

107TH CONGRESS  
2D SESSION

# S. 2452

To establish the Department of National Homeland Security and the National Office for Combating Terrorism.

---

IN THE SENATE OF THE UNITED STATES

MAY 2, 2002

Mr. LIEBERMAN (for himself, Mr. SPECTER, and Mr. GRAHAM) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

---

## A BILL

To establish the Department of National Homeland Security and the National Office for Combating Terrorism.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “National Homeland Security and Combating Terrorism  
6 Act of 2002”.

7 (b) **TABLE OF CONTENTS.**—The table of contents is  
8 as follows:

Sec. 1. Short title; table of contents.  
Sec. 2. Definitions.

TITLE I—DEPARTMENT OF NATIONAL HOMELAND SECURITY

- Sec. 101. Establishment of the Department of National Homeland Security.  
 Sec. 102. Transfer of authorities, functions, personnel, and assets to the Department.  
 Sec. 103. Establishment of directorates and office.  
 Sec. 104. Steering Group; Coordination Committee; and Acceleration Fund.  
 Sec. 105. Reporting requirements.  
 Sec. 106. Planning, programming, and budgeting process.  
 Sec. 107. Environmental protection, safety, and health requirements.  
 Sec. 108. Savings provisions.

#### TITLE II—NATIONAL OFFICE FOR COMBATING TERRORISM

- Sec. 201. National Office for Combating Terrorism.  
 Sec. 202. Funding for Strategy programs and activities.

#### TITLE III—NATIONAL STRATEGY FOR COMBATING TERRORISM AND THE HOMELAND SECURITY RESPONSE

- Sec. 301. Strategy.  
 Sec. 302. National Homeland Security Panel.

#### TITLE IV—EFFECTIVE DATE

- Sec. 401. Effective Date.

### 1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) **DIRECTOR.**—Except as provided under sec-  
 4 tion 104, the term “Director” means the Director of  
 5 the National Office for Combating Terrorism.

6 (2) **DEPARTMENT.**—The term “Department”  
 7 means the Department of National Homeland Secu-  
 8 rity established under title I.

9 (3) **FEDERAL TERRORISM PREVENTION AND**  
 10 **RESPONSE AGENCY.**—The term “Federal terrorism  
 11 prevention and response agency” means any Federal  
 12 department or agency charged under the Strategy  
 13 with responsibilities for carrying out the Strategy.

1 (4) OFFICE.—The term “Office” means the  
2 National Office for Combating Terrorism established  
3 under title II.

4 (5) SECRETARY.—The term “Secretary” means  
5 the Secretary of National Homeland Security.

6 (6) STRATEGY.—The term “Strategy” means  
7 the National Strategy for Combating Terrorism and  
8 the Homeland Security Response developed under  
9 this Act.

10 **TITLE I—DEPARTMENT OF NA-**  
11 **TIONAL HOMELAND SECU-**  
12 **RITY**

13 **SEC. 101. ESTABLISHMENT OF THE DEPARTMENT OF**  
14 **NATIONAL HOMELAND SECURITY.**

15 (a) ESTABLISHMENT.—

16 (1) IN GENERAL.—There is established the De-  
17 partment of National Homeland Security.

18 (2) EXECUTIVE DEPARTMENT.—Section 101 of  
19 title 5, United States Code, is amended by adding  
20 at the end the following:

21 “The Department of National Homeland Secu-  
22 rity.”.

23 (b) SECRETARY OF NATIONAL HOMELAND SECU-  
24 RITY.—

1           (1) IN GENERAL.—The Secretary of National  
2 Homeland Security shall be the head of the Depart-  
3 ment. The Secretary shall be appointed by the Presi-  
4 dent, by and with the advice and consent of the Sen-  
5 ate.

6           (2) RESPONSIBILITIES.—The responsibilities of  
7 the Secretary shall be the following:

8           (A) To develop policies, goals, objectives,  
9 priorities, and plans for the United States for  
10 the promotion of homeland security.

11           (B) To develop, with the Director, a com-  
12 prehensive strategy in accordance with title III.

13           (C) Develop processes to integrate the ele-  
14 ments and goals of the Strategy into the strate-  
15 gies and plans of Federal, State, and local de-  
16 partments and agencies, including interagency  
17 and intergovernmental shared policies.

18           (D) To evaluate the programs of the Fed-  
19 eral Government relating to homeland security  
20 that involve activities of State and local govern-  
21 ments as part of the Strategy.

22           (E) To advise the Director on the develop-  
23 ment of a comprehensive annual budget for the  
24 programs and activities under the Strategy, and  
25 have the responsibility for budget recommenda-

1 tions relating to border security, critical infra-  
2 structure protection, emergency preparation  
3 and response, and State and local activities.

4 (F) To plan, coordinate, and integrate  
5 those United States Government activities relat-  
6 ing to border security, critical infrastructure  
7 protection and emergency preparedness, and to  
8 act as the focal point regarding natural and  
9 manmade crises and emergency planning and  
10 response.

11 (G) To work and coordinate with State  
12 and local governments and executive agencies in  
13 providing United States homeland security, and  
14 to communicate with and support State and  
15 local officials through the use of regional offices  
16 around the Nation.

17 (H) To provide overall operational plan-  
18 ning guidance to executive agencies regarding  
19 United States homeland security.

20 (I) To conduct exercise and training pro-  
21 grams for employees of the Department and  
22 other involved agencies, and establish effective  
23 command and control procedures for the full  
24 range of potential contingencies regarding  
25 United States homeland security, including con-

1           tingencies that require the substantial support  
2           of military assets.

3           (J) To annually develop a Federal re-  
4           sponse plan for homeland security and emer-  
5           gency preparedness with regard to terrorism  
6           and other manmade and natural disasters.

7           (K) To identify and promote technological  
8           innovation that will enhance homeland security.

9           (L)(i) To develop and implement within  
10          the Department a coordinating center with rep-  
11          resentatives from other Federal departments or  
12          agencies with homeland security responsibilities.

13          (ii) To designate departments and agencies  
14          to provide a representative under clause (i) and  
15          require those departments and agencies to fur-  
16          nish a representative on a permanent, part-  
17          time, or as needed basis, as determined by the  
18          Secretary.

19          (iii) To request additional personnel from  
20          appropriate departments and agencies as may  
21          be necessary and coordinate with those depart-  
22          ments and agencies.

23          (iv) To request State and local authorities  
24          to provide representatives to the coordination  
25          center.

1           (3) EXECUTIVE SCHEDULE LEVEL I POSI-  
2           TION.—Section 5312 of title 5, United States Code,  
3           is amended by adding at the end the following:

4           “Secretary of National Homeland Security.”.

5           (4) MEMBERSHIP ON THE NATIONAL SECURITY  
6           COUNCIL.—Section 101(a) of the National Security  
7           Act of 1947 (50 U.S.C. 402(a)) is amended in the  
8           fourth sentence by striking paragraphs (5), (6), and  
9           (7) and inserting the following:

10           “(5) the Secretary of National Homeland Secu-  
11           rity; and

12           “(6) each Secretary or Under Secretary of such  
13           other executive department, or of a military depart-  
14           ment, as the President shall designate.”.

