission	51.4	54.0	53.0	54.6	54.0
Subtotal: Related Agencies	81.5	86.3	85.0	87.6	89.0
Total: Dept. of Commerce and Related Agencies	**5,804.5**	**5,638.5**	**5,256.9**	**5,917.6**	**5,774.8**

[a] The Patent and Trademark Office (PTO) is fully funded by user fees. The fees collected, but not obligated during the current year, are available for obligation in the following fiscal year. The prior-year carryover funds *count against* the FY2003 total appropriation for the Dept. of Commerce. For example, in the enacted FY2002 amount, $282.3 million in prior-year carry over funds (plus $1.5 in emergency supplemental funds) counted toward the Commerce Department total, but current year fee funding does not.

Related Legislation

S. 149 (Enzi et al.); H.R. 2581 (Gilman)

Export Administration Act of 2001. A bill to provide authority for national security and foreign policy export controls. S. 149 introduced January 23, 2001; reported from the Senate Banking Committee with amendments, March 22, 2001; passed the Senate on September 6, 2001; H.R. 2581 introduced, July 20, 2001; reported by the House International Relations Committee with amendments, August 1, 2001; reported by the House Armed Services Committee with amendments, March 6, 2002.

H.R. 4687 (Boehlert)

National Construction Safety Team Act. Bill provided for the establishment of investigative teams to assess building performance and emergency response and evacuation procedures in the wake of any building failure that has resulted in substantial loss of life or that posed significant potential loss of life.

S. 2862 (McCain)

Firefighting Research and Coordination Act. Bill provided for the development of standards for firefighter equipment and improve intergovernmental coordination of first responder training programs. The bill was reported by the Senate Committee on Commerce, Science, and Transportation on November 18, 2002.

Additional Reading

CRS Report 95-36. *The Advanced Technology Program*, by (name redacted).

CRS Report RL31680, *Homeland Security: Standards for State and Local Preparedness*, by Ben Canada.

CRS Report 97-104. *Manufacturing Extension Partnership: An Overview*, by (name redacted).

CRS Report 95-30. *The National Institute of Standards and Technology: An Overview*, by (name redacted).

CRS Report RL31117. *National Oceanic and Atmospheric Administration (NOAA): Review of FY2002 Budget Request and Appropriations*, by (name redacted).

CRS Report RL30169. *Reauthorization of the Export Administration Act*, coordinated by (name redacted).

CRS Report RS20906. *U.S. Patent and Trademark Office Appropriations Process: A Brief Explanation*, by (name redacted).

The Judiciary

Background

Typically, Title III of the CJS appropriation covers funding for the Judiciary. By statute (31 U.S.C. 1105 (b)) the judicial branch's budget is accorded protection from presidential alteration. Thus, when the President transmits a proposed federal budget to Congress, he must forward the judicial branch's proposed budget to Congress unchanged. That process has been in operation since 1939. The total appropriation for the Judiciary in FY2002 was $4.71 billion.

The Judiciary budget consists of more than 10 separate accounts. Two of these accounts fund the Supreme Court of the United States — one covering the Court's salary and operational expenses and the other covering expenditures for the care of its building and grounds. Traditionally, in a practice dating back to the 1920s, one or more of the Court's Justices appear before either a House or Senate appropriations subcommittee to address the budget requirements of the Supreme Court for the upcoming fiscal year, focusing primarily on the Court's salary and operational expenses. Subsequent to their testimony, the Architect of the Capitol submits a request for the Court's building and grounds account.[17] Although it is at the apex of the federal judicial system, the Supreme Court represents only a very small share of the Judiciary's overall funding. For FY2002, the total appropriations enacted for the Supreme Court's two accounts, $107.5 million, were less than 2.3% of the Judiciary's overall appropriation of $4.71 billion.

The rest of the Judiciary's budget provides funding for the "lower" federal courts and for related judicial services. Among the lower court accounts, one dwarfs

---

[17] By authority of the Act of May 7, 1934 (P.L. 73-211), the Architect of the Capitol is responsible for the structural and mechanical care of the Supreme Court building, including care of its grounds. The Architect, however is not charged with responsibility for custodial care, which is under the jurisdiction of the Marshal of the Supreme Court.

all others — the Salaries and Expenses account for the U.S. Courts of Appeals and District Courts. The account, however, covers not only the salaries of circuit and district judges (including judges of the territorial courts of the United States), but also those of retired justices and judges, U.S. Court of Federal Claims, bankruptcy and magistrate judges, and all other officers and employees of the federal Judiciary not specifically provided for by other accounts.

Other accounts for the lower courts include Defender Services (for compensation and reimbursement of expenses of attorneys appointed to represent criminal defendants), Fees of Jurors, the U.S. Court of International Trade, the Administrative Office of the U.S. Courts, the Federal Judicial Center (charged with furthering the development of improved judicial administration), and the U.S. Sentencing Commission (an independent commission in the judicial branch, which establishes sentencing policies and practices for the courts).

The annual Judiciary budget request for the courts is presented to the House and Senate appropriations subcommittees after being reviewed and cleared by the Judicial Conference, the federal court system's governing body. These presentations, typically made by the chairman of the Conference's budget committee, are separate from subcommittee appearances a Justice makes on behalf of the Supreme Court's budget request.

The Judiciary budget does not appropriate funds for three "special courts" in the U.S. court system: the U.S. Court of Appeals for the Armed Forces (funded in the Department of Defense appropriations bill), the U.S. Tax Court (funded in the Treasury, Postal Service appropriations bill), and the U.S. Court of Appeals for Veterans Claims (funded in the Department of Veteran Affairs and Housing and Urban Development appropriations bill). Construction of federal courthouses also is not funded within the Judiciary's budget. The usual legislative vehicle for funding federal courthouse construction is the Treasury, Postal Service appropriations bill. (For more details on individual appropriations for Judiciary functions, see the appendix.)

FY2003 Funding Issues

Overview of the Judiciary's Budget Request for FY2003. The FY2003 appropriations bill (H.Rept. 108-10) provided $4.92 billion for the Judiciary — roughly $324 million below the requested level, but $197 million above the FY2002 amount. Earlier in the 108th Congress, the Senate had set total funding for the Judiciary at $4.95 billion, compared with $4.97 billion in a House-introduced bill. For more detail on 108th House and Senate funding levels, see table at the end of this section and in the appendix.

For FY2003, the Judiciary had requested $5.24 billion in total funding. More than three quarters of this amount, $4 billion, was to be in the Judiciary's largest account, Salaries and Expenses for the Courts of Appeals, District Courts and Other Judicial Services. The FY2003 omnibus appropriations bill provided $3.8 billion for this account, a 5.6% increase over FY2002 funding of $3.6 billion.

In keeping with the Judiciary's request, the omnibus FY2003 appropriations bill provided increases for all of the other Judiciary accounts, except for two — the Supreme Court's Building and Grounds account and Judicial Retirement Funds.[18] In a separate bill, Congress also agreed to the Judiciary's request for a cost-of-living salary adjustment for federal judges and justices. That request, as well as those for the Supreme Court, and for two of the Judiciary's other larger accounts, Court Security and Defender Services, are discussed in the following paragraphs.[19]

Supreme Court. The budget request of the Supreme Court for FY2003, as customary, was in two parts. For its first account, Salaries and Expenses, the Court had requested $46.3 million — 15.8% over FY2002 budget authority.[20] The enacted FY2003 appropriations bill provided $45.7 million, roughly $600,000 below the requested level, but $5.7 million above the FY2002 amount.

For the Court's second account, Care of the Building and Grounds, the FY2003 omnibus bill provided $41.6 million, roughly $12 million below the requested level[21] and $26 million below the FY2002 amount. However, House and Senate conferees (p. 734 of H.Rept. 108-10) said that they understood that "these additional obligations [of $12 million] will occur in subsequent fiscal years and therefore may be budgeted in those fiscal years."

Court Security. The enacted FY2003 omnibus appropriation bill provided $268.4 million for this account, which is roughly $29.8 million below the requested level and $47.7 million above the FY2002 level. Conferees for the FY2003 bill (p. 736 of H.Rept. 108-10) noted that Court Security "is a unique account appropriated to the Judiciary but primarily managed by the Department of Justice." The conferees said they expected the Director of the U.S. Marshals Service "to provide the same level of budgetary and program oversight to this program as programs appropriated directly to the U.S. Marshals Service."

---

[18] The FY2003 appropriations bill provided the same amount for Judicial Retirement Funds as that requested by the Judiciary, $35.3 million, a 4.6% decrease from FY2002.

[19] For more information FY2003 funding for the Judiciary, see *Congressional Record*, daily edition, vol. 149, Feb. 12, 2003 (Book II), p. H932.

[20] Most of the requested increase, $4.0 million, the Court said, was to fund adjustments to base and maintain current services. The rest of the increase, $2.3 million, was for program increases, including $1.6 million for automation enhancements.

