

STATEMENT OF THE ATTORNEY GENERAL  
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BEFORE THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS  
FOR THE DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE,  
THE JUDICIARY, AND RELATED AGENCIES

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to present to you the President's 1993 budget request for the Department of Justice. I consider it a privilege to have had the opportunity to work with the Members and staff at this Subcommittee during my tenure at the Department. In particular, over these past few months I have greatly appreciated the courtesy and support you have extended to me. I look forward to continuing this strong and positive relationship.

The mission of law enforcement is to protect the freedom and liberties of all Americans. Indeed, the first freedom of all who live in this country is the freedom from fear of crime. Adequately protecting this freedom and defending the blessings of liberty is an unending task, requiring both moral and financial commitment.

Like the members of this Subcommittee, we at the Justice Department are firmly committed to vigorous enforcement of the law. As I have mentioned frequently in my short tenure as Attorney General, and as you are certainly aware, enforcement of the law is a costly endeavor. Nevertheless, I believe that it is a cost we as a society must willingly bear. The President's proposed budget will give us the financial resources we need to make good on our commitment to the cause of justice.

Of course, in a time of scarce resources, all of us must be certain that our expenditures are effective and judicious. I believe the resources the President is requesting are absolutely necessary for the Justice Department to perform its mission of law enforcement for this nation. I hope you will agree with me that our budgetary plans for the coming fiscal year merit full funding.

With the 1993 budget, the Department intends to build on the progress we have made in federal law enforcement over the past three years. The total request for FY 1993 is \$11.3 billion. This is about 10 percent greater than the comparable amount for 1992. Out of the total, the request for discretionary funds is \$9.7 billion, an increase of 9.3 percent over 1992.

Before I go into the specifics of the proposal, I would like to discuss some of my priorities for the Department and how the Department has been using its resources in this current fiscal year.

I recognize as you do that my responsibility is to administer the law across the board, ensuring that all programs and activities in law enforcement are given their due attention and resources. As you consider the entire funding request for the Department, I trust you will see the Administration's commitment to the full breadth of the Department's responsibilities. Nevertheless, there are several areas which I believe warrant special emphasis, and I have attempted in my first several weeks as Attorney General to bring greater attention to these challenges for law enforcement.

First, as you undoubtedly know by now, the fight against violent crime and drug trafficking is one of my top priorities. While the problem of violent crime is primarily the responsibility of state and local law enforcement, strong federal leadership can have a significant impact. In this regard, we have been increasingly targeting our resources over the past year on gangs, felons who use firearms, and drug trafficking organizations.

With regard to gangs, federal law enforcement has become extremely effective in combating violent street gangs by using tough federal laws to assist local law enforcement in dismantling these criminal organizations. As you know, in the past several weeks, I have attempted to enhance this assistance by shifting 300 FBI agents from the foreign counterintelligence program to violent gang task forces in dozens of cities across the country. This was one of the largest reallocations of resources in FBI history. Along with this shift, the Administration agreed that the Bureau of Alcohol, Tobacco, and Firearms should join the FBI in joint task forces which would expand the Washington, D.C. effort and launch new programs in Baltimore, Dallas and Atlanta. We are augmenting this effort by supporting a new national gang analysis center. I have also added to this effort 150 INS criminal investigators who will focus on violent criminal alien gang members and I have reassigned 25 DEA agents from headquarters to drug-related violent crime task forces. I would be remiss if I did not add that I greatly appreciate the Subcommittee's support of these changes.

In connection with our crack down on felons who use firearms, we are now targeting habitual offenders who use or carry guns, seizing their weapons, and putting these repeat criminals in prison under stiff federal mandatory sentences. Under our "Operation Triggerlock," we will have charged nearly 6,000 violent criminals by the time of our one year anniversary in April.

Finally, with regard to drugs, in addition to our ongoing attack on trafficking organizations throughout the nation and around the world, the Department has been focusing resources on violent street gangs engaged in drug distribution. Over the past year, entire gangs, along with the murder and destruction caused by their drug trafficking enterprise, have been completely removed in cities such as Philadelphia, Chicago and Washington, D.C.

In addition to these efforts, the Administration's "Operation Weed & Seed" is an essential element in our attack against street crime and the social and economic devastation it brings. Working with community leaders, we are targeting high-crime neighborhoods and housing developments to "weed out" violent criminals, illegal gang activity, drug trafficking and related violence. Then, these formerly crime-saturated neighborhoods will be "seeded" through comprehensive social and economic revitalization. We hope to expand substantially this initiative next year, and this proposal is outlined more fully in my statement.