15           (c) DEPUTY SECRETARY OF NATIONAL HOMELAND  
16           SECURITY.—

17           (1) IN GENERAL.—There shall be in the De-  
18           partment a Deputy Secretary of National Homeland  
19           Security, who shall be appointed by the President,  
20           by and with the advice and consent of the Senate.

21           (2) RESPONSIBILITIES.—The Deputy Secretary  
22           of National Homeland Security shall—

23           (A) assist the Secretary in the administra-  
24           tion and operations of the Department;

1 (B) perform such responsibilities as the  
2 Secretary shall prescribe; and

3 (C) act as the Secretary during the ab-  
4 sence or disability of the Secretary or in the  
5 event of a vacancy in the office of the Sec-  
6 retary.

7 (3) EXECUTIVE SCHEDULE LEVEL II POSI-  
8 TION.—Section 5313 of title 5, United States Code,  
9 is amended by adding at the end the following:

10 “Deputy Secretary of National Homeland Secu-  
11 rity.”.

12 (d) INSPECTOR GENERAL.—

13 (1) IN GENERAL.—There shall be in the De-  
14 partment an Inspector General for the Department.  
15 The Inspector General and the Office of Inspector  
16 General shall be subject to the Inspector General  
17 Act of 1978 (5 U.S.C. App.).

18 (2) ESTABLISHMENT.—Section 11 of the In-  
19 spector General Act of 1978 (5 U.S.C. App.) is  
20 amended—

21 (A) in paragraph (1), by inserting “Na-  
22 tional Homeland Security,” after “Labor,”; and

23 (B) in paragraph (2), by inserting “Na-  
24 tional Homeland Security,” after “Labor,”.

25 (e) DIRECTOR OF THE COORDINATING CENTER.—

1           (1) IN GENERAL.—There shall be in the De-  
2           partment a Director of the Coordinating Center who  
3           shall report directly to the Deputy Secretary. The  
4           Coordinating Center shall be developed and imple-  
5           mented in accordance with subsection (b)(2)(L).

6           (2) RESPONSIBILITIES.—The Director of the  
7           Coordinating Center shall be responsible for—

8                   (A) ensuring that the law enforcement, im-  
9                   migration, and intelligence databases informa-  
10                  tion systems containing information relevant to  
11                  homeland security are compatible; and

12                   (B) with respect to the functions under  
13                  this paragraph, ensuring compliance with Fed-  
14                  eral laws relating to privacy and intelligence in-  
15                  formation.

16 **SEC. 102. TRANSFER OF AUTHORITIES, FUNCTIONS, PER-**  
17 **SONNEL, AND ASSETS TO THE DEPARTMENT.**

18           The authorities, functions, personnel, and assets of  
19 the following entities are transferred to the Department:

20           (1) The Federal Emergency Management Agen-  
21           cy, the 10 regional offices of which shall be main-  
22           tained and strengthened by the Department.

23           (2) The United States Customs Service, which  
24           shall be maintained as a distinct entity within the  
25           Department.

1           (3) The law enforcement components of the Im-  
2 migration and Naturalization Service relating to  
3 Border Patrol, Inspections, Investigations (interior  
4 enforcement), Intelligence, Detention and Removal,  
5 and International Affairs.

6           (4) The United States Coast Guard, which shall  
7 be maintained as a distinct entity within the Depart-  
8 ment.

9           (5) The Critical Infrastructure Assurance Of-  
10 fice of the Department of Commerce.

11           (6) The National Infrastructure Protection  
12 Center and the National Domestic Preparedness Of-  
13 fice of the Federal Bureau of Investigation.

14           (7) The Animal and Plant Health Inspection  
15 Service of the Department of Agriculture, that por-  
16 tion of which administers laws relating to agricul-  
17 tural quarantine inspections at points of entry.

18 **SEC. 103. ESTABLISHMENT OF DIRECTORATES AND OFFICE.**

19           (a) ESTABLISHMENT OF DIRECTORATES.—The fol-  
20 lowing staff directorates are established within the De-  
21 partment:

22           (1) DIRECTORATE OF BORDER AND TRANSPOR-  
23 TATION PROTECTION.—The Directorate of Border  
24 and Transportation Protection, which shall be re-  
25 sponsible for the following:

1 (A) Overseeing and coordinating all United  
2 States border security activities.

3 (B) Developing border and maritime secu-  
4 rity policy for the United States.

5 (C) Developing and implementing inter-  
6 national standards for enhanced security in  
7 transportation nodes.

8 (D) Performing such other duties assigned  
9 by the Secretary.

10 (2) DIRECTORATE OF CRITICAL INFRASTRUC-  
11 TURE PROTECTION.—The Directorate of Critical In-  
12 frastructure Protection, which shall be responsible  
13 for the following:

14 (A) Acting as the Critical Information  
15 Technology, Assurance, and Security Officer of  
16 the Department to coordinate efforts to address  
17 the vulnerability of the United States to elec-  
18 tronic or physical attacks on critical infrastruc-  
19 ture of the United States, including utilities,  
20 transportation nodes, and energy resources.

21 (B) Overseeing the protection of such in-  
22 frastructure and the physical assets and infor-  
23 mation networks that make up such infrastruc-  
24 ture.

1           (C) Ensuring the maintenance of a nucleus  
2 of cyber security experts within the United  
3 States Government.

4           (D) Enhancing sharing of information re-  
5 garding cyber security and physical security of  
6 the United States, tracking vulnerabilities and  
7 proposing improved risk management policies,  
8 and delineating the roles of various government  
9 agencies in preventing, defending, and recov-  
10 ering from attacks.

11           (E) Coordinating with the Federal Com-  
12 munications Commission in helping to establish  
13 cyber security policy, standards, and enforce-  
14 ment mechanisms, and working closely with the  
15 Federal Communications Commission on cyber  
16 security issues with respect to international  
17 bodies.

18           (F) Coordinating the activities of Informa-  
19 tion Sharing and Analysis Centers to share in-  
20 formation on threats, vulnerabilities, individual  
21 incidents, and privacy issues regarding United  
22 States homeland security.

23           (G) Assuming the responsibilities carried  
24 out by the Critical Infrastructure Assurance Of-  
25 fice before the effective date of this Act.

1 (H) Assuming the responsibilities carried  
2 out by the National Infrastructure Protection  
3 Center before the effective date of this Act.

4 (I) Performing such other duties assigned  
5 by the Secretary.

6 (3) DIRECTORATE FOR EMERGENCY PREPARED-  
7 NESS AND RESPONSE.—The Directorate for Emer-  
8 gency Preparedness and Response, which shall be re-  
9 sponsible for the following:

10 (A) Carrying out all emergency prepared-  
11 ness and response activities carried out by the  
12 Federal Emergency Management Agency before  
13 the effective date of this Act.

14 (B) Assuming the responsibilities carried  
15 out by the National Domestic Preparedness Of-  
16 fice before the effective date of this Act.