[21] In its FY2003 budget submission, the Court had specified that $49.8 million of its $53.6 million request would be carried forward from FY2002 and retained in the budget base on a "No Year" basis for the Supreme Court Building modernization project. The request for a decreased appropriation for this account in FY2003 followed the FY2002 enacted appropriation of $37.5 million and an emergency supplemental of $30.0 million provided for security. The two separate appropriations, according to the Judiciary, allowed $63.8 million to be made available for the Court building's modernization project in FY2002. In addition, the Court requested a second emergency FY2002 appropriation of $10 million for its Building and Grounds account, to pay for Court perimeter security enhancements. The $10 million as requested was included in the supplemental appropriations bill, H.R. 4775, which was signed into law (P.L. 107-206) on August 2, 2002. The FY2003 omnibus bill provided no additional funds from FY2002 emergency supplemental appropriations.

The Judiciary had requested $298.2 million, a 7.2% increase, which, it explained, included $45.6 million for the annualized, recurring costs associated with increased court security officer hours, additional deputy U.S. marshals, and enhanced screening (all of which were implemented subsequent to the September 11, 2001 terrorist attacks in New York City and Washington, D.C.) The largest requested program increase, of $5.4 million, would fund perimeter security improvements at federal court courthouses.

Besides seeking funding for Court Security in its regular annual appropriation, the Judiciary, since September 11, 2001, had obtained emergency supplemental funding. Of $278.2 million appropriated for Court Security in FY2002, $77.2 million came from emergency supplemental funding to enhance security at federal court facilities nationwide. Of the $77.2 million, $19.7 million was provided by the President through an emergency allocation on October 17, 2001, and $57.5 million came from the supplemental signed by the President on January 10, 2002, P.L. 107-117.

Subsequently, on July 19, 2002, another emergency supplemental bill, H.R. 4775, was approved by House-Senate conferees, which included additional funding for court security measures, though not in the Judiciary's Court Security account. (Following its approval in conference, H.R. 4775 was passed by the House and Senate on July 23 and 24, 2002, respectively, and signed into law (P.L. 107-206) on August 2, 2002.) As noted above, H.R. 4775 included $10.0 million to address the Supreme Court building's perimeter security needs. In addition, the supplemental bill included $7.1 million for increased costs associated with terrorist-related trials in Alexandria, VA; Boston; and New York City. (The $7.1 million appropriation was to go to the Judiciary's Courts of Appeals, District Courts, and Other Judicial Services — Salaries and Expenses account.) Of the $7.1 million, $5.2 million was for perimeter security enhancements such as protective window film for courts with terrorist trials, and $1.9 million for costs associated with the closed circuit transmission of the criminal trial of Zacarias Moussaoui to victims of the September 11, 2001 attacks.[22]

Defender Services. This account funds the operations of the federal public defender and community defender organizations, and the compensation, reimbursement and expenses of private practice "panel attorneys" appointed by the courts to serve as defense counsel to indigent individuals accused of federal crimes. The FY2003 omnibus bill provided $538.5 million, which is roughly $50.2 million below the request, but $37.8 million above the FY2002 amount.

---

[22] The $7.1 million amount appropriated in H.R. 4775 specifically for federal courts with terrorist-related trials was much less than what the Judiciary sought for its Court Security account in the supplemental legislation. Specifically, the Judiciary requested $240 million for protective film or laminate for windows in federal courthouses throughout the country. Conferees for H.R. 4775 also declined to approve the Judiciary's request for $857,000 for security improvements at the U.S. Court of Appeals for the Federal Circuit in Washington, D.C. The conferees said they strongly supported the security needs of the Federal Circuit court and understood that the General Services Administration (GSA) was working with the court to provide for its security needs.

Earlier, the Judiciary had sought $588.8 million, a 17.6% increase. Nearly all of the requested increase, $87.5 million, according to the Judiciary, consisted of adjustments to base to maintain current services. Specifically, of that overall amount, $30.1 million would "annualize" in FY2003 the hourly increase in the pay rate of panel attorneys approved by Congress in the FY2002 CJS-Judiciary bill.[23] Another $17.1 million in requested funding would increase the hourly panel attorney rate from $90 to $113 effective April 1, 2003. In its FY2003 budget submission to Congress, the Judiciary termed the requested $17.1 million increase as an adjustment to base "rate adjustment" rather than a program increase. The Judiciary explained that under the Criminal Justice Act, as revised in 1986, the Judicial Conference is authorized to make annual adjustments to the panel attorney hourly pay rate. Accordingly, funding to increase the hourly rate to $113, the Judiciary said, would ensure that it would not be "further eroded by inflation."

Conferees for the FY2003 omnibus bill explained (in H.Rept. 108-10, p. 735) that their agreement included an increase, as requested by the Judiciary, of $30.1 million to annualize the panel attorney rate increase provided in FY2002. They noted, however, that their agreement did not include the requested additional funding for an increase in the pay rate for panel attorneys to $113 an hour.[24]

Cost-of-Living Increase in Judges' and Justices' Salaries. The Ethics Reform Act of 1989 (P.L. 101-194, Sec. 704) created a statutory mechanism under which judges and other federal officials are to receive an annual salary adjustment, based on the Employment Cost Index (ECI), effective January 1. However, under the provisions of P.L. 97-92, Sec. 140, such annual adjustments for the judiciary must be specifically approved by Congress. Because the 107th Congress adjourned without enacting the permissive language, the January 2003 salary adjustment of 3.1%, which went into effect for Members of Congress and other legislative and executive branch officials, did not go into effect for the Judiciary. Subsequently, however, P.L. 108-6 (H.R. 16, 108th Congress) was enacted, providing that the judges would receive the pay increase, retroactive to January 1, 2003.[25]

---

[23] For FY2001, the pay rate for panel attorneys was $75 in-court and $55 out-of-court in most locations, which the Judiciary said was well below the amount the attorneys needed just to cover their overhead costs. In response, Congress agreed on an FY2002 increase in panel attorney pay to $90 per hour both in- and out-of-court, effective no later than May 1, 2002.

[24] The requested additional funding for a pay rate increase was turned down, they said, because of the "uncertainties between localities, the size of the increase approved in fiscal year 2002, and the level of funding required to annualize this increase in fiscal year 2003."

[25] For more detailed discussion of judicial salary policies, see CRS Report RS20278, *Judicial Salary-Setting Policy*, by (name redacted). On February 20, 2003, President Bush signed the Consolidated Appropriations Resolution, 2003 (H. J. Res. 2, 108th Congress). As passed by the Senate, that measure would have authorized the receipt of the pay raise by the judiciary (Sec. 304). However, that section was excised in conference. The situation was further complicated because Sec. 637 provided an increase in the January 2003 salary adjustment for General Schedule (GS) employees, and that could have an impact on judicial salaries. Under the Ethics Reform Act, as amended, the salaries of officials are limited to the rate of adjustment in basic pay for the GS. The ECI adjustment for officials' salaries

(continued...)

Earlier, in July 2002, the Senate Appropriations Committee had recommended, and provided $8 million in funding for, a 4.1% cost-of-living increase in the salaries of lower federal court judges and Supreme Court justices (S. 2778, Sec. 304). Prior to the Senate committee action, the Judiciary, in its FY2003 budget submission, had requested $7.0 million to fund a 2.6% cost-of-living increase for judges and justices, consistent with the expected 2003 salary adjustment for federal employees.[26]

The FY2003 pay adjustment follows similar upward adjustments in judges' and justices' salaries which Congress approved in fiscal years 2002, 2001, 2000, 1998, and 1993. Congress, however, declined to authorize such adjustments for FY1999 or for fiscal years 1994 through 1997.

As part of the budget process, the Government Performance and Results Act (GPRA) enacted by Congress in 1993 (P.L. 103-62; 107 Stat. 285) requires that agencies develop strategic plans that contain goals, objectives, and performance measures for all major programs. However, as noted earlier, the judicial branch is not subject to the requirements of this Act.

Title III. Judiciary

(millions of dollars)

Department or Agency	FY2002 Enacted	FY2003 Request	House Bill H.R. 247	Senate Bill H.J.Res. 2	FY2003 Enacted
Supreme Court — Salaries and Expenses	40.0	46.3	45.7	44.4	45.7
Supreme Court — Building and Grounds	67.5	53.6	41.6	53.3	41.6
U.S. Court of Appeals for the Federal Circuit	19.3	21.9	20.5	20.1	20.3
U.S. Court of International Trade	13.1	13.8	13.7	13.5	13.7

[25] (...continued)
was scheduled to have been 3.3%. Since the adjustment in GS basic rates of pay went into effect at 3.1%, the salary adjustment for officials was held to that rate. If at least 0.2% of the additional 1% enacted under the new law were applied to GS basic pay, the adjustments for officials would automatically increase to the full 3.3%.

[26] The Judiciary request came on the heels of the 2001 Year-End Report on the Federal Judiciary of Chief Justice William H. Rehnquist, who maintained that more than a cost-of-living adjustment was needed in the way of a judicial salary increase. The Chief Justice cited the "relatively low pay that federal judges receive, compared to the amount that a successful, experienced practicing lawyer can make." This, he said, along with the "often lengthy and unpleasant nature of the confirmation process," makes it "increasingly difficult to find qualified candidates for federal judicial vacancies." U.S. Administrative Office of the U.S. Courts, "2001 Year-End Report on the Federal Judiciary," *The Third Branch*, vol. 34, January 2002, p. 2.