Another priority of mine and the Department's is civil rights. The Department is firmly committed to working diligently to ensure that every American's civil rights are protected, whether it be in

the home, workplace, marketplace or classroom. While I was serving as Acting Attorney General, I announced plans to aggressively attack housing discrimination this fiscal year by employing the Department's own testers. I also directed the Civil Rights Division to study the problem of mortgage discrimination for possible enforcement action.

Finally, we have been making great headway in the fight against white-collar crime and financial institution fraud. Earlier this month, I announced my intention to reassign this year another 50 FBI agents from counterintelligence to investigations of health care fraud. Furthermore, since 1988, the Department has prosecuted more than 2,700 defendants in major financial institution fraud cases. More than 1,000 of these defendants have been prosecuted in connection with major S&L cases, and more than three-fourths of those convicted have gone to jail. Our success in the past year is in large part the result of the enhanced resources we received in 1990. The task now is to build on our successes, to keep up our momentum.

All of us here -- members of this Subcommittee, Justice Department officials alike -- understand the need for strong law enforcement. The President's budget proposal contains some significant increases over last year's budget. This reflects an understanding of the challenges before us, and it shows the resolve necessary to meet them. This budget is right in line with the priorities of the Department. I would now like to discuss in some detail the proposed budget.

## VIOLENT CRIME

Although reducing violent crime is our top budget priority, it does not have high visibility in our formal 1993 budget request. In the budget, most of the violent crime effort of the Federal Bureau of Investigation is in a program that is simply titled "Other Field Programs." This program includes investigation of crimes on Federal property and Indian reservations, interstate thefts, bank robbery, airline piracy, a growing list of statutory offenses against violent acts, and the tracking of fugitives. In the U.S. Attorneys, violent crime falls under the title "Criminal litigation." In addition, the Marshals Service deals with fugitives and the Criminal Division provides litigation guidance.

Starting with the resources we have in 1992, our violent crime initiative moves in two principal directions. One is a direct assault on violent street criminals where agents of the FBI and DEA and personnel from INS and the Marshals Service join with State and local law enforcement agencies. The other effort is the more comprehensive "Operation Weed and Seed" program. By 1993, we hope to apply nearly \$486 million to our violent crime initiative, more than a 23 percent increase over the original 1992 enacted level for violent crime programs.

## DIRECT ASSAULT ON VIOLENT CRIME

In 1993, the violent crime activities of the FBI will be further strengthened by reallocating another 85 agents from the counterintelligence program to further increase the number of Violent Crime Task Forces and broaden their focus on gangs.

As the law enforcement agencies develop their Violent Crime Task Force cases, the U.S. Attorneys will need to expand their capacity for handling additional cases. In addition, the U.S. Attorneys will take a lead role with State and local law enforcement officials in targeting repeat violent offenders, drug traffickers, and gang members who must be removed from circulation so that neighborhoods can be rejuvenated. Beyond the reprogramming within the FBI, increases totaling \$26 million and 360 positions (161 attorneys) are requested for violent crime.

#### OPERATION WEED AND SEED

On January 27, the President formally endorsed the "Weed and Seed" program which provides intensive crime and drug fighting assistance, social services, and job opportunities to targeted inner city neighborhoods. The goal is to "weed out" crime from targeted neighborhoods by increasing police visibility, developing police relationships with the citizenry, addressing social and economic problems in communities where narcotic trafficking is prevalent, and then "seed" them by developing an active community policing program coordinating the delivery of social services, including prevention, intervention and treatment programs addressing social and economic problems in communities where narcotic trafficking is prevalent, and building a framework under which public and private agencies can enhance public safety and the overall quality of life. In 1993, the program includes a \$30 million commitment by the Department of Justice. The Government's total 1993 commitment may reach \$500 million, provided that

Congress adopts the appropriations language proposed for the budgets of the various departments affected by the program and permits the establishment of Urban Enterprise Zones.

The concept of "Weed and Seed" originated in Philadelphia. In 1991, the Office of Justice Programs made pilot grants to Trenton, New Jersey; Kansas City, Missouri and Omaha, Nebraska; and in 1992, grants will be made to at least eight to ten cities. With the request for 1993, over 30 neighborhoods may be selected for participation.

#### DRUG ABUSE AND CONTROL

Unlike our violent crime initiative, drug abuse and control have long been recognized as a Federal responsibility. In January 1992, the President transmitted the Fourth National Drug Control Strategy to Congress. The principal goal remains unchanged: to reduce the level of illegal drug use in America. The President noted that in fighting the drug war, we are winning the war against casual drug use, but progress is slower in the war against hard core drug use.