17 (C) Organizing and training local entities  
18 to respond to emergencies and providing State  
19 and local authorities with equipment for detec-  
20 tion, protection, and decontamination in an  
21 emergency involving weapons of mass destruc-  
22 tion.

23 (D) Overseeing Federal, State, and local  
24 emergency preparedness training and exercise  
25 programs in keeping with current intelligence

1 estimates and providing a single staff for Fed-  
2 eral assistance for any emergency (including  
3 emergencies caused by flood, earthquake, hurri-  
4 cane, disease, or terrorist bomb).

5 (E) Creating a National Crisis Action Cen-  
6 ter to act as the focal point for monitoring  
7 emergencies and for coordinating Federal sup-  
8 port for State and local governments and the  
9 private sector in crises.

10 (F) Establishing training and equipment  
11 standards, providing resource grants, and en-  
12 couraging intelligence and information sharing  
13 among the Department of Defense, the Federal  
14 Bureau of Investigation, the Central Intel-  
15 ligence Agency, State emergency management  
16 officials, and local first responders.

17 (G) Coordinating and integrating oper-  
18 ational activities of the Department of Defense,  
19 the National Guard, and other Federal agencies  
20 into a Federal response plan.

21 (H) Coordinating activities among private  
22 sector entities, including entities within the  
23 medical community, with respect to recovery,  
24 consequence management, and planning for  
25 continuity of services.

1 (I) Developing and managing a single re-  
2 sponse system for national incidents in coordi-  
3 nation with the Department of Justice, the  
4 Federal Bureau of Investigation, the Depart-  
5 ment of Health and Human Services, the Cen-  
6 ters for Disease Control, and other appropriate  
7 Federal departments and agencies.

8 (J) Maintaining Federal asset databases  
9 and supporting up-to-date State and local data-  
10 bases.

11 (K) Performing such other duties as as-  
12 signed by the Secretary.

13 (b) ESTABLISHMENT OF OFFICE OF SCIENCE AND  
14 TECHNOLOGY.—

15 (1) IN GENERAL.—There is established in the  
16 Department an Office of Science and Technology.

17 (2) PURPOSE.—The Office of Science and  
18 Technology shall advise the Secretary regarding re-  
19 search and development efforts and priorities for the  
20 directorates established in subsection (a).

21 **SEC. 104. STEERING GROUP; COORDINATION COMMITTEE;**  
22 **AND ACCELERATION FUND.**

23 (a) DEFINITIONS.—In this section:

24 (1) COORDINATION COMMITTEE.—The term  
25 “Coordination Committee” means the Homeland Se-

1 security Science and Technology Coordination Com-  
2 mittee established under this section.

3 (2) DIRECTOR.—The term “Director” means  
4 the Director of the Office of Science and Tech-  
5 nology.

6 (3) FUND.—The term “Fund” means the Ac-  
7 celeration Fund for Research and Development of  
8 Homeland Security Technologies established under  
9 this section.

10 (4) HOMELAND SECURITY RESEARCH AND DE-  
11 VELOPMENT.—The term “homeland security re-  
12 search and development” means research and devel-  
13 opment of technologies that are applicable in the de-  
14 tection of, prevention of, protection against, response  
15 to, and recovery from homeland security threats,  
16 particularly acts of terrorism.

17 (5) STEERING GROUP.—The term “Steering  
18 Group” means the Homeland Security Science and  
19 Technology Senior Steering Group established under  
20 this section.

21 (b) PURPOSES.—The purposes of this section are  
22 to—

23 (1) establish a fund to leverage existing re-  
24 search and development and accelerate the deploy-

1       ment of technology that will serve to enhance home-  
2       land defense;

3           (2) establish a committee and steering group to  
4       coordinate and advise on issues relating to homeland  
5       security research and development and administer  
6       the Fund; and

7           (3) establish the responsibilities of the Director  
8       of the Office of Science and Technology relating to  
9       homeland security research and development.

10       (c) FUND.—

11           (1) ESTABLISHMENT.—There is established the  
12       Acceleration Fund for Research and Development of  
13       Homeland Security Technologies.

14           (2) USE OF FUND.—The Fund may be used  
15       to—

16           (A) accelerate research, development, test-  
17       ing, and evaluation of critical homeland security  
18       technologies; and

19           (B) support homeland security research  
20       and development.

21           (3) AUTHORIZATION OF APPROPRIATIONS.—  
22       There are authorized to be appropriated  
23       \$200,000,000 to the Fund for fiscal year 2003.

24       (d) STEERING GROUP.—

1           (1) ESTABLISHMENT.—There is established the  
2 Homeland Security Science and Technology Senior  
3 Steering Group within the Office of Science and  
4 Technology. The Director shall chair the Steering  
5 Group.

6           (2) RESPONSIBILITIES.—The Steering Group  
7 shall—

8                 (A) provide recommendations and prior-  
9 ities to the Director; and

10                (B) assist the Director in establishing pri-  
11 orities and forwarding recommendations on  
12 homeland security technology to the Secretary.

13           (3) COMPOSITION.—The Steering Group shall  
14 be composed, as named by the Director, of senior re-  
15 search and development officials representing all ap-  
16 propriate Federal departments and agencies that  
17 conduct research and development relevant for  
18 homeland security and combating terrorism.

19           (4) QUALIFICATIONS.—Each representative  
20 shall—

21                 (A) possess extensive experience in man-  
22 aging research and development projects; and

23                 (B) be appointed by the head of the re-  
24 spective department or agency.

25           (5) SUBGROUPS.—

1 (A) IN GENERAL.—At the discretion of the  
2 Director, the Steering Group may be composed  
3 of subgroups with expertise in specific home-  
4 land security areas.

5 (B) SUBGROUP AREAS.—The Director may  
6 establish subgroups in areas including—

- 7 (i) information technology infrastruc-  
8 ture;  
9 (ii) critical infrastructure;  
10 (iii) interoperability issues in commu-  
11 nications technology;  
12 (iv) bioterrorism;  
13 (v) chemical, biological, radiological  
14 defense; and  
15 (vi) any other area as determined nec-  
16 essary.

17 (e) COORDINATION COMMITTEE.—

18 (1) ESTABLISHMENT.—There is established a  
19 Homeland Security Science and Technology Coordi-  
20 nation Committee within the Office of Science and  
21 Technology. The Director shall chair the Coordina-  
22 tion Committee.

23 (2) COMPOSITION.—The Coordination Com-  
24 mittee shall be a working level group composed of  
25 representatives managing relevant agency research

1 and development portfolios, appointed by the head of  
2 each department or agency described under sub-  
3 section (d)(2).

4 (3) SUBGROUPS.—

5 (A) IN GENERAL.—At the discretion of the  
6 Director, the Coordination Committee may be  
7 composed of subgroups with relevant expertise  
8 in specific homeland security areas.

9 (B) SUBGROUP AREAS.—The Director may  
10 establish subgroups in areas, including—

11 (i) information technology infrastruc-  
12 ture;

13 (ii) critical infrastructure;

14 (iii) interoperability issues in Commu-  
15 nications Technology;

16 (iv) bioterrorism;

17 (v) chemical, biological, radiological  
18 defense; and

19 (vi) any other area as determined nec-  
20 essary.