Department or Agency	FY2002 Enacted	FY2003 Request	House Bill H.R. 247	Senate Bill H.J.Res. 2	FY2003 Enacted
Courts of Appeals, District Courts, Other Judicial Services — Salaries and Expenses	3,591.1	4,014.1	3,819.1	3,814.2	3,800
Vaccine Injury Act Trust Fund	2.7	2.8	2.8	2.8	2.8
Defender Services	500.7	588.7	545.1	531.8	538.5
Fees of Jurors and Commissioners	48.1	57.8	54.6	54.6	54.6
Court Security	278.2	298.2	286.2	276.3	268.4
Administrative Office of the U.S. Courts	64.5	66.9	64.9	64.7	63.5
Federal Judicial Center	19.7	21.9	20.9	20.2	20.9
Retirement Funds	37.0	35.3	35.3	35.3	35.3
U.S. Sentencing Commission	11.6	13.2	12.3	11.8	12.1
General Provisions — Judges' Pay Raise	8.6	7.0	7.9	8.0	0
Total: Judiciary	**4,707.2**	**5,241.6**	**4,970.6**	**4,950.9**	**4,917.4**

Related Legislation

P.L. 107-273 (H.R. 2215)

21st Century Department of Justice Appropriations Authorization Act. Includes provision for eight new permanent district judgeships, seven new temporary district judgeships, and conversion of four temporary district judgeships to permanent judgeships. Introduced in House, June 19, 2001; reported by Judiciary Committee (H.Rept. 107-125), July 10, 2001; passed House on voice vote, July 23, 2001. Reported by Senate Judiciary Committee with an amendment in nature of a substitute (without written report), October 30, 2001; passed Senate with amendments by Unanimous Consent, December 20, 2001. Conference report (H.Rept. 107-685) filed, September 25, 2002; report agreed to in House, September 25, 2002, by 400-4 vote; report agreed to in Senate by Unanimous Consent, October 3, 2002. Bill signed into law by President (P.L. 107-273).

H.R. 272 (Gonzalez)

Companion bill to S. 147. Introduced and referred to Judiciary Committee, January 30, 2001; referred to Subcommittee on Courts, the Internet, and Intellectual Property, February 12, 2001.

H.R. 570 (Biggert)

Federal Judicial Fairness Act of 2001. Repeals Federal statute limiting salary increases for Federal judges or Supreme Court Justices to those specifically authorized by Act of Congress, increases judicial pay immediately by 9.6%, and

provides for automatic annual cost-of-living increases in judicial salaries. Introduced, and referred to Judiciary Committee, February 13, 2001; referred to Subcommittee on Courts, the Internet and Intellectual Property, February 23, 2001.

H.R. 2522 (Coble)

Federal Courts Improvement Act of 2001. Sets forth or modifies various provisions regarding judicial process (including bankruptcy administrator authority to appoint trustees) and judicial personnel administration, benefits, and protections, (including provisions concerning disability retirement and cost-of-living adjustments of annuities for territorial judges, compensation for Federal Judicial Center employees; annual leave limit for judicial branch executives; and supplemental benefits for judicial branch employees). Introduced, and jointly referred to Judiciary Committee and Committee on Education and the Workforce, July 17, 2001. Referred to Judiciary Subcommittee on Courts, the Internet, and Intellectual Property, July 20, 2001; subcommittee hearings held, July 26, 2001. Jointly referred to Education and Workforce Subcommittee on Employer-Employee Relations and Subcommittee on 21st Century Competitiveness, October 9, 2001.

H.R. 4125 (Coble)

Federal Courts Improvement Act of 2002. Makes various administrative changes to federal judiciary procedures and allows for the establishment of a supplemental benefits program for officers and employees of the judicial branch. Introduced and referred to Judiciary Committee, April 10, 2002; referred to Judiciary Subcommittee on Courts, the Internet, and Intellectual Property, April 26, 2002; approved and reported to full Judiciary Committee, May 1, 2002; reported as amended by full Judiciary Committee (H.Rept. 107-700), September 30, 2002; passed House by 370-21 vote, October 1, 2002. Received in Senate, Oct. 2, 2002.

S. 147 (Feinstein)

Southwest Border Judgeship Act of 20001. Creates, in federal judicial districts in four southwest border States, nine permanent district judgeships and nine temporary district judgeships. Introduced, and referred to Judiciary Committee, January 23, 2001.

S. 1162 (Feinstein)

Companion bill to H.R. 570 (below). Introduced, and referred to Judiciary Committee, July 11, 2001.

Additional Reading

CRS Report 98-527. *Federal Courthouse Construction,* by (name redacted).

CRS Report RS20278. *Judicial Salary-Setting Policy*, by (name redacted).

U.S. Administrative Office of the United States Courts. "[Chief Justice's] 2002 Year-End Report on the Federal Judiciary," *The Third Branch*, vol. 34, January 2002, pp. 1-8, available at [http://www.uscourts.gov/ttb/jan03ttb/jan03.html], visited March 17, 2003.

Department of State and International Broadcasting

Background

The State Department, established July 27, 1789 (1 Stat.28; 22 U.S.C. 2651), has a mission to advance and protect the worldwide interests of the United States and its citizens. Currently, the State Department supports the activities of more than 50 U.S. agencies and organizations operating at 257 posts in 180 countries. As covered in Title IV, the State Department funding categories include ***administration of foreign affairs***, ***international operations***, ***international commissions***, and ***related appropriations***. The enacted FY2002 State Department appropriation was $7.9 billion. Typically, more than half of State's budget (about 71% allocated for FY2002) is for Administration of Foreign Affairs, which consists of salaries and expenses, diplomatic security, diplomatic and consular programs, technology, and security/maintenance of overseas buildings.

The Foreign Relations Authorization for FY1998-1999 (P.L. 105-277) provided for the consolidation of the foreign policy agencies. As of the end of FY1999, the Arms Control and Disarmament Agency (ACDA) and the United States Information Agency (USIA) were abolished, and their budgets and functions were merged into the Department of State.

Security issues have remained a top priority since the August 7, 1998 terrorist attacks on two U.S. embassies in Africa. An immediate response was a $1.56 billion supplemental enacted by the end of that year. In November 1999, the Overseas Presence Advisory Panel reported its findings on embassy security needs and recommendations. Also in November 1999, Congress authorized (P.L. 106-113) $900 million annually for FY2000 through FY2004 for embassy security spending within the ***embassy security, construction and maintenance*** (ESCM) account, in addition to worldwide security funds in the ***diplomatic and consular programs*** (D&CP) account.

After the September 11, 2001 terrorist attack, Congress passed emergency supplemental funds (P.L. 107-38 and P.L. 107-117) which included a total of $254.9 million for counter-terrorist and emergency response activities within the Department of State and $47.9 million for international broadcasting. In addition, Congress passed an FY2002 supplemental (H.R. 4775; H.Rept. 107-593) which provided $303 million for the Department of State and $15.1 million for international broadcasting. (For an account-by-account presentation, see CRS Report RL31370, *State Department and Related Agencies: FY2003 Appropriations*.)

The United States contributes in two ways to the United Nations and other international organizations: (1) voluntary payments funded in the Foreign Operations Appropriations bill and (2) assessed contributions included in the Commerce, Justice, and State Appropriations measure. Assessed contributions are provided in two accounts, ***international peacekeeping (CIPA)*** and ***contributions to international organizations (CIO)***. Following a period of dramatic growth in the number and costs of U.N. peacekeeping missions during the early 1990s, a trend that peaked in FY1994 with a $1.1 billion appropriation, funding requirements have declined in

recent years. The FY2000 enacted appropriation for CIO was $885 million, $500 million for international peacekeeping, and $351 million for U.S. arrearage payments to the U.N. if certain reform criteria were met. Only $100 million of the appropriated arrearage payments had been released because the reforms had not been implemented. After the United States lost its seat on the U.N. Human Rights Commission in 2001, the Foreign Relations Authorization bill added a provision (Sec. 601, H.R. 1646) that would have restricted payment of $244 million of U.S. arrearage payments to the U.N. until the United States regained its seat. After the September 11th attacks, however, Congress passed S. 248 (P.L. 107-46) which authorized arrearage payments to the U.N. (For more detail, see CRS Issue Brief IB86116, *U.N. System Funding: Congressional Issues*, by (name redacted)).

International broadcasting, which had been a primary function of the USIA prior to 1999, is now carried out by an independent agency referred to as the Broadcasting Board of Governors (BBG). The BBG includes the Voice of America (VOA), Radio Free Europe/Radio Liberty (RFE/RL), Cuba Broadcasting, Radio Free Asia (RFA), Radio Free Iraq, Radio Free Iran and the newly-authorized Radio Free Afghanistan. The BBG's FY2002 appropriation was $498.2 million including funds for over 3,400 staff positions. In FY2002 the BBG began a pilot project to create a new Middle East Radio Network (MERN) by reallocating base funds. The emergency supplementals passed in 2001 and 2002 included funding for expanded broadcasting by VOA and RFE/RL to Muslim audiences in and around Afghanistan and the creation of Radio Free Afghanistan.