Debate will continue over the proper balance between "supply" and "demand" efforts to combat drugs. Clearly, the ultimate victory must be won on the battlefield of values. This means that drug abuse must be rejected in the family, classroom, houses of worship, and throughout our social structure. But as the National Drug Control Strategy report says "Treatment and education stand little chance of succeeding if they must compete in a neighborhood where drug dealers flourish on every corner."



The National Drug Control Strategy for 1993 enumerates the agencies requesting \$12.7 billion for the anti-drug abuse effort, a total 6 percent greater than the \$12 billion available in 1992. For the Department of Justice only, the 1993 total is \$4.7 billion. This is \$411 million more than the amount provided in 1992 and represents more than 41 percent of all the financial resources included in our 1993 budget.

The \$4.7 billion Department of Justice segment includes the entire appropriations for the Drug Enforcement Administration and Organized Crime Drug Enforcement, as well as all obligations of the Assets Forfeiture Fund. Because of the magnitude of the Drug Abuse grant program in the Office of Justice Programs, the preponderance of its activities are classified as part of the drug war. Beginning in 1983, the Federal Bureau of Investigation formally joined the list of investigative agencies budgeting directly for the drug war. Perhaps the most indicative measure of the success of the drug war is the inclusion of more than \$1.6 billion for the housing and care of prisoners convicted of drug-related offenses. Smaller but significant funding amounts are contributed by the U.S. Attorneys, the Marshals Service, and the Immigration and Naturalization Service. Rounding out the heavy commitment by the Department are direct activities of the Criminal and Tax Divisions, as well as INTERPOL.

Although the Justice Department is primarily associated with the mission of reducing the supply of drugs, it is strongly committed to drug abuse prevention and education. The DEA and the

FBI have allocated increasing resources to this effort. The Federal Prison System is actively involved in prisoner education and treatment programs, and the Office of Justice Programs is authorized to provide grants for almost any activity that may successfully fight drug abuse.

Recognizing that the preponderance of our resources are directed at reducing the drug supply, there are three possible approaches. One is to destroy drugs at their source. A second is to sharpen the attack on drug trafficking organizations. Finally, the drug supply can be reduced by attacking drug transactions at the street dealer level. As circumstances change, the response of law enforcement also must change.

#### WHITE COLLAR CRIME

Three years ago, when former Attorney General Thornburgh was before this Committee, he noted that the battlefield of values was not limited to drugs but extended to the nation's corporate board rooms. We were already involved in addressing financial institution and defense contractor fraud, HUD-related cases, and a variety of other crimes in the suites. The magnitude of fraud in the savings and loan industry and its precarious condition soon became evident. Within months, the Congress enacted the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Since then, we have relentlessly pursued fraud cases and secured long sentences and orders for high fines and restitution not only from savings and loan industry defendants but also from others who have violated their fiduciary responsibilities.

In 1993, our White Collar Crime request totals \$640 million, of which \$278 million is requested to respond to financial institutions fraud. To respond to the broadening array of white collar criminal activity, we are requesting 388 positions and \$23.3 million in program increases.

More than half of the entire program and the majority of the program increases are slated for investigations conducted by the Federal Bureau of Investigation. As expected, the second largest component, in terms of ongoing and increased resources, is the U.S. Attorneys. Five of our legal divisions comprise the remainder of the program.

A number of new or expanded white-collar crime initiatives need to be undertaken. We must investigate and vigorously prosecute instances of fraud involving health care insurance and pension plans to guard against another debacle on a scale similar to the savings and loan crisis. The ballooning number of bankruptcies also appear to be laced with fraud.

Within the Federal Bureau of Investigation, the focus will be on augmenting health care and financial institution fraud cases, sharply increasing the resources applied to computer crimes, investigating the siphoning off of funds both before and after bankruptcies are filed, and responding to complaints about fraud associated with telemarketing, insurance, and commodities and securities.

The Tax Division requires additional staff to stem a massive evasion of the motor vehicle fuel excise tax and to collect taxes

owed but concealed during bankruptcy proceedings. Within the Criminal Division and the U.S. Attorneys, prosecutions will focus increasingly on pension plan fraud, health care fraud, and computer crimes.

The Civil, Antitrust, and Environment and Natural Resources Divisions will continue to devote considerable resources to ferreting out those who violate criminal laws in their business activities.