21 (4) RESPONSIBILITIES.—The Coordination  
22 Committee shall have the following responsibilities:

23 (A) To facilitate effective communication  
24 among departments, agencies, and other enti-  
25 ties of the Federal Government, with respect to

1 the conduct of research and development re-  
2 lated to homeland security.

3 (B) To identify, by consensus and on a  
4 yearly basis, specific technology areas for which  
5 the Fund shall be used to rapidly transition  
6 homeland security research and development  
7 into deployed technology and reduce identified  
8 homeland security vulnerabilities. The identified  
9 technology areas shall, as determined by the  
10 Coordination Committee, be areas in which  
11 there exist research and development projects  
12 that address identified homeland security  
13 vulnerabilities and, assuming single-year fund-  
14 ing, can be accelerated to the stage of proto-  
15 typing, evaluating, transitioning, or deploying.

16 (C) To administer the Fund, including—

17 (i) issuing an annual multiagency pro-  
18 gram announcement soliciting proposals  
19 from governmental entities, industry, and  
20 academia;

21 (ii) competitively selecting, on the  
22 basis of a merit-based review, proposals  
23 that advance the state of deployed tech-  
24 nologies in the areas identified for that  
25 year;

1 (iii) at the discretion of the Coordina-  
2 tion Committee, assigning 1 or more pro-  
3 gram managers from any department or  
4 agency represented on the Coordination  
5 Committee to oversee, administer, and exe-  
6 cute a Fund project as the agent of the  
7 Coordination Committee; and

8 (iv) providing methods of funding ad-  
9 ministration, including grant, cooperative  
10 agreement, or any other transaction.

11 (f) OFFICE OF SCIENCE AND TECHNOLOGY RESPON-  
12 SIBILITIES.—The Director shall—

13 (1) assist the Secretary, the Directorates, and  
14 cooperating agencies in—

15 (A) assessing and testing homeland secu-  
16 rity vulnerabilities and possible threats;

17 (B) evaluating and advising on maintain-  
18 ing talent resources in key technology and skill  
19 areas required for homeland security, including  
20 information security experts;

21 (C) developing a system for sharing key  
22 homeland security research and technology de-  
23 velopments and opportunities with appropriate  
24 Federal, State, local, and private sector entities;  
25 and

1 (D) proposing risk management strategies  
2 based on technology developments;

3 (2) assist the Directorate of Critical Infrastruc-  
4 ture Protection in the responsibilities of that Direc-  
5 torate;

6 (3) with respect to expenditures from the Fund,  
7 exercise acquisition authority consistent with the au-  
8 thority described under section 2371 of title 10,  
9 United States Code, relating to authorizing coopera-  
10 tive agreements and other transactions;

11 (4) in hiring personnel to assist in the adminis-  
12 tration of the Office of Science and Technology,  
13 have the authority to exercise the personnel hiring  
14 and management authorities described in section  
15 1101 of the Strom Thurmond National Defense Au-  
16 thorization Act for Fiscal Year 1999 (5 U.S.C. 3104  
17 note; Public Law 105–261); and

18 (5) develop and oversee the implementation of  
19 periodic homeland security technology demonstra-  
20 tions, held at least annually, for the purpose of im-  
21 proving contact between technology developers, ven-  
22 dors, and acquisition personnel associated with re-  
23 lated industries.

1 **SEC. 105. REPORTING REQUIREMENTS.**

2 (a) BIENNIAL REPORTS.—Every 2 years the Sec-  
3 retary shall submit to Congress—

4 (1) a report assessing the resources and re-  
5 quirements of executive agencies relating to border  
6 security and emergency preparedness issues; and

7 (2) a report certifying the preparedness of the  
8 United States to prevent, protect against, and re-  
9 spond to natural disasters, cyber attacks, and inci-  
10 dents involving weapons of mass destruction.

11 (b) ADDITIONAL REPORT.—Not later than 1 year  
12 after the effective date of this Act, the Secretary shall sub-  
13 mit to Congress a report—

14 (1) assessing the progress of the Department  
15 in—

16 (A) implementing this title; and

17 (B) ensuring the core functions of each en-  
18 tity transferred to the Department are main-  
19 tained and strengthened; and

20 (2) recommending any conforming changes in  
21 law necessary as a result of the enactment and im-  
22 plementation of this title.

23 **SEC. 106. PLANNING, PROGRAMMING, AND BUDGETING**  
24 **PROCESS.**

25 The Secretary shall establish procedures to ensure  
26 that the planning, programming, budgeting, and financial

1 activities of the Department comport with sound financial  
2 and fiscal management principles. At a minimum, those  
3 procedures shall provide for the planning, programming,  
4 and budgeting of activities of the Department using funds  
5 that are available for obligation for a limited number of  
6 years.

7 **SEC. 107. ENVIRONMENTAL PROTECTION, SAFETY, AND**  
8 **HEALTH REQUIREMENTS.**

9 The Secretary shall—

10 (1) ensure that the Department complies with  
11 all applicable environmental, safety, and health stat-  
12 utes and substantive requirements; and

13 (2) develop procedures for meeting such re-  
14 quirements.

15 **SEC. 108. SAVINGS PROVISIONS.**

16 (a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—

17 All orders, determinations, rules, regulations, permits,  
18 agreements, grants, contracts, recognitions of labor orga-  
19 nizations, collective bargaining agreements, certificates, li-  
20 censes, registrations, privileges, and other administrative  
21 actions—

22 (1) which have been issued, made, granted, or  
23 allowed to become effective by the President, any  
24 Federal agency or official thereof, or by a court of

1 competent jurisdiction, in the performance of func-  
2 tions which are transferred under this title; and

3 (2) which are in effect at the time this Act  
4 takes effect, or were final before the effective date  
5 of this Act and are to become effective on or after  
6 the effective date of this Act,

7 shall, to the extent related to such functions, continue in  
8 effect according to their terms until modified, terminated,  
9 superseded, set aside, or revoked in accordance with law  
10 by the President, the Secretary of National Homeland Se-  
11 curity or other authorized official, a court of competent  
12 jurisdiction, or by operation of law.

13 (b) PROCEEDINGS NOT AFFECTED.—The provisions  
14 of this title shall not affect any proceedings, including no-  
15 tices of proposed rulemaking, or any application for any  
16 license, permit, certificate, or financial assistance pending  
17 before an agency at the time this title takes effect, with  
18 respect to functions transferred by this title but such pro-  
19 ceedings and applications shall continue. Orders shall be  
20 issued in such proceedings, appeals shall be taken there-  
21 from, and payments shall be made pursuant to such or-  
22 ders, as if this title had not been enacted, and orders  
23 issued in any such proceedings shall continue in effect  
24 until modified, terminated, superseded, or revoked by a  
25 duly authorized official, by a court of competent jurisdic-

1 tion, or by operation of law. Nothing in this subsection  
2 shall be deemed to prohibit the discontinuance or modi-  
3 fication of any such proceeding under the same terms and  
4 conditions and to the same extent that such proceeding  
5 could have been discontinued or modified if this title had  
6 not been enacted.