FY2003 Funding Issues

The Administration's FY2003 budget request for the Department of State and international broadcasting totaled $8.1 billion, 3.5% above the FY2002 enacted level of $7.9 billion ($8.16 billion including supplementals). The request was comparable to the FY1999 enacted level which also included the $1.56 billion emergency supplemental appropriation for overseas security and Y2K computer compliance. Secretary of State Colin Powell testified before House and Senate committees in February, March, and April, 2002, that the Administration's State Department budget request for FY2003 continued to have the same three top priorities as the previous year: 1) embassy construction and security; 2) information technology; and 3) hiring additional Foreign and Civil Service staff.

The House FY2003 funding for State Department and broadcasting (H.R. 247) totaled $7.9 billion while the Senate level was set at $7.7 billion by H.J.Res. 2. The enacted total was $7.9 billion.

In early summer 2002, Congress debated whether to keep the authority of overseas visa issuance within the Department of State or move it into a new Department of Homeland Security. The Homeland Security Act (P.L. 107-296), signed November 25, 2002, provided for the Secretary of Homeland Security to have authority over visa issuance policies and regulations, while the activities and funding of visa issuance will continue to be through the Department of State. (For more detail the State Department budget, see CRS Report RL31370, *State Department and Related Agencies: FY2003 Appropriations and FY2004 Request*, by (name re dacted).)

The Administration sent a supplemental request to Congress on March 21, 2002, seeking an additional $51.05 million for D&CP, $2.5 million for CIF, $10 million for educational and cultural exchanges, $200.516 million for ESCM and $8 million for emergencies in diplomatic and consular service. Congress passed H.R. 4775 (H.Rept. 107-593) which provided FY2002 supplemental funding of $47.5 million for diplomatic and consular programs; $15 million for educational and cultural exchanges; $210.5 million for ESCM security; $7 million for U.S. contributions to international organizations; $23 million for U.S. contributions to international peacekeeping; and $15.1 million to international broadcasting accounts.

The President's FY2003 request of $5,886.9 million for State's ***administration of foreign affairs*** was slightly above the FY2002 enacted level, including supplemental funds. The ***administration of foreign affairs*** request included: $3,937 million for ***D&CP***, $177 million for the ***capital investment fund (CIF)***; $245 million for ***educational and cultural exchanges*** account; $1,305 million for ***ESCM***; and $15 million for ***emergencies in the diplomatic and consular services*** account.

In the 108th Congress, the House recommended $5,719.7 million for the ***administration of foreign affairs***: $3,822.3 million for ***D&CP***; $177 million for ***CIF***; $250.3 million for ***educational and cultural exchanges***; $1,255 million for ***ESCM***; and $10.5 million for ***emergencies in the diplomatic and consular services***. The Senate set $5,534.5 million for ***administration of foreign affairs***, $3,621.2 for ***D&CP***; $210 million for ***CIF***, $237.7 million for ***educational and cultural exchanges***; $1,255.7 million for ***ESCM***; and $6.5 million for ***emergencies in the diplomatic and consular services.*** The final enacted amounts were $3,822.3 million for D&CP; $183 million for CIF; $245.3 million for exchanges; $1,263.5 million for ESCM; and $6.5 million for emergencies in diplomatic and consular services.

Continuing an emphasis on overseas security particularly after the September 11th attacks, the Administration requested a total of $1,308 million for worldwide security upgrades, similar to last year's funding. Of this total, $553 million was within ***D&CP***, primarily for ongoing expenses of past actions such as salaries for more guards, maintenance of security technology, and hiring of 134 additional security professionals. In addition, the Administration requested $755 million within ***ESCM***, largely for upgrading overseas facilities, improving perimeter security, and meeting the needs of the most urgent embassy security projects. The House level was the same as the Administration for both worldwide security upgrades accounts, while the Senate set $579 million for worldwide security upgrades under the ***D&CP*** account and $732.7 million for worldwide security upgrades under ***ESCM***. The enacted levels were those of the House and the Administration. (For more detail, see CRS Report RL30662, *Embassy Security: Background, Funding, and the Budget*, by (name redacted).)

The nonsecurity-related funding request of $3,383.8 million within ***D&CP*** was primarily for salaries and expenses of personnel, as well as support for U.S. diplomatic activities around the world. Secretary Powell testified that, while the Department did get congressional approval and funding last year to increase hiring by 360 general staff, 186 security professionals, and technical experts in 2002, staffing gaps continue to exist. The FY2003 State Department request included funding for 631 new positions. That would amount to an increase in new hires of

more than 1,100 within two years. The House level for nonsecurity DC&P funding equaled $3,269.3 million and the Senate level was $3,042.1 million. Congress passed the House level in the omnibus budget bill.

The ***capital investment fund (CIF)***, which was established in 1994, provides for purchasing information technology and capital equipment to ensure efficient management, coordination, operation, and utilization of State's resources. For many years, State Department officials have testified that the Department's technology problems — ranging from archaic telephones and copy machines to lack of computers and Internet access — have received inadequate funding. This point was evident after the September 11th terrorist attacks when the embassies did not have the ability worldwide to communicate with each other or with State Department headquarters in Washington, D.C. The FY2003 request equaled $177 million. The House set the same level as the Administration request, while the Senate recommended a higher level of $210 million. Congress enacted $183 million for ***CIF*** in the final bill.

Educational and cultural exchange programs include programs such as the Fulbright, Muskie, and Humphrey academic exchanges, as well as the international visitor exchanges and some Freedom Support Act programs. Secretary of State Powell testified on Capitol Hill that he believes exchange programs are critical to promoting American ideals and democracy abroad. The Administration requested $245.3 million for the FY2003 exchange account, an increase of about $8 million (3.3%) over the FY2002 level. This amount would be the highest level for exchanges since the mid-1990s when the Freedom Support and the Support for East European Democracy (SEED) programs were first funded. The supplemental (P.L. 107-206) provided an additional $15 million to increase exchanges with Muslim populations. The House set its funding level for exchanges at $250.3 million; the Senate recommended $237.7 million, lower because of the supplemental funding. The final funding level amounted to $245.3 million, as the Administration had requested.

The Bush Administration requested $891.4 million for contributions to international organizations ***(CIO)***. The request provided full funding of U.S. assessed contributions to 43 international organizations including the World Health Organization, the North Atlantic Treaty Organization, the International Atomic Energy Agency, and the Organization for Economic Cooperation and Development. In addition, the Administration requested (and received) $7 million within the supplemental request to meet U.S. assessed obligations of costs of the U.N. Special Representative's operation in Afghanistan. The House bill set funding at $858 million while the Senate bill put it at $866 million. The Senate level was enacted by Congress.

The Administration requested $726 million for ***international peacekeeping*** ($118.2 million less than the FY2002 level) which would provide funding for ongoing peacekeeping activities in Kosovo, East Timor, Africa, and the Middle East. Funds would also support War Crimes Tribunals for Yugoslavia and Rwanda. The lower request reflected a lower peacekeeping assessment rate, and project terminations or reduction of operations in specified areas. The Administration requested that 15% of CIPA funds be provided as two-year funding because of the unpredictability of requirements for this account from year-to-year. Within the

supplemental request, the Administration sought an additional $43 million for CIPA to meet the U.S. share of projected increases in U.N. peacekeeping operations. Congress provided $23 million for the supplemental request for this account. The House funding level was identical to the Administration's request. The Senate recommended $673.7 million, which was the amount enacted.

The Administration's FY2003 request for ***international broadcasting*** totaled $507 million or about 2% above the FY2002 level including the emergency supplemental. The request included $25.4 million for Cuba Broadcasting and $13.7 million for capital improvements. The request sought funding for surge broadcasting to South/Central Asia and the Middle East, AM transmitting facilities in Egypt and Djibouti, and broadcasting in Arabic and other languages among Muslim populations. The ***capital improvements*** funding request of $13.7 million would provide continued financial support for technical improvements and maintenance of existing facilities, as well as medium wave transmission capability in the Middle East. In addition, the Administration requested supplemental funding of $7.4 million for expanding broadcasting services in the Dari and Pashto languages; Congress provided 15.1 million for expanding those services and for infrastructure-related needs in the supplemental. The House set total ***international broadcasting*** funds at $509.5 million, with $13.7 million for ***capital improvements*** and nothing designated for ***Cuba Broadcasting***. The Senate passed $470.2 million for the total broadcasting package, including $13.7 million for ***capital improvements*** and $25 million for ***Cuba Broadcasting.*** Congress finally enacted a total of $506.6 million for ***international broadcasting*** which included $12.7 million for ***capital improvements*** and $25 million for ***Cuba Broadcasting.***

The ***Government Performance and Results Act (GPRA)*** enacted by Congress in 1993 (P.L. 103-62; 107Stat 285) required that agencies develop strategic plans that contain goals, objectives, and performance measures for all major programs. State's most recent GPRA report : *U.S. Department of State Performance Plan, Fiscal Years 2001 - 2002*, September 2001, established the following 8 categories of performance goals: 1) National Security, including weapons of mass destruction and regional stability; 2) Economic prosperity, such as open markets, U.S. exports, global economic growth, and economic development; 3) American citizens and U.S. borders with subcategories — American citizens, and travel and migration; 4) Law enforcement with emphasis on international crime, illegal drugs, and countering terrorism; 5) Democracy; 6) Humanitarian response; 7) Global issues including environment, population, and health; 8) Diplomatic readiness — mutual understanding, human resources, information resources, and infrastructure and operations.