#### IMMIGRATION

Although the President's budget contains several immigration initiatives, the priority for controlling illegal immigration was enhanced greatly by the Department's February 19, 1992 reprogramming notification which proposed to accelerate the application of user fee resources to strengthen inspection and examination activities. This reprogramming also had the beneficial effect of providing resources in 1992 to hire 300 Border Patrol agents and 200 investigators to interdict, identify, and deport criminal aliens, and over 700 INS employees to serve those who are lawful immigrants and travelers.

#### OTHER PRIORITIES

Earlier, I mentioned a number of priorities that the Congress must address, but detailed discussion of them can be deferred because they can be fully covered as we later address specific organization requirements.

#### MATTERS OF SPECIAL INTEREST

The Civil Liberties Act of 1988 established a Fund out of which Japanese-Americans interned during World War II would receive a payment of \$20,000 if still living at the time the Act was signed. An authorization was established for \$1.25 billion to compensate 62,500 people over a three year period. This Fund will become exhausted in 1993. However, because the number of eligible interned Japanese Americans has been higher than expected, legislation is proposed to provide benefits to those who remain unpaid. In addition, equity requires payment to non-Japanese spouses and parents who were also interned, a provision of the Administration's legislative proposal. To pay these additional costs, the authorization for this permanent-indefinite appropriation will need to be increased by \$250 million.

The Radiation Exposure Compensation Act established a Trust Fund to pay claims of individuals exposed to radiation stemming from atmospheric nuclear tests and uranium mining. The first funding for this purpose was a \$30 million appropriation to the Department of Defense in 1992. In 1993, the Administration is requesting almost \$171 million in the Department of Justice. Because fixed compensation amounts are not provided by law, this program falls within discretionary spending ceilings, but instead of being classified under the domestic discretionary category, the costs are classified as defense discretionary. This is because they stemmed from the activities of the Department of Defense and the Department of Energy and its predecessor agencies. In

addition, a small component of the Civil Division charged with administering compensation claims is proposed for similar funding.

Unusual interest has already been shown in another matter which shows up as a general provision of the Department's budget. Section 111, if enacted, would permit the Department to charge prisoners the costs of their first year of incarceration following sentencing. The fee for most prisoners would be waived because of their indigence or other mitigating circumstances, but it seems very reasonable that society should not shoulder the full cost of incarcerating criminals who have the ability to pay.

The appropriation request includes a modification of the U.S. Code that would require U.S. courts to award filing and docketing fees to the United States when the United States is a prevailing party in a lawsuit. The United States would continue to be exempt from paying fees when it files documents. For example, if the United States won a case as the plaintiff, the loser, be it an individual or a corporation, would be required to pay these fees, notwithstanding that the Government had not paid any filing fees.

#### INDIVIDUAL COMPONENTS

Understanding how certain priorities of the Administration sweep across almost all of the Department's components is necessary to comprehend how we deal with nationwide problems and to understand how critical it is that each has its proper share of resources. The war on drugs is our best example. In other cases, developing programs can be adequately described within organizations that are directed at specific missions. The

remainder of my remarks are directed mainly at Department components falling under such broad classifications as law enforcement, litigation, corrections, State and local assistance, and infrastructure.

#### LAW ENFORCEMENT

The largest law enforcement component in the Department of Justice is the FBI. Its direct appropriation request exceeds \$2 billion. The FBI's enhanced role in fighting violent crime has already been discussed along with its continuing and growing responsibilities in the war on drugs and white collar crime. The changing world situation not only allows us to shift major resources out of foreign counterintelligence but also allows us to shift certain counterintelligence costs to the defense discretionary category under the operative budget agreement.

The changes mentioned above focus on the work of the Bureau's 56 field offices and approximately 400 resident agencies. In addition to the reprogrammings for 1992, which will be augmented in 1993, the budget includes a number of program increases to strengthen FBI field activities. For the Drugs Program, the request for 35 positions and \$2.2 million focuses on establishing additional Regional Drug Intelligence Squads. Under the White Collar Crime Program, an additional 225 positions and \$14.2 million would be applied to financial institution fraud, fraudulent bankruptcy filings, computer and wire fraud, and criminal activities in the telemarketing, insurance, securities, and commodities industries. In addition, the magnitude of health care

fraud requires resources beyond those we will obtain through reprogrammings. For the Organized Crime Program, an additional 53 positions and \$2.4 million are needed to counter the influx of Asian organized crime groups. The final direct request for field funding relates to increasing the size of the Hostage Rescue Team (HRT). This segment of the request includes 24 agent positions and \$2.9 million. This would provide a third HRT unit which would better position us to handle several individual hostage rescue events simultaneously.