7 (c) SUITS NOT AFFECTED.—The provisions of this  
8 title shall not affect suits commenced before the effective  
9 date of this Act, and in all such suits, proceedings shall  
10 be had, appeals taken, and judgments rendered in the  
11 same manner and with the same effect as if this title had  
12 not been enacted.

13 (d) NONABATEMENT OF ACTIONS.—No suit, action,  
14 or other proceeding commenced by or against an agency,  
15 or by or against any individual in the official capacity of  
16 such individual as an officer of an agency, shall abate by  
17 reason of the enactment of this title.

18 (e) ADMINISTRATIVE ACTIONS RELATING TO PRO-  
19 MULGATION OF REGULATIONS.—Any administrative ac-  
20 tion relating to the preparation or promulgation of a regu-  
21 lation by an agency relating to a function transferred  
22 under this title may be continued by the Department of  
23 National Homeland Security with the same effect as if this  
24 title had not been enacted.

25 (f) EMPLOYMENT AND PERSONNEL.—

1           (1) INTERIM AUTHORITY FOR APPOINTMENT  
2           AND COMPENSATION.—Funds available to any offi-  
3           cial or component of any entity the functions of  
4           which are transferred to the Department, may with  
5           the approval of the Director of the Office of Man-  
6           agement and Budget, be used to pay the compensa-  
7           tion and expenses of any officer or employee under  
8           this title until such time as funds for that purpose  
9           are otherwise available.

10           (2) EMPLOYEE RIGHTS.—

11           (A) IN GENERAL.—The Department or a  
12           subdivision within the Department shall not be  
13           excluded under section 7103(b)(1) of title 5,  
14           United States Code, from coverage under chap-  
15           ter 71 of that title unless the President deter-  
16           mines that a majority of employees within the  
17           Department or applicable subdivision have, as  
18           their primary job duty, intelligence, counter-  
19           intelligence, or investigative work directly re-  
20           lated to terrorism investigation.

21           (B) NATIONAL SECURITY POSITIONS.—

22           Employees transferred under this title shall not  
23           be considered to perform work which directly  
24           affects national security within the meaning of  
25           section 7112(b)(6) of title 5, United States

1 Code, unless their primary job duty involves in-  
2 telligence, counterintelligence, or investigative  
3 duties directly related to terrorism investiga-  
4 tion. All employees transferred under this title  
5 who are not in the counterterrorism positions  
6 described in the preceding sentence shall con-  
7 tinue to be afforded the full rights and protec-  
8 tions under chapter 71 of title 5, United States  
9 Code.

10 (g) NO AFFECT ON INTELLIGENCE AUTHORITIES.—

11 The transfer of authorities, functions, personnel, and as-  
12 sets of elements of the United States Government under  
13 this title, or the assumption of authorities and functions,  
14 by the Department of Homeland Security under this title,  
15 shall not be construed, in cases where such authorities,  
16 functions, personnel, and assets, are engaged in intel-  
17 ligence activities as defined in the National Security Act  
18 of 1947, as affecting the authorities of the Director of  
19 Central Intelligence, the Secretary of Defense, or the  
20 heads of departments and agencies within the intelligence  
21 community.

22 (h) REFERENCES.—Any reference in any other Fed-  
23 eral law, Executive order, rule, regulation, or delegation  
24 of authority, or any document of or pertaining to a depart-

1 ment, agency, or office from which a function is trans-  
 2 ferred by this title—

3 (1) to the head of such department, agency, or  
 4 office is deemed to refer to the Secretary of National  
 5 Homeland Security; or

6 (2) to such department, agency, or office is  
 7 deemed to refer to the Department of National  
 8 Homeland Security.

9 **TITLE II—NATIONAL OFFICE**  
 10 **FOR COMBATING TERRORISM**

11 **SEC. 201. NATIONAL OFFICE FOR COMBATING TERRORISM.**

12 (a) ESTABLISHMENT.—There is established within  
 13 the Executive Office of the President the National Office  
 14 for Combating Terrorism.

15 (b) OFFICERS.—

16 (1) DIRECTOR.—The head of the Office shall be  
 17 the Director of the National Office for Combating  
 18 Terrorism, who shall be appointed by the President,  
 19 by and with the advice and consent of the Senate.

20 (2) EXECUTIVE SCHEDULE LEVEL I POSI-  
 21 TION.—Section 5312 of title 5, United States Code,  
 22 is amended by adding at the end the following:

23 “Director of the National Office for Combating  
 24 Terrorism.”.

1           (3) OTHER OFFICERS.—The President shall as-  
2           sign to the Office such other officers as the Presi-  
3           dent, in consultation with the Director, considers ap-  
4           propriate to discharge the responsibilities of the Of-  
5           fice.

6           (c) RESPONSIBILITIES.—Subject to the direction and  
7           control of the President, the responsibilities of the Office  
8           shall include the following:

9           (1) To develop national objectives and policies  
10          for combating terrorism.

11          (2) To direct and review the development of a  
12          comprehensive national assessment of terrorist  
13          threats and vulnerabilities to those threats, which  
14          shall be—

15                 (A) conducted by the heads of relevant  
16          Federal agencies; and

17                 (B) used in preparation of the Strategy.

18          (3) To develop with the Secretary of National  
19          Homeland Security, the Strategy under title III.

20          (4) To coordinate, oversee, and evaluate the im-  
21          plementation and execution of the Strategy by agen-  
22          cies of the Federal Government with responsibilities  
23          for combating terrorism under the Strategy, particu-  
24          larly those involving military, intelligence, law en-  
25          forcement, and diplomatic assets.

1           (5)(A) To coordinate, with the advice of the  
2           Secretary of National Homeland Security, the devel-  
3           opment of a comprehensive annual budget for the  
4           programs and activities under the Strategy, includ-  
5           ing the budgets of the military departments and  
6           agencies within the National Foreign Intelligence  
7           Program relating to international terrorism, but ex-  
8           cluding military programs, projects, or activities re-  
9           lating to force protection.

10           (B) To have the lead responsibility for budget  
11           recommendations relating to military, intelligence,  
12           law enforcement, and diplomatic assets in support of  
13           the Strategy.

14           (6) To exercise funding authority for Federal  
15           terrorism prevention and response agencies in ac-  
16           cordance with section 202.

17           (7) To serve as an advisor to the National Se-  
18           curity Council.

19           (d) RESOURCES.—In consultation with the Director,  
20           the President shall assign or allocate to the Office such  
21           resources, including funds, personnel, and other resources,  
22           as the President considers appropriate in order to facili-  
23           tate the discharge of the responsibilities of the Office.

24           (e) OVERSIGHT BY CONGRESS.—The establishment  
25           of the Office within the Executive Office of the President

1 shall not be construed as affecting access by Congress, or  
2 any committee of Congress, to—

3 (1) any information, document, record, or paper  
4 in the possession of the Office or any study con-  
5 ducted by or at the direction of the Director; or

6 (2) any personnel of the Office.