Title IV. Department of State and International Broadcasting

(millions of dollars)

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R.247	Senate H.J.Res. 2	FY2003 Enacted[a]
Administration of Foreign Affairs	5,807.2	5,886.9	5,719.7	5,534.5	5,725.6
International Organizations and Conferences	1,724.2	1,617.4	1,584.0	1,539.7	1,539.7
International Commissions	60.5	67.3	57.1	61.1	57.5
Related Appropriations	57.7	60.6	53.3	75.6	71.3
Subtotal: State Department[b]	7,649.6	7,632.2	7,414.1	7,210.9	7,394.1
International Broadcasting	513.3	507.0	509.5	470.2	506.6
Total: State Department, and International Broadcasting	**8,162.9**	**8,139.2**	**7,923.6**	**7,681.1**	**7,900.7**

[a] Figures do not include across-the-board rescissions.

[b] In addition to appropriations, State has authority to spend certain collected fees from machine readable visas, expedited export fees, etc. The amount for such fees for FY2002 is $516.9 million; for FY2003 the estimate is $739.6 million.

Related Legislation

P.L. 107-228 (H.R. 1646, S. 1401, S. 1803)

The Foreign Relations Authorization Act, Fiscal Years 2002 and 2003. Would authorize State Department spending of appropriations and other foreign relations activities. Introduced April 27, 2001. Committee reported bill to House (H.Rept. 107-57). Passed by the House (352-73) May 16, 2001. Referred to Senate Foreign Relations Committee May 17, 2001. Senate Foreign Relations Committee markup held July 26. Committee reported bill to the Senate (S.Rept. 107-60) on September 4. Senate added S. 1803 as an amendment to H.R. 1646 and passed it May 1, 2002. Conference was held September 18; the House passed the conference report by voice vote on September 25; the Senate passed it by unanimous consent on September 26. It was signed into law (P.L. 107-228) on September 30, 2002.

H.R. 3969 (Hyde)

The Freedom Promotion Act of 2002. Would promote U.S. public diplomacy activities, exchange programs with predominately Muslim countries, and reorganize international broadcasting. Introduced March14, 2002. Committee markup and ordered reported April 25, 2002. Passed in the House by voice vote on July 22, 2002.

Additional Reading

CRS Report RL30662. *Embassy Security: Background, Funding, and the Budget*, by (name redacted).

CRS Report RL31046. *Foreign Relations Authorization, FY2002/2003: An Overview*, by (name redacted).

CRS Report RL31370. *State Department and Related Agencies FY2003 Appropriations*, by (name redacted).

CRS Issue Brief IB86116. *U.N. System Funding: Congressional Issues*, by (name redacted).

Other Related Agencies

Background and Current Issues

This section includes all other related agencies covered by Title V of the CJS appropriations bill whose FY2003 appropriations exceeded $1.8 million.[27] The CJS appropriations also cover funding for several relatively small governmental functions, including several special government commissions. (See table below and in the appendix for 108th House and Senate funding levels.) (For additional information on the funding of other related agencies covered by this legislation, see *Budget of the United States Government, Fiscal Year 2003 — Appendix*, 107th Cong.)

Maritime Administration (MARAD). MARAD administers programs that aid in the development, promotion, and operation of the nation's merchant marine (including programs that benefit vessel owners, shipyards, and ship crews). The Administration requested $207 million for MARAD for FY2003, $17.6 million less than Congress appropriated in FY2002. The President's budget request included $93 million for operations and training and $98.7 million for the Maritime Security Program (MSP). MSP is a fleet of 47 privately-owned U.S. flag commercial vessels engaged in international trade that are available to support the Department of Defense in a contingency. The Administration requested $11 million for the disposal of four obsolete ships in the National Defense Reserve Fleet. Congress appropriated no funds for ship disposal in FY2002. Title XI, the Maritime Guaranteed Loan Program, provides guaranteed loans for purchasing ships from U.S. shipyards and for the modernization of U.S. shipyards. The President requested no additional funds for loan guarantees for FY2003. In FY2002, Congress appropriated $33 million for Title XI loan guarantees.

P.L. 108-7 provided $206.7 million, nearly the same level of funding for the Maritime Administration as the Administration's budget request. This includes no additional funds for loan guarantees in the Title XI ship financing program.

---

[27] Agencies which have received appropriations of less than $1.8 million include: Commission for the Preservation of America's Heritage Abroad ($490 thousand in FY2001; $489 thousand requested for FY2002); Commission on Electronic Commerce (newly created body, FY2000 funding was $1.4 million; no additional funding in FY2001or FY2002 request); Commission on Security and Cooperation in Europe ($1.37 million for FY2001; $1.5 million requested for FY2002); the Marine Mammal Commission ($1.7 million for FY2001; $1.7 million requested for FY2002), Commission on Ocean Policy ($1 million for 2001; nothing requested for FY2002), and the newly created Congressional/Executive Commission on China ($500 thousand for 2001; $500 thousand requested for FY2002).

The Small Business Administration (SBA). The SBA is an independent federal agency created by the Small Business Act of 1953. While the agency administers a number of programs intended to assist small firms, arguably its three most important functions are to guarantee — principally through the agency's 7(a) general business loan program — business loans made by banks and other financial institutions; to make long-term, low-interest loans to victims of hurricanes, earthquakes, other physical disasters, and acts of terrorism; and to serve as an advocate for small business within the federal government.[28]

For FY2003, the President requested a total appropriation of $783 million for SBA, including $352 million for S&E. The conference agreement provides SBA with a total appropriation of $736.5 million, including $314 million for S&E.

Legal Services Corporation (LSC). LSC is a private, non-profit, federally-funded corporation that provides grants to local offices that, in turn, provide legal assistance to low-income people in civil (non-criminal) cases. The LSC has been controversial since its inception in the early 1970s, and has been operating without authorizing legislation since 1980. There have been ongoing debates over the adequacy of funding for the agency, and the extent to which certain types of activities are appropriate for federally funded legal aid attorneys to undertake. In annual appropriations laws, Congress traditionally has included legislative provisions restricting the activities of LSC-funded grantees, such as prohibiting representation in certain types of cases or conducting any lobbying activities.

Congress appropriated $329.3 million for LSC for FY2002. This was identical to the FY2001 appropriation for LSC (after the rescission) and the Bush Administration's FY2002 budget request for LSC. The LSC appropriation for FY2002 included $310 million for basic field programs, $12.4 million for management and administration, $4.4 million for client self-help and information technology, and $2.5 million for the inspector general. P.L. 107-77 also included existing provisions restricting the activities of LSC grantees. (For more detail, see CRS Report 95-178. *Legal Services Corporation: Basic Facts and Current Status*, by (name redacted).)

For FY2003, the Bush Administration requested $329.3 million for the LSC, which included $310 million for basic field programs, $13.3 million for management and administration, $3.4 million for client self-help and information technology, and $2.6 million for the inspector general. The budget request also continued all restrictions on LSC-funded activities currently in effect. The Administration's FY2003 request for LSC ($329.3 million) was the same as the amount currently obligated for the program for FY2002. Historically, the Corporation's highest level of funding was $400 million in FY1994 and FY1995.

For FY2003, the 107th Senate Appropriations Committee recommended a total of $329.4 million for the LSC for FY2003 (S. 2778; S.Rept. 107-218). This is $97,000 above the FY2002 appropriation for LSC and the Bush Administration's

---

[28] For information about the SBA, see CRS Report 96-649, *Small Business Administration: Overview and Issues*, by (name redacted)

FY2003 budget request for the LSC (it included funds for a 4.1% pay adjustment). The FY2003 Senate Committee budget request included $310 million for basic field programs, $13.3 million for management and administration, $3.4 million for client self-help and information technology, and $2.6 million for the inspector general. The Senate Appropriations Committee's FY2003 budget request also would have continued all restrictions on LSC-funded activities currently in effect. The conference agreement increases LSC funding by $9.5 million to $338.8 million for FY2003 to offset decennial Census funding reallocations. This final appropriation level was a compromise between the 108th House and Senate levels.

Equal Employment Opportunity Commission (EEOC). The Commission enforces laws banning employment discrimination based on race, color, national origin, sex, age or disability. The EEOC's workload has increased dramatically since the agency was created under Title VII of the Civil Rights Act of 1964. Passage of the Americans with Disabilities Act of 1990 and the Civil Rights Act of 1991, as well as employees' growing awareness of their rights, have made it difficult for the agency's budget and staffing resources to keep pace with its heightened caseload.

