

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, DEFENSE

<u>(Dollars in Millions)</u>									
FY 2002	Price	Program	FY 2003	Price	Program	FY 2004	Price	Program	FY 2005
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
852.6 ^{1,2}	+8.6	+10.7	871.9	+11.6	-66.1	817.4	+12.8	+3.3	833.5

¹ Included for comparability, these funds were transferred to other Defense appropriations for execution.

² Of the \$300.582 million appropriated in the FY 2000 Emergency Supplemental, \$186.413 was allocated in FY 2000, \$103.266 million was allocated in FY 2001, and \$10.903 million was allocated in FY 2002.

In accordance with its statutory authorities, the Department of Defense (DoD) will use its counternarcotics (CN) resources as effectively and efficiently as possible to achieve national and Department CN goals. The DoD will focus on programs that fulfill statutory responsibilities and use military-unique resources and capabilities. The DoD will continue to advance the national priorities of the National Drug Control Strategy.

While the DoD carries out drug demand reduction programs which support the first national priority and help maintain the Armed Forces as an effective fighting force, most of its activities combat drug activity and, where possible, the movement of other threats to the United States, its friends, and allies. The DoD's new CN policy guidance, issued July 31, 2002, states that the DoD will execute drug detection and monitoring and other programs using military command, control, communications and intelligence resources, as well as military operational planning capabilities. Accordingly, the DoD will focus on counternarcotics activities that will (1) Enhance readiness; (2) Satisfy its mandatory detection and monitoring responsibilities; (3) Contribute to the war on terrorism; (4) Advance its security cooperation goals; or (5) Enhance national security. The term “counterdrug activities” refers to “measures taken to detect, interdict, disrupt or curtail any activity that is *reasonably related* to narcotics trafficking.” These include, but are not limited to, “measures taken to detect, interdict, disrupt or curtail activities related to substances, material, weapons or resources used to finance, support, secure, cultivate, process or transport illegal drugs.”

The Counternarcotics Program is financed through the Drug Interdiction and Counterdrug Activities, Defense appropriation, which is a central transfer account (CTA) with a single budget line that accounts for all associated CN resources with the exception of those resources for the Active components’ military personnel, and Service OPTEMPO. The CTA provides inherent flexibility for the Department’s CN program to respond effectively to the dynamic nature of the counterdrug threat. The OPTEMPO portion of the CN program (estimated at \$158 million in FY 2003 and \$160 million in FY 2004) is budgeted in the Services’ O&M appropriations and supports the President’s National Drug Control Strategy. Further, OPTEMPO is managed by the Deputy Assistant Secretary of Defense (CN) as an integral part of the Department’s CN effort.

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Funding Summary: The Department’s FY 2004 CN budget request of \$817.4 million reflects a net decrease of \$54.5 million, which includes price growth of \$11.6 million and a net program decrease of \$66.1 million over the FY 2003 level of \$871.9 million. The program decreases consist primarily of one-time FY 2003 congressional increases to the CN program. The Department has budgeted the following resources in the Drug Interdiction and Counterdrug Activities, Defense appropriation to support resource functions prescribed by the Office of the National Drug Control Policy.

	<u>FUNDING BY FUNCTION</u>						
	<u>(Dollars in millions)</u>						
	<u>FY 2002</u>		<u>FY 2003</u>		<u>FY 2004</u>		<u>FY 2005</u>
	<u>Actuals</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Estimate</u>
1. Intelligence	119.4	+2.5	121.9	-0.2	121.7	+5.2	126.9
2. Interdiction	385.4	+15.6	401.0	+12.3	413.3	+9.2	422.5
3. Investigations	66.2	-1.7	64.5	-19.7	44.8	+0.4	45.2
4. Prevention	107.5	-3.8	103.7	+5.6	109.3	+2.0	111.3
5. Research and Development	22.4	-8.1	14.3	+4.1	18.4	+2.2	20.6
6. State and Local Assistance	145.7	+14.7	160.4	-57.3	103.1	-2.9	100.2
7. Treatment	<u>6.0</u>	<u>+0.1</u>	<u>6.1</u>	<u>+0.7</u>	<u>6.8</u>	=	<u>6.8</u>
Total	852.6	+19.3	871.9	-54.5	817.4	+16.1	833.5

The FY 2004 CN budget will continue to fund, within fiscal constraints, an array of effective programs that support the National Drug Control Strategy and Department goals as reflected below.