7 **SEC. 202. FUNDING FOR STRATEGY PROGRAMS AND**  
8 **ACTIVITIES.**

9 (a) BUDGET REVIEW.—In consultation with the Di-  
10 rector of the Office of Management and Budget, the Sec-  
11 retary of National Homeland Security, and the heads of  
12 other executive departments and agencies, the Director  
13 shall—

14 (1) identify programs that contribute to the  
15 Strategy; and

16 (2) in the development of the budget submitted  
17 by the President to Congress under section 1105 of  
18 title 31, United States Code, review and provide ad-  
19 vice to the heads of executive departments and agen-  
20 cies on the amount and use of funding for programs  
21 identified under paragraph (1).

22 (b) SUBMITTAL OF PROPOSED BUDGETS TO THE DI-  
23 RECTOR.—

24 (1) IN GENERAL.—The head of each Federal  
25 terrorism prevention and response agency shall sub-

1 mit to the Director each year the proposed budget  
2 of that agency for the fiscal year beginning in that  
3 year for programs and activities of that agency  
4 under the Strategy during that fiscal year.

5 (2) DATE FOR SUBMISSION.—The proposed  
6 budget of an agency for a fiscal year under para-  
7 graph (1) shall be submitted to the Director—

8 (A) not later than the date on which the  
9 agency completes the collection of information  
10 for purposes of the submission by the President  
11 of a budget to Congress for that fiscal year  
12 under section 1105 of title 31, United States  
13 Code; and

14 (B) before that information is submitted to  
15 the Director of the Office of Management and  
16 Budget for such purposes.

17 (3) FORMAT.—In consultation with the Director  
18 of the Office of Management and Budget, the Direc-  
19 tor shall specify the format for the submittal of pro-  
20 posed budgets under paragraph (1).

21 (c) REVIEW OF PROPOSED BUDGETS.—

22 (1) IN GENERAL.—The Director shall review  
23 each proposed budget submitted to the Director  
24 under subsection (b).

1           (2) INADEQUATE FUNDING DETERMINATION.—

2           If the Director determines under paragraph (1) that  
3           the proposed budget of an agency for a fiscal year  
4           under subsection (b) is inadequate, in whole or in  
5           part, to permit the implementation by the agency  
6           during the fiscal year of the goals of the Strategy  
7           applicable to the agency during the fiscal year, the  
8           Director shall submit to the head of the agency—

9                   (A) a notice in writing of the determina-  
10                  tion; and

11                   (B) a statement of the proposed funding,  
12                  and any specific initiatives, that would (as de-  
13                  termined by the Director) permit the implemen-  
14                  tation by the agency during the fiscal year of  
15                  the goals of the Strategy applicable to the agen-  
16                  cy during the fiscal year.

17           (3) ADEQUATE FUNDING DETERMINATION.—If

18           the Director determines under paragraph (1) that  
19           the proposed budget of an agency for a fiscal year  
20           under subsection (b) is adequate to permit the im-  
21           plementation by the agency during the fiscal year of  
22           the goals of the Strategy applicable to the agency  
23           during the fiscal year, the Director shall submit to  
24           the head of the agency a notice in writing of that  
25           determination.

1           (4) MAINTENANCE OF RECORDS.—The Director  
2 shall maintain a record of—

3           (A) each notice submitted under paragraph  
4           (2), including any statement accompanying  
5           such notice; and

6           (B) each notice submitted under paragraph  
7           (3).

8           (d) AGENCY RESPONSE TO REVIEW OF PROPOSED  
9 BUDGETS.—

10           (1) INCORPORATION OF PROPOSED FUNDING.—

11           The head of a Federal terrorism prevention and re-  
12           sponse agency that receives a notice under sub-  
13           section (c)(2) with respect to the proposed budget of  
14           the agency for a fiscal year shall incorporate the  
15           proposed funding, and any initiatives, set forth in  
16           the statement accompanying the notice into the in-  
17           formation submitted to the Office of Management  
18           and Budget in support of the proposed budget for  
19           the agency for the fiscal year under section 1105 of  
20           title 31, United States Code.

21           (2) ADDITIONAL INFORMATION.—The head of  
22           each agency described under paragraph (1) for a fis-  
23           cal year shall include as an appendix to the informa-  
24           tion submitted to the Office of Management and

1 Budget under that paragraph for the fiscal year the  
2 following:

3 (A) A summary of any modifications in the  
4 proposed budget of such agency for the fiscal  
5 year under that paragraph.

6 (B) An assessment of the effect of such  
7 modifications on the capacity of such agency to  
8 perform its responsibilities during the fiscal  
9 year other than its responsibilities under the  
10 Strategy.

11 (3) SUBMISSION TO CONGRESS.—

12 (A) IN GENERAL.—Subject to subpara-  
13 graph (B), the head of each agency described  
14 under paragraph (1) for a fiscal year shall sub-  
15 mit to Congress a copy of the appendix sub-  
16 mitted to the Office of Management and Budg-  
17 et for the fiscal year under paragraph (2) at  
18 the same time the budget of the President for  
19 the fiscal year is submitted to Congress under  
20 section 1105 of title 31, United States Code.

21 (B) ELEMENTS WITHIN INTELLIGENCE  
22 PROGRAMS.—In the submission of the copy of  
23 the appendix to Congress under subparagraph  
24 (A), those elements of the appendix which are

1           within the National Foreign Intelligence Pro-  
2           gram shall be submitted to—

3                   (i) the Select Committee on Intel-  
4                   ligence of the Senate; and

5                   (ii) the Permanent Select Committee  
6                   on Intelligence of the House of Represent-  
7                   atives.

8           (e) SUBMITTAL OF REVISED PROPOSED BUDGETS.—

9                   (1) IN GENERAL.—At the same time the head  
10                  of a Federal terrorism prevention and response  
11                  agency submits its proposed budget for a fiscal year  
12                  to the Office of Management and Budget for pur-  
13                  poses of the submission by the President of a budget  
14                  to Congress for the fiscal year under section 1105  
15                  of title 31, United States Code, the head of the  
16                  agency shall submit a copy of the proposed budget  
17                  to the Director.

18                  (2) REVIEW AND DECERTIFICATION AUTHOR-  
19                  ITY.—The Director of the National Office for Com-  
20                  bating Terrorism—

21                         (A) shall review each proposed budget sub-  
22                         mitted under paragraph (1); and

23                         (B) in the case of a proposed budget for a  
24                         fiscal year to which subsection (c)(2) applies in  
25                         the fiscal year, if the Director determines as a

1 result of the review that the proposed budget  
2 does not include the proposed funding, and any  
3 initiatives, set forth in the notice under that  
4 subsection with respect to the proposed  
5 budget—

6 (i) may decertify the proposed budget;

7 and

8 (ii) with respect to any proposed  
9 budget so decertified, shall submit to  
10 Congress—

11 (I) a notice of the decertification;

12 (II) a copy of the notice sub-  
13 mitted to the agency concerned for  
14 the fiscal year under subsection  
15 (c)(2)(B); and

16 (III) the budget recommenda-  
17 tions made under this section.