Congress approved $279 million for the agency's FY1999 budget, an increase of $37 million. The following year the appropriation rose minimally to $282 million, but the Commission received a $21 million increase for FY2001 ($303 million). Despite this funding pattern, the EEOC was able to reduce by about 70% the backlog of private sector charges from a high of 111,000 in mid-1995 and to reduce the average processing time for private sector charges to 216 days. (The latter was largely due to the Commission's expanded use of alternative dispute resolution, ADR, procedures, e.g. mediation).

The Congress complied with President Bush's request for $310.4 million for FY2002 — an increase of $7.2 million — to allow the agency to further enhance its record in its private sector program and to make improvements in its federal sector program, among other things. The Commission was directed to continue reducing the backlog of private sector discrimination charges (32,481 in FY2001); it expressed concern about the still high level of these charges and expected the agency to exceed the small (6%) backlog reduction assumed in the Administration's budget request.

The Bush Administration's budget request of $323.5 million for the EEOC for FY2003 included $14.7 million to fund the agency's full share of federal employee retirement costs as part of the Administration's government-wide proposal; without this cost, the FY2003 budget request was $308.8 million. The Commission had anticipated achieving a 12.1% reduction in the backlog of private sector charges and had expected to deal with the $1.6 million decrease from its FY2002 appropriation through efficiencies realized from workforce restructuring.

The 108th Congress approved a $308.8 million budget for the EEOC for FY2003, or $1.6 million less than for FY2002. The conferees expressed concern about a budget shortfall for the year, unless the Commission is able to realize savings in salaries, expenses, and other operational costs. Toward that end, the EEOC must submit to the Appropriations Committees, within 60 days of the bill's enactment, a financial plan that includes steps the Commission will take to stay within its FY2003

appropriation level. As a continuing reflection of the importance Congress places on the work of state and local fair employment practice agencies (FEPAs), $33.0 million of the Commission's appropriation is to go toward their funding and permit a contract rate of $500 per charge. The conferees encouraged the EEOC to use the FEPA experience with mediation as the Commission expands its ADR programs.

Commission on Civil Rights. The Commission collects and studies information on discrimination or denials of equal protection of the laws. It received an appropriation of $8.9 million in FY2000 and FY2001. The FY2002 enacted level is $9.1 million. The President's request for FY2003 was to continue funding at $9.1 million.

Federal Communications Commission (FCC). The FCC is an independent agency charged with regulation of interstate and foreign communication by means of radio, television, wire, cable and satellite. The FY2003 omnibus funding bill has provided total budget authority of $271 million for the FCC, with $269 million to be derived from offsetting collections, resulting in a direct appropriation of $2 million. The Commission had requested $268.3 million, consisting of a direct appropriation of $20.1 million and $248.2 million in offsetting regulatory fees (compared with a direct appropriation of $26.3 million and $218.8 million in regulatory fees for FY2002).

In H.Rept. 108-10, conferees for the FY2003 bill expressed their concern about "the declining standards of broadcast television and the impact this decline is having on America's children." The conferees directed the Commission to "continue to report to Congress on the issues associated with resurrecting a broadcast industry code of conduct" for television program content.

In keeping with the requirements of the Government Performance and Results Act, the FCC, as part of its FY2003 budget request, set forth its overall mission and general and specific goals.[29]

Federal Maritime Commission (FMC). The FMC regulates the international waterborne commerce of the United States and has responsibility for licensing and bonding ocean transportation intermediaries. The Administration requested $17.4 million for the FMC for FY2003, about $1 million more than Congress appropriated in FY2002. The Consolidated Appropriations Resolution 2003, H.J.Res. 2, provided $16.7 million for the FMC.

The Federal Trade Commission (FTC). The FTC, an independent agency, is responsible for enforcing a number of federal antitrust and consumer protection laws. In recent years the FTC has used pre-merger filing fees collected under the

---

[29] "Our most immediate challenge," the Commission stated, "is to integrate the changing character of the industry into our core functions of (1) licensing; (2) competition; (3) enforcement; (4) consumer information services; and (5) spectrum management" U.S. Federal Communications Commission. *Fiscal Year 2003 Budget Estimates to Congress*, p. 18, available at [http://www.fcc.gov/Reports/fcc2003budget_complete.pdf], visited May 3, 2002.

Hart-Scott-Rodino Act to entirely fund its operations; Zero ($0) direct appropriations have been required.

For FY2002 the Administration requested a program level of $156.3 million for the FTC, an increase of $9.1 million over the previous appropriation. All of the funding came from offsetting collections derived from fees collected for pre-merger filings during FY2002, so as to result in a final direct appropriation of zero ($0). The conference agreement provided the FTC with $156 million for FY2002. This action resulted in a final direct appropriation of zero ($0).

For FY2003, the President's requested $171.6 million for the FTC, an increase of approximately $15.6 million over the agency's current appropriation. The conference agreement provides the FTC with an FY2003 program level of $176.6 million; with offsetting fee collections, the agency received a final direct appropriation of $8.5 million.

Securities and Exchange Commission (SEC). The SEC administers and enforces federal securities laws in order to protect investors and to maintain fair and orderly stock and bond markets. The SEC collects fees on various securities market transactions. During the stock market boom of the 1990s, these collections exceeded the agency's budget by a wide margin. Legislation passed by the 107th Congress (H.R. 1088, P.L. 107-123) reduced these fees.

In 2001, Congress approved a total FY2002 operating level of $437.9 million for the SEC, an increase of $15.1 million over FY2001. Of the total, $109.5 million was to come from fees collected in FY2002 and the remaining $324.4 million from prior-year fees. As was the case in FY2001, no direct appropriations were needed — the SEC was funded entirely by current and prior year fee collections. Under P.L. 107-206, the SEC received a supplemental appropriation of $40.2 million for FY2002.

For FY2003, the Administration requested $466.9 million for the SEC, an increase of 6.6% over FY2002. In the wake of Enron and other corporate accounting scandals, there was broad support in Congress for a much larger increase in the SEC's budget. The Sarbanes-Oxley accounting reform legislation (P.L. 107-204) authorized FY2003 appropriations of $776.0 million. The 107th Congress Senate Appropriations Committee approved $750.5 million, 60% more than requested. The conference report approved $716.35 million.

The State Justice Institute (SJI). The Institute is a private, non-profit corporation that makes grants to state courts and conducts other activities to further the development of judicial administration in state courts throughout the United States. The FY2003 omnibus funding bill has provided $3 million for SJI, the same as the FY2002 funding level. Although the Institute had requested an appropriation of $13.55 million for FY2003, the President had proposed nothing for SJI in his FY2003 budget, in accord with congressional language, in a FY2002 conference committee report, stating an intent that federal funding for the Institute not go beyond FY2002. (Under the terms of its enabling legislation, SJI is authorized to present its request directly to Congress, apart from the President's budget.)

In the previous annual appropriations cycle, Congress scaled back the Institute's funding significantly, approving $3.0 million for FY2002, instead of $6.835 million and $6.2 million approved earlier by the House and Senate respectively. The action to reduce SJI funding occurred at the FY2002 conference committee stage. In their report, the FY2002 conferees stated that the $3.0 million appropriated for the SJI was "available for fiscal year 2002 only" and that the conferees did not recommend continued federal support for the Institute beyond FY2002. "The termination of funding for this program," the report explained, "does not necessarily mean the dissolution of the Institute." The conferees encouraged the Institute to solicit private donations and resources from State and local agencies.[30]

Conferees for the FY2003 omnibus funding bill, however, noted (in H.Rept. 108-10, p. 703) that "SJI has not been successful in its efforts to obtain non-Federal funds" and had therefore included $3 million "to keep SJI operating." At the same time, the conferees encouraged SJI to continue to solicit donations from State, local, and national bar associations.

Office of the U.S. Trade Representative (USTR). USTR is the chief trade negotiator for the United States and is located in the Executive Office of the President (EOP). It is responsible for developing and coordinating U.S. international trade and direct investment policies. The President's FY2003 request was $32.3 million, $2.2 million above the amount ($30.1 million) approved by Congress in FY2002. The Senate bill provides $33 million to USTR and the Conference appropriated $35 million, a $4.9 million increase over FY2002.

U.S. International Trade Commission (ITC). ITC is an independent, quasi-judicial agency that advises the President and Congress on the impact of U.S. foreign economic policies on U.S. industries and is charged with implementing various U.S. trade remedy laws. Its six commissioners are appointed by the President for 9-year terms. As a matter of policy, its budget request is submitted to Congress by the President without revision. For FY2003, ITC requested $54 million (excluding full funding of Federal retiree costs), an approximately $2.6 million increase over the FY2002 request ($51.4 million). The Senate appropriated $54.6 million, but the Conference scaled the request back to $54 million, a $2.6 million increase over 2002. The increase will be used to fund a mandatory 4.6% pay increase, to fund several information technology projects to increase public access to information, to improve electronic transaction capability, and to develop more accurate trade information for affected constituents.

