

Funding Homeland Security

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OMB's Role in Homeland Security

- Work with Office of Homeland Security(OHS) to develop the budget for homeland security activities
 - OHS started with little budget expertise
 - Developed very close partnership
- Support OHS's efforts to implement agenda
- Plan transition to the Department of Homeland Security

FY 2003 Homeland Security Budget

In order to create the homeland security budget, we had to answer three questions:

- How should we define homeland security?
- How should we evaluate programs?
- How should we collect the data?

Homeland Security

What is it?

We knew that our definition had to:

- Start with the Executive Order 13228
 - EO focused on terrorism
- Limit the scope of homeland security activities
- Produce verifiable numbers in a short period of time

Homeland Security

What is it?

Based on this framework, we determined that homeland security programs would:

- Focus on combating terrorism activities already included in the Annual Report to Congress
- Occur within the United States
- HS also includes:
 - Critical Infrastructure Protection (CIP)
 - Continuity of Operations (COOP)
 - Border security efforts

Homeland Security

What is it?

For DoD, we applied the same rules to determine what constituted homeland security activities:

- Activities against non-state actors
- Activities that take place within the United
- Specifically excluded missile defense, but included the combat air patrols

Total HS related spending for DoD = **\$7.8 billion**

Homeland Security

How did we evaluate programs?

Beyond the basic definition, the Administration established four homeland security priorities for FY 2003:

- First Responders
- Bio-terrorism defense
- Border Security
- Information Sharing

Other programs had to meet the definition of a homeland security program

Homeland Security

How did we evaluate programs?

- Based on these priorities and definitions, OMB and OHS staff reviewed agency budget requests
- OMB made initial allocation decisions with OHS concurrence
- Agencies, OMB, OHS, and the White House negotiated final allocations for homeland security programs

Homeland Security

Where'd you get the numbers?

- Issued data call to agencies requesting information on their combating terrorism/homeland security programs
- Input agency responses into combating terrorism database after examiner review
- Refined the data during and following submission of the President's budget

Creating the Department of Homeland Security

- Based on experience over last nine months, the President and Governor Ridge determined a whole new Department was necessary
- Concluded that a bold step was required to make this effort work

Creating the Department of Homeland Security

- Initiation involved a very small number of people
 - Limited participation
 - Very tight control over information

Creating the Department of Homeland Security

- Implementation involves a large number of people
 - Working through ramifications
 - Refining the details
 - Developing a process to make these changes happen

Homeland Security in FY 2004

Focus on establishing the Dept. of Homeland Security by answering questions such as:

- What agencies will the legislation ultimately affect?
- When, how, where will any agencies move?
- How will DoD and the Intelligence Community interact with the new department?
- How will we display the new Department in the budget?

OMB and Homeland Security

Conclusion

- Exciting times lie ahead in this area
- A lot of difficult questions also loom large
- We will continue to focus on solid analysis and common sense

Questions?