18 (f) NATIONAL TERRORISM PREVENTION AND RE-  
19 SPONSE PROGRAM BUDGET.—

20 (1) IN GENERAL.—For each fiscal year, fol-  
21 lowing the submittal of proposed budgets to the Di-  
22 rector under subsection (b), the Director shall, in  
23 consultation with the Secretary of National Home-  
24 land Security and the head of each Federal ter-  
25 rorism prevention and response agency concerned—

1           (A) develop a consolidated proposed budget  
2           for such fiscal year for all programs and activi-  
3           ties under the Strategy for such fiscal year; and

4           (B) subject to paragraph (2), submit the  
5           consolidated proposed budget to the President  
6           and to Congress.

7           (2) ELEMENTS WITHIN INTELLIGENCE PRO-  
8           GRAMS.—In the submission of the consolidated pro-  
9           posed budget to Congress under paragraph (1)(B),  
10          those elements of the budget which are within the  
11          National Foreign Intelligence Program shall be sub-  
12          mitted to—

13           (A) the Select Committee on Intelligence of  
14          the Senate; and

15           (B) the Permanent Select Committee on  
16          Intelligence of the House of Representatives.

17          (3) DESIGNATION OF CONSOLIDATED PRO-  
18          POSED BUDGET.—The consolidated proposed budget  
19          for a fiscal year under this subsection shall be  
20          known as the National Terrorism Prevention and  
21          Response Program Budget for the fiscal year.

22          (g) REPROGRAMMING AND TRANSFER REQUESTS.—

23           (1) APPROVAL BY THE DIRECTOR.—The head  
24          of a Federal terrorism prevention and response  
25          agency may not submit to Congress a request for

1 the reprogramming or transfer of any funds speci-  
2 fied in the National Terrorism Prevention and Re-  
3 sponse Program Budget for programs or activities of  
4 the agency under the Strategy for a fiscal year in  
5 excess of \$5,000,000 without the approval of the Di-  
6 rector.

7 (2) APPROVAL BY THE PRESIDENT.—The  
8 President may, upon the request of the head of the  
9 agency concerned, permit the submittal to Congress  
10 of a request previously disapproved by the Director  
11 under paragraph (1) if the President determines  
12 that the submittal of the request to Congress will  
13 further the purposes of the Strategy.

14 **TITLE III—NATIONAL STRATEGY**  
15 **FOR COMBATING TERRORISM**  
16 **AND THE HOMELAND SECU-**  
17 **RITY RESPONSE**

18 **SEC. 301. STRATEGY.**

19 (a) DEVELOPMENT.—The Secretary and the Director  
20 shall develop the National Strategy for Combating Ter-  
21 rorism and Homeland Security Response for detection,  
22 prevention, protection, response, and recovery to counter  
23 terrorist threats, including the plans, policies, training, ex-  
24 ercises, evaluation, and interagency cooperation that ad-  
25 dress each such action relating to such threats.

1 (b) RESPONSIBILITIES.—

2 (1) RESPONSIBILITIES OF THE SECRETARY.—

3 The Secretary shall have responsibility for portions  
4 of the Strategy addressing border security, critical  
5 infrastructure protection, emergency preparation  
6 and response, and integrating State and local efforts  
7 with activities of the Federal Government.

8 (2) RESPONSIBILITIES OF THE DIRECTOR.—

9 The Director shall have overall responsibility for de-  
10 velopment of the Strategy, and particularly for those  
11 portions of the Strategy addressing intelligence, mili-  
12 tary assets, law enforcement, and diplomacy.

13 (c) CONTENTS.—The contents of the Strategy shall  
14 include—

15 (1) policies and procedures to maximize the col-  
16 lection, translation, analysis, exploitation, and dis-  
17 semination of information relating to combating ter-  
18 rorism and the homeland security response through-  
19 out the Federal Government and with State and  
20 local authorities;

21 (2) plans for countering chemical, biological, ra-  
22 diological, nuclear and explosives, and cyber threats;

23 (3) plans for improving the resources of, coordi-  
24 nation among, and effectiveness of health and med-

1 ical sectors for detecting and responding to terrorist  
2 attacks on the homeland;

3 (4) specific measures to enhance cooperative ef-  
4 forts between the public and private sectors in pro-  
5 tecting against terrorist attacks;

6 (5) a review of measures needed to enhance  
7 transportation security with respect to potential ter-  
8 rorist attacks; and

9 (6) other critical areas.

10 (d) COOPERATION.—At the request of the Secretary  
11 or Director, departments and agencies shall provide nec-  
12 essary information or planning documents relating to the  
13 Strategy.

14 (e) INTERAGENCY COUNCIL.—

15 (1) ESTABLISHMENT.—There is established the  
16 National Combating Terrorism and Homeland Secu-  
17 rity Response Council to assist with preparation and  
18 implementation of the Strategy.

19 (2) MEMBERSHIP.—The members of the Coun-  
20 cil shall be the heads of the Federal terrorism pre-  
21 vention and response agencies or their designees.  
22 The Secretary and Director shall designate such  
23 agencies.

1           (3) CO-CHAIRS AND MEETINGS.—The Secretary  
2           and Director shall co-chair the Council, which shall  
3           meet at their direction.

4           (f) SUBMISSION TO CONGRESS.—Not later than De-  
5           cember 1, 2003, and each year thereafter in which a Presi-  
6           dent is inaugurated, the Secretary and the Director shall  
7           submit the Strategy to Congress.

8           (g) UPDATING.—Not later than December 1, 2005,  
9           and on December 1, of every 2 years thereafter, the Sec-  
10          retary and the Director shall submit to Congress an up-  
11          dated version of the Strategy.

12          (h) PROGRESS REPORTS.—Not later than December  
13          1, 2004, and on December 1, of each year thereafter, the  
14          Secretary and the Director may submit to Congress a re-  
15          port that—

16                (1) describes the progress on implementation of  
17                the Strategy; and

18                (2) provides recommendations for improvement  
19                of the Strategy and the implementation of the Strat-  
20                egy.

21          **SEC. 302. NATIONAL COMBATING TERRORISM STRATEGY**

22                        **PANEL.**

23           (a) ESTABLISHMENT.—The Secretary and the Direc-  
24          tor shall establish a nonpartisan, independent panel to be

1 known as the National Combating Terrorism Strategy  
2 Panel (in this section referred to as the “Panel”).

3 (b) MEMBERSHIP.—

4 (1) APPOINTMENT.—The Panel shall be com-  
5 posed of a chairperson and 8 other individuals ap-  
6 pointed by the Secretary and the Director, in con-  
7 sultation with the chairman and ranking member of  
8 the Committee on Governmental Affairs of the Sen-  
9 ate and the chairman and ranking member of the  
10 Committee on Government Reform of the House of  
11 Representatives, from among individuals in the pri-  
12 vate sector who are recognized experts in matters re-  
13 lating to the homeland security of the United States.