U.S. Commission on International Religious Freedom. The Commission, established in P.L. 105-292, is an independent agency charged with the annual and ongoing review and reporting of the facts and circumstances of violations of religious freedom. No additional funds were appropriated for FY2000 or FY2001. Congress passed the requested amount of $3 million for FY2002. No additional

---

[30] U.S. Congress, Conference Committee, *Making Appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies for the Fiscal Year Ending September 30, 2002, and for Other Purposes*, report to accompany H.R. 2500, 107th Cong, 1st sess., H.Rept. 107-278 (Washington: GPO, 2001), p. 167.

funds were appropriated for FY2000 or FY2001. Congress passed the requested amount of $3 million for FY2002. For FY2003, however, although the Administration requested, and the House and the Senate recommended, $3 million, the final enacted level was $2.9 million.

Title V. Other Related Agencies

(millions of dollars)

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Maritime Administration	224.7	207.1	206.7	225.6	206.7
Small Business Administration	888.5	783.0	742.6	788.5	736.5
Legal Services Corporation	329.3	329.3	329.3	348.4	338.8
Equal Employment Opportunity Commission (EEOC)	311.7	320.4	308.8	320.4	308.8
Commission on Civil Rights	9.1	9.1.	9.1	9.1	9.1
Federal Communications Commission (FCC)	26.3[a]	20.1[a]	8.2[a]	0.0[a]	2.0[a]
Federal Maritime Commission	16.5	17.4	16.5	16.8	16.7
Federal Trade Commission[b]	0.0	18.6	8.5	9.1	8.5
Securities and Exchange Commission (SEC)[c]	489.5	566.9	776.0	656.7	716.4
State Justice Institute	3.0	13.6 [g]	3.0	3.1	3.0
U.S. Commission on International Religious Freedom	3.0	3.0	3.0	3.0	2.9
Other	15.5	7.8	7.2	10.4	10.5
Total: Related Agencies	**2,317.1**	**2,296.3**	**2,418.9**	**2,391.1**	**2,359.9**

[a] For FY2002, Congress enacted $245.1 million in overall funding resources, consisting of a direct appropriation of $26.3 million and $218.8 million in offsetting collections. For FY2003, the President requested $268.3 million in overall funding resources, consisting of a direct appropriation of $20.1 million and $248.2 million in offsetting fee collections. The Senate omnibus bill set the overall funding level at $275.4 million and offsetting fee collections at the same level, thus requiring no direct appropriation. The House bill set overall funding at $256.4 million with offsetting fee collections at $248.2 million, requiring a direct appropriation of $8.2 million. The enacted FY2003 omnibus funding bill provided $271 million in overall funding resources, consisting of a direct appropriation of $2 million and $269 million in offsetting fee collections.

[b] The FTC is fully funded by the collection of pre-merger filing fees.

[c] The SEC is fully funded by transaction fees and securities registration fees.

[d] Under the terms of its enabling legislation, the State Justice Institute is authorized to present its budget request directly to Congress. For FY2003, the Institute requested $13.6 million — as distinguished from the President, who has requested no funding for SJI.

[e] Other includes agencies receiving appropriations of less than $2.0 million in FY2003. These agencies include Commission for the Preservation of American Heritage Abroad; Commission on Security and Cooperation in Europe; Commission on Electronic Commerce; the Marine

Mammal Commission, the Commission on Ocean Policy, and the Congressional/Executive Commission on China, the National Veterans Business Development Corp, the Pacific Charter Commission, and the U.S. Canada Alaska Rail Commission.

Related Legislation

H.R. 2048 (Coble)

Requires the Attorney General to submit by October 2, 2002 to House and Senate Judiciary Committees a report regarding the effectiveness of the State Justice Institute. Introduced June 5, 2001; referred to the House Judiciary Committee. Reported by Judiciary Committee, August 2, 2001. Agreed to by voice vote of House, under suspension of the rules, Sept. 5, 2001. Received in the Senate, Sept. 6, 2001; referred to the Judiciary Committee. Reported by the Judiciary Committee, without amendment, September 13, 2001. Passed Senate without amendment by unanimous consent, May 7, 2002. Presented to President, May 8, 2002. P.L. 107-179, May 20, 2002.

H.R. 518 (Regula et al.)

Amends the Trade Act of 1974 to revise the injury threshold the International Trade Commission must consider to determine the risk of increased imports to a domestic industry producing like or directly competitive articles in escape clause (Sec.201) actions. Introduced February 7, 2001; referred to House Ways and Means Committee.

H.R. 1988 (English et al.); S. 979 (Durbin et al.)

Amends the Trade Act of 1974 to revise the injury threshold the International Trade Commission must consider to determine the risk of increased imports to a domestic industry producing like or directly competitive articles in escape clause (Sec.201) actions. Amends the Tariff Act of 1930 to revise various factors that the Commission must consider in making material injury determinations in countervailing duty and antidumping duty proceedings. H.R. 1988 introduced May 24, 2001; referred to House Ways and Means Committee. S. 979 introduced May 26, 2001; referred to Senate Finance Committee.

S. 422 (Wellstone); H.R. 837 (Oberstar et al.)

Directs the International Trade Commission to consider U.S. produced taconite pellets to be like or directly competitive with semifinished steel slab for purposes of: (1) Section 201 injury determinations, and (2) antidumping or countervailing duty determinations. S. 422 introduced March 1, 2001; referred to Senate Finance Committee. H.R. 837 introduced March 7, 2001; referred to House Ways and Means Committee.

S. 187 (Snowe et al.); H.R. 1782 (Manzullo et al.)

Small Business Export Enhancement Act of 2001 - Amends the Trade Act of 1974 to establish in the Office of the United States Trade Representative (USTR) the position of Assistant USTR for Small Business to promote the trade interests of small businesses, remove foreign trade barriers that impede small business exporters, and enforce existing trade agreements beneficial to small businesses. S. 187 introduced January 25, 2001; referred to the Senate Budget and Senate Governmental Affairs

Committee. H.R. 1782 introduced May 9, 2001; referred to House Committee on Ways and Means.

S. 714 (Snowe et al.)

Expresses the sense of Congress that the U.S. Trade Representative should pursue the establishment of a small business advocate at the World Trade Organization (WTO) to safeguard the interests of small firms and represent those interests in trade negotiations involving the WTO. Introduced April 5, 2001; referred to the Senate Finance Committee.

S. 19 (Daschle et al.)

Protecting Civil Rights for All Americans Act. Would authorize $400 million for the Legal Services Corporation for FY2002. Introduced January 22, 2001; referred to S. Judiciary Committee.

Appendix. Appropriations Funding for Departments of Commerce, Justice, State, the Judiciary, and Related Agencies — FY2001, FY2002, and the FY2003 Request

(in millions of dollars)

Title I. Department of Justice

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Office of Justice Programs	4,943.8	3,116.7	4,263.2	5,179.1	4,561.8
Legal Activities	3,513.5	3,067.7	3,026.5	2,896.7	3,038.8
Interagency Law Enforcement	338.6	362.1	365.1	400.1	372.1
Federal Bureau of Investigation (FBI)	4,279.8	4,252.8	4,297.9	3,928.8	4,297.8
Drug Enforcement Administration (DEA)	1,481.8	1,545.9	1,590.9	1,477.5	1,560.9
Immigration and Naturalization Service (INS)	4,084.3	4,027.4	3,998.1	3,508.9	3,848.4
Federal Prison System	4,620.6	4,480.4	4,472.9	4,531.9	4,473.9
Other	457.8	1,947.3	1,825.1	2,283.0	1,834.6
Total: Justice Department	**23,707.2**	**22,800.3**	**23,839.7**	**24,206.0**	**23,988.3**

Title II. Department of Commerce and Related Agencies

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Departmental Management	63.0	70.9	68.9	62.1	65.6
Bureau of the Census	479.5	705.3	557.7	558.9	554.5
Economic and Statistical Analysis	62.5	73.2	73.2	72.2	72.2
International Trade Administration	345.5	363.7	360.8	350.2	362.2
Bureau of Industry and Security	70.6	100.2	69.9	100.2	74.7
Minority Business Development Agency	28.4	28.9	28.9	28.9	28.9
National Oceanic and Atmospheric Administration	3,249.7	3,130.6	2,965.9	3,349.5	3,194.6
Patent and Trademark Office[a]	(1,127.5)	(1,304.4)	(1,256.0)	(1,205.6)	(1,182.0)
Technology Administration	8.2	7.9	7.9	7.9	9.9
National Institute of Standards and Technology	684.8	563.1	515.5	721.2	712.1

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
National Telecommunications and Information Administration	81.3	60.3	75.2	73.5	73.8
Economic Development Administration	365.6	348.0	348.0	288.7	320.8
Subtotal: Commerce Department	5,723.0	5,552.2	5,171.9	5,830.0	5,685.8
Office of the U.S. Trade Representative	30.1	32.3	32.0	33.0	35.0
International Trade Commission	51.4	54.0	53.0	54.6	54.0
Subtotal: Related Agencies	81.5	86.3	85.0	87.6	89.0
Total: Dept. of Commerce and Related Agencies	**5,804.5**	**5,638.5**	**5,256.9**	**5,917.6**	**5,774.8**