STOPPING USE BEFORE IT STARTS

A total of \$18.7 million is for the National Guard State Plans and Service outreach programs, and the Young Marines outreach program, and \$97.3 million is for the continued support of the DoD Demand Reduction Programs. These funds support drug testing for active duty military, National Guard and Reserve personnel, and DoD civilian employees; drug abuse prevention/education activities for military and civilian personnel and their dependents; and drug treatment for military personnel.

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, DEFENSE

DISRUPTING THE MARKET

Domestic Support

This funding supports federal, state and local drug law enforcement agencies (DLEAs) requests for domestic operational and logistical support, and will assist the DLEAs in their efforts to reduce drug-related crime. Of this amount, \$147.3 million is for a portion of the total National Guard State Plans that supports domestic law enforcement efforts and the counternarcotics schools; \$15.5 million is for CONUS Operational Support, such as US Northern Command (NORTHCOM) counternarcotics support to DLEAs; and \$9.9 million is for Command, Control, Communication, Computers, and Intelligence (C4I) support.

International and Detection and Monitoring Programs

Detection and Monitoring funding is designated to execute counternarcotics detection and monitoring programs to assist U.S. law enforcement agencies to counter the flow of drugs in transit into Puerto Rico and the Virgin Islands and across the U.S. Southwest Border into the United States. Of this amount, \$68.3 million is for C4I support; \$191.6 million is for detection and monitoring platforms and assets; \$4.2 million is in support of emerging threats; \$128.7 million is for OCONUS Operational Support; \$113.4 million is for intelligence support and Signals Intelligence (SIGINT) collection and processing; and \$22.1 million is for non-operational support to include research and development activities.

The Department's FY 2004 CN program has been updated to reflect the DoD's new CN policy, which required the following changes:

- Phase out or transfer domestic programs where there is no benefit to DoD or where unique military skills or capabilities are not required;
- Enhance demand reduction programs and require minimum testing rates for the Services;
- Provide robust support to the Government of Colombia by enhancing counternarcotics and counterterrorism support;
- Provide resources to combat emerging threats related to counternarcotics;
- Restructure or eliminate international legacy programs; and
- Maintain mandatory detection and monitoring responsibilities.

The changes are summarized as follows:

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, DEFENSE

STOPPING USE BEFORE IT STARTS

- Increasing Reserve/National Guard drug testing to 80% per capita/year level.
- Funding the counternarcotics portion of Navy and Air Force Alcohol and Substance Abuse Counseling Services (ASACS) program costs.
- Funding increased Navy Drug Education for Youth (DEFY) program operation and costs.

DISRUPTING THE MARKET

Domestic Support

- Transfer of Joint Task Force Six to NORTHCOM and reduce associated active and reserve domestic support that does not provide benefit to DoD or where unique military skills or capabilities are not required.
- Elimination of the Domestic Ops - Pacific program and the LEA Training Support program.
- Transfer of the North American Air Defense Command (NORAD) Support program and the Civil Air Patrol program to the Department of the Air Force.
- Transfer of the Defense Logistics Agency (DLA) Law Enforcement Support Office (LESO) to DLA.
- Phase out of Central Transfer Account funding for National Guard missions that are not making use of unique military skills, such as Cargo/Mail Inspection, Marijuana Eradication and OH-58 support.

International and Detection and Monitoring Programs

- Enhanced support for Colombian narcoterrorist efforts.
- Incorporation of the Mexico Information Analysis Center (IAC) program into the Tactical Analysis Teams (TAT) program, with the regionalization of TAT elements to service Central America and Caribbean.
- Elimination of the T-AGOS program as directed by FY 2003 congressional language.
- Refocus the Marine Corps Riverine Training Deployments program onto littoral missions. Phase in the Colombian Riverine Training Team concept.
- Elimination of South American radar sites with marginal utility, to include the Monte Cano, VE, and El Copey, VE radar sites.
- Limit Joint Planning Assistance Teams (JPATS) to those Andean countries with the most significant need, such as Colombia, Ecuador, Bolivia and Peru.
- Refocus the training and host nation support programs in the Caribbean and Mexico.
- Establish program to address other trafficking and emerging threats as they relate to narcoterrorism.