14 (2) TERMS.—

15 (A) IN GENERAL.—An individual shall be  
16 appointed to the Panel for an 18-month term.

17 (B) TERM PERIODS.—Terms on the Panel  
18 shall not be continuous. All terms shall be for  
19 the 18-month period which begins 12 months  
20 before each date a report is required to be sub-  
21 mitted under subsection (1)(2)(A).

22 (C) MULTIPLE TERMS.—An individual may  
23 serve more than 1 term.

24 (c) DUTIES.—The Panel shall—

1           (1) conduct and submit to the Secretary the as-  
2           sessment of the Strategy; and

3           (2) conduct the independent, alternative assess-  
4           ment of homeland security measures required under  
5           this section.

6           (d) ALTERNATIVE ASSESSMENT.—The Panel shall  
7           submit to the Secretary an independent assessment of the  
8           optimal policies and programs to combat terrorism, includ-  
9           ing homeland security measures. As part of the assess-  
10          ment, the Panel shall, to the extent practicable, estimate  
11          the funding required by fiscal year to achieve these opti-  
12          mal approaches.

13          (e) INFORMATION FROM FEDERAL AGENCIES.—

14               (1) IN GENERAL.—Subject to paragraph (2),  
15               the Panel may secure directly from any Federal de-  
16               partment or agency such information as the Panel  
17               considers necessary to carry out this section. Upon  
18               request of the Chairperson, the head of such depart-  
19               ment or agency shall furnish such information to the  
20               Panel.

21               (2) INTELLIGENCE INFORMATION.—The provi-  
22               sion of information under this paragraph related to  
23               intelligence shall be provided in accordance with pro-  
24               cedures established by the Director of Central Intel-  
25               ligence and in accordance with section 103(d)(3) of

1 the National Security Act of 1947 (50 U.S.C. 403–  
2 3(d)(3)).

3 (f) COMPENSATION OF MEMBERS.—Each member of  
4 the Panel shall be compensated at a rate equal to the daily  
5 equivalent of the annual rate of basic pay prescribed for  
6 level IV of the Executive Schedule under section 5315 of  
7 title 5, United States Code, for each day (including travel  
8 time) during which such member is engaged in the per-  
9 formance of the duties of the Panel.

10 (g) TRAVEL EXPENSES.—The members of the Panel  
11 shall be allowed travel expenses, including per diem in lieu  
12 of subsistence, at rates authorized for employees of agen-  
13 cies under subchapter I of chapter 57 of title 5, United  
14 States Code, while away from their homes or regular  
15 places of business in the performance of services for the  
16 Panel.

17 (h) STAFF.—

18 (1) IN GENERAL.—The Chairperson of the  
19 Panel may, without regard to the civil service laws  
20 and regulations, appoint and terminate an executive  
21 director and such other additional personnel as may  
22 be necessary to enable the Panel to perform its du-  
23 ties. The employment of an executive director shall  
24 be subject to confirmation by the Panel.

1           (2) COMPENSATION.—The Chairperson of the  
2 Panel may fix the compensation of the executive di-  
3 rector and other personnel without regard to chapter  
4 51 and subchapter III of chapter 53 of title 5,  
5 United States Code, relating to classification of posi-  
6 tions and General Schedule pay rates, except that  
7 the rate of pay for the executive director and other  
8 personnel may not exceed the rate payable for level  
9 V of the Executive Schedule under section 5316 of  
10 such title.

11           (3) PERSONNEL AS FEDERAL EMPLOYEES.—

12           (A) IN GENERAL.—The executive director  
13 and any personnel of the Panel who are employ-  
14 ees shall be employees under section 2105 of  
15 title 5, United States Code, for purposes of  
16 chapters 63, 81, 83, 84, 85, 87, 89, and 90 of  
17 that title.

18           (B) MEMBERS OF PANEL.—Subparagraph  
19 (A) shall not be construed to apply to members  
20 of the Panel.

21           (4) REDUCTION OF STAFF.—During periods  
22 that members are not serving terms on the Panel,  
23 the executive director shall reduce the number and  
24 hours of employees to the minimum necessary to—

1 (A) provide effective continuity of the  
2 Panel; and

3 (B) minimize personnel costs of the Panel.

4 (i) DETAIL OF GOVERNMENT EMPLOYEES.—Any  
5 Federal Government employee may be detailed to the  
6 Panel without reimbursement, and such detail shall be  
7 without interruption or loss of civil service status or privi-  
8 lege.

9 (j) ADMINISTRATIVE PROVISIONS.—

10 (1) USE OF MAIL AND PRINTING.—The Panel  
11 may use the United States mails and obtain printing  
12 and binding services in the same manner and under  
13 the same conditions as other departments and agen-  
14 cies of the Federal Government.

15 (2) SUPPORT SERVICES.—The Secretary shall  
16 furnish the Panel any administrative and support  
17 services requested by the Panel.

18 (3) GIFTS.—The Panel may accept, use, and  
19 dispose of gifts or donations of services or property.

20 (k) PAYMENT OF PANEL EXPENSES.—The com-  
21 pensation, travel expenses, and per diem allowances of  
22 members and employees of the Panel shall be paid out of  
23 funds available to the Department for the payment of  
24 compensation, travel allowances, and per diem allowances,  
25 respectively, of civilian employees of the Department. The

1 other expenses of the Panel shall be paid out of funds  
2 available to the Department for the payment of similar  
3 expenses incurred by the Department.

4 (l) REPORTS.—

5 (1) PRELIMINARY REPORT.—

6 (A) REPORT TO SECRETARY.—Not later  
7 than July 1, 2004, the Panel shall submit to  
8 the Secretary and the Director a preliminary  
9 report setting forth the activities and the find-  
10 ings and recommendations of the Panel under  
11 subsection (d), including any recommendations  
12 for legislation that the Panel considers appro-  
13 priate.

14 (B) REPORT TO CONGRESS.—Not later  
15 than 30 days after the submission of the report  
16 under subparagraph (A), the Secretary and the  
17 Director shall submit to the committees re-  
18 ferred to under subsection (b) a copy of that re-  
19 port with the comments of the Secretary on the  
20 report.

21 (2) QUADRENNIAL REPORTS.—

22 (A) REPORTS TO SECRETARY.—Not later  
23 than December 1, 2004, and not later than De-  
24 cember 1 every 4 years thereafter, the Panel  
25 shall submit to the Secretary and the Director

1 a report setting forth the activities and the  
2 findings and recommendations of the Panel  
3 under subsection (d), including any rec-  
4 ommendations for legislation that the Panel  
5 considers appropriate.

6 (B) REPORTS TO CONGRESS.—Not later  
7 than 60 days after each report is submitted  
8 under subparagraph (A), the Secretary shall  
9 submit to the committees referred to under sub-  
10 section (b) a copy of the report with the com-  
11 ments of the Secretary and the Director on the  
12 report.

## 13 **TITLE IV—EFFECTIVE DATE**

### 14 **SEC. 401. EFFECTIVE DATE.**

15 This Act shall take effect 180 days after the date of  
16 enactment of this Act.

○