Title III. Judiciary

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Supreme Court — salaries and expenses	40.0	46.3	45.7	44.4	45.7
Supreme Court — building and grounds	67.5	53.6	41.6	53.3	41.6
U.S. Court of Appeals for the Federal Circuit	19.3	21.9	20.5	20.1	20.3
U.S. Court of International Trade	13.1	13.8	13.7	13.5	13.7
Courts of Appeals, District Courts, other judicial services — salaries and expenses	3,591.1	4,014.1	3,819.1	3,814.2	3,800.0
Vaccine Injury Act Trust Fund	2.7	2.8	2.8	2.8	2.8
Defender Services	500.7	588.7	545.1	531.8	538.5
Fees of Jurors and Commissioners	48.1	57.8	54.6	54.6	54.6
Court Security	278.2	298.2	286.2	276.3	268.4
Administrative Office of the U.S. Courts	64.5	66.9	64.9	64.7	63.5
Federal Judicial Center	19.7	21.9	20.9	20.2	20.9
Retirement Funds	37.0	35.3	35.3	35.3	35.3
U.S. Sentencing Commission	11.6	13.2	12.3	11.8	12.1
General Provisions — Judges' Pay Raise	8.6	7.0	7.9	8.0	0.0

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Total: Judiciary	**4,720.3**	**5,241.6**	**4,970.6**	**4,950.9**	**4,917.4**

Title IV. Department of State and International Broadcasting

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R.247	Senate H.J.Res. 2	FY2003 Enacted
Administration of Foreign Affairs	5,807.2	5,886.9	5,719.7	5,534.5	5,725.6
International Organizations and Conferences	1,724.2	1,617.4	1,584.0	1,539.7	1,539.7
International Commissions	60.5	67.3	57.1	61.1	57.5
Related Appropriations	57.7	60.6	53.3	75.6	71.3
Subtotal: State Department[c]	7,649.6	7,632.2	7,414.1	7,210.9	7,394.1
International Broadcasting	513.3	507.0	509.5	470.2	506.6
Total: State Department, and International Broadcasting	**8,162.9**	**8,139.2**	**7,923.6**	**7,681.1**	**7,900.7**

Title V. Other Related Agencies

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Maritime Administration	224.7	207.1	206.7	225.6	206.7
Small Business Administration	888.5	783.0	742.6	788.5	736.5
Legal Services Corporation	329.3	329.3	329.3	348.4	338.8
Equal Employment Opportunity Commission (EEOC)	311.7	320.4	308.8	320.4	308.8
Commission on Civil Rights	9.1	9.1.	9.1	9.1	9.1
Federal Communications Commission (FCC)	26.3[d]	20.1[d]	8.2[d]	0.0[d]	2.0[d]
Federal Maritime Commission	16.5	17.4	16.5	16.8	16.7
Federal Trade Commission[e]	0.0	18.6	8.5	9.1	8.5
Securities and Exchange Commission (SEC)[f]	489.5	566.9	776.0	656.7	716.4
State Justice Institute	3.0	13.6 [g]	3.0	3.1	3.0
U.S. Commission on International Religious Freedom	3.0	3.0	3.0	3.0	2.9
Other	15.5	7.8	7.2	10.4	10.5
Total: Related Agencies	**2,317.1**	**2,296.3**	**2,418.9**	**2,391.1**	**2,359.9**

Title VI. General Provisions

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Section 604	—	—	—	—	—

Title VII. Rescissions

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Department of Justice					
Working capital fund	0.0	0.0	0.0	-36.2	-78.0
Legal Activities	0.0	0.0	0.0	0.0	0.0
Asset forfeiture fund	-40.0	0.0	0.0	-50.9	-50.9
Federal Bureau of Investigation	0.0	0.0	0.0	0.0	0.0
Information sharing	0.0	0.0	0.0	0.0	0.0
Drug Enforcement Administration	0.0	0.0	0.0	0.0	0.0
Drug diversion fund	0.0	0.0	0.0	0.0	0.0
Immigration and Naturalization Service	0.0	0.0	0.0	0.0	0.0
Immigration emergency fund	0.0	0.0	0.0	0.0	-.6
Department of Commerce, Departmental Management	-5.2	-96.9	-49.9	0.0	-.9
NOAA	0.0	0.0	-7.0	0.0	-7.0
Department of State and Related Agencies	0.0	0.0	0.0	0.0	0.0
Contributions for International Peacekeeping activities	0.0	0.0	0.0	0.0	0.0
Broadcasting Board of Governors	0.0	0.0	0.0	0.0	0.0
International broadcasting operations	0.0	0.0	0.0	0.0	0.0
Maritime Administration	0.0	0.0	0.0	0.0	0.0
Maritime guaranteed loan (Title XI program)	-5.0	0.0	0.0	0,0	0.0
ship construction	-4.4	0.0	0.0	0.0	0.0
Patent & Trademark Office	0.0	0.0	0.0	-120.0	0.0

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Small Business Administration	0.0	0.0	0.0	0.0	-13.8
Business Loans Program Account	-5.5	0.0	0.0	0.0	-10.5
FCC	0.0	0.0	0.0	0.0	-5.7
Securities and Exch. Commission	-50.0	0.0	0.0	0.0	0.0
Total: Rescissions	**-110.1**	**-96.9**	**-56.9**	**-207.1**	**-167.4**

Title IX.

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247	Senate H.J.Res. 2	FY2003 Enacted
Wildlife Conservation and Restoration Planning	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Total Appropriation Funding, Titles I-IX, FY2001-FY2003 Request

Department or Agency	FY2002 Enacted	FY2003 Request	House H.R. 247 [i]	Senate H.J.Res. 2 [i]	FY2003 Enacted
GRAND TOTAL:	**44,601.0**	**44,019.0**	**44,352.9**	**44,939.6**	**44,773.7**

Source: U.S. House of Representatives. Committee on Appropriation.

Note: Figures do not include the 0.65% across-the-board rescission included in the enacted FY2003 legislation. H.R. 247 was introduced only and received no other congressional action. Details may not add to totals due to rounding. Figures are for *direct* appropriations only; in some cases, agencies supplement these amount with offsetting fee collections, including collections carried over from previous years. These agencies include: Immigration and Naturalization Service, Patent and Trademark Office, Small Business Administration, Federal Communications Commission, Federal Trade Commission, and the Securities and Exchange Commission. Information on such fees are contained in the background and issues sections of this report. Data for FY2002 include Emergency Response Funds from the supplemental appropriation (P.L. 107-117).

[a] The Patent and Trademark Office (PTO) is fully funded by user fees. The fees collected, but not obligated during the current year, are available for obligation in the following fiscal year. The prior-year carryover funds *count against* the FY2003 total appropriation for the Dept. of Commerce. For example, in the enacted FY2002 amount, $282.3 million in prior-year carry over funds (plus $1.5 in emergency supplemental funds) counted toward the Commerce Department total, but current year fee funding does not.

[b] As of October 1, 1999 both USIA and ACDA were consolidated into the Department of State. International Broadcasting remains an independent agency.

[c] In addition to appropriations, State has authority to spend certain collected fees from machine readable visas, expedited export fees, etc. The amount for such fees for FY2002 is $516.9 million; for FY2003 the estimate is $739.6 million.

[d] For FY2001, Congress approved $229.5 million in overall funding resources for the FCC, consisting of a direct appropriation of $29.3 million and $200.1 million in offsetting regulatory fee collections. For FY2002, Congress enacted $245.1 million in overall funding resources, consisting of a direct appropriation of $26.3 million and $218.8 million in offsetting collections. For FY2003, the President requested $268.3 million in overall funding resources, consisting of a direct appropriation of $20.1 million and $248.2 million in offsetting fee collections. The Senate omnibus bill set the overall funding level at $275.4 million and offsetting fee collections at the same level, thus requiring no direct appropriation. The House bill set overall funding at $256.4 million with offsetting fee collections at $248.2 million, requiring a direct appropriation of $8.2 million. The enacted FY2003 omnibus funding bill provided $271 million in overall funding resources, consisting of a direct appropriation of $2 million and $269 million in offsetting fee collections.

[e] The FTC is fully funded by the collection of pre-merger filing fees.

[f] The SEC is fully funded by transaction fees and securities registration fees.

[g] Under the terms of its enabling legislation, the State Justice Institute is authorized to present its budget request directly to Congress. For FY2003, the Institute requested $13.6 million — as distinguished from the President, who has requested no funding for SJI.

[h] Other includes agencies receiving appropriations of less than $2.0 million in FY2002. These agencies include Commission for the Preservation of American Heritage Abroad; Commission on Security and Cooperation in Europe; Commission on Electronic Commerce; the Marine Mammal Commission, the Commission on Ocean Policy, and the Congressional/Executive Commission on China, the National Veterans Business Development Corp, the Pacific Charter Commission, and the U.S. Canada Alaska Rail Commission.

[i] The grand total does not include an across-the-board cuts or rescissions that have yet to be determined.