Backing up the FBI's field activities are a number of vital support programs. Within the "Salaries and Expenses" appropriation, the Technical Field Support and Equipment program has net increases totaling \$11.4 million and, within the \$80 million requested for the defense discretionary "Special Program" appropriation there is an increase of \$8.9 million for advanced digital telephony.

The greatest single dollar item requested for the FBI continues to be the Fingerprint Identification program. In a 1990 supplemental appropriation, \$185 million was provided to prepare for moving the Identification Division to Clarksburg, West Virginia. In 1992, \$48 million was provided to initiate development and acquisition of an Integrated Automated Fingerprint Identification System that will be located there. In addition, Congress approved our 1992 request to provide 487 positions and \$12.5 million so that we could begin to rapidly update records to aid in the identification of felons who attempt to purchase



firearms. The 1993 request includes an additional \$103.4 million to acquire computer hardware related to the image transmission network, convert 32 million manual fingerprint images to digitized images, and develop a prototype system to identify felons who attempt firearm purchases.

#### DRUG ENFORCEMENT ADMINISTRATION

As the lead Federal drug enforcement agency, the Drug Enforcement Administration has the mission of controlling abuse of dangerous drugs and restricting their supply.

Our direct appropriation request of \$771.5 million is \$54.8 million over the 1992 appropriation. The budget will support 115 positions and \$15.5 million to cover program changes. The largest increase is the \$8.4 million slated to convert four provisional State and Local Task Forces to permanently funded task forces and to purchase vehicles, radios and other equipment to support existing task forces. The next largest increase is the \$5.9 million request to support Operations SNOWCAP and CADENCE, our drug suppression efforts in South America. In addition, program increases are requested to further improve the capabilities of the El Paso Intelligence Center and to provide additional agents trained as pilots to support both foreign and domestic operations.

#### ORGANIZED CRIME DRUG ENFORCEMENT

The \$399 million Organized Crime Drug Enforcement appropriation request for 1993 is \$35.8 million more than the direct appropriation for 1992. The budget request provides nearly \$20.6 million in program enhancements. Increases would be provided

to nearly all the 12 participating organizations based on the mix of resources needed to pursue cases that warrant inclusion in the Task Force effort. The latest agency to join the ranks of participants is the Treasury Department's Financial Crimes Enforcement Network.

Because the Task Forces work in combination with State and local investigators and prosecutors to target and destroy major narcotic trafficking and money laundering operations, they are the frontline of many of our most important domestic anti-drug activities.

#### IMMIGRATION AND NATURALIZATION SERVICE

As discretionary spending has become limited, increasing attention has been given to identifying activities that might be continued and expanded if financing sources other than direct appropriations could be found. Within the Department, a number of programs are being financed through the collection of fees, especially within the Immigration and Naturalization Service.

The 1993 budget request for the INS Salaries and Expenses appropriation is slightly over \$1 billion, an increase of \$96.4 million over the amount provided in 1992. In addition, INS's four fee accounts are expected to support spending of nearly \$463 million. Spending from the Immigration Examinations Fee account is expected to reach \$238.6 million for activities related to adjudication of applicants, naturalization, and the administration of asylum and refugee programs. Spending from the Immigration User Fee account will be \$216 million which will provide primarily for

inspection of commercial aircraft and vessels. The Land Border Inspection Fee account provides accelerated inspection for frequent border crossers on a pilot basis, and the 1993 budget request reflects a phasedown the Immigration Legalization program.

Within the appropriation request are several programmatic increases of significance. An additional 200 Border Patrol agents designated to enhance a number of southern border sectors are budgeted at \$8.6 million in 1993. To address the growing criminal alien problem an increase of 94 positions, including 73 agents, and \$3.7 million will enhance INS's ability to identify and initiate deportation proceedings against criminal aliens living in the United States, and provide resources for a National Enforcement Operations Center to coordinate efforts with State and local law enforcement agencies to locate and apprehend criminal aliens. The largest budget increment, 249 positions and \$21.8 million, is requested for the Detention and Deportation program to staff a new joint INS-Bureau of Prisons contract facility in the Southwest, and allow safe operation at all INS Service Processing Centers. Other increases are requested to build support facilities necessary to accommodate the criminal alien population at the Krome Service Processing Center, to accelerate legal proceedings, and to enforce civil document fraud legislation. In addition to the increases included in the 1993 budget, full-year support for my recently announced enforcement initiative that provides an additional 300 Border Patrol agents and 200 investigators will be provided in 1993

through the permanent reprogramming of funds. This proposal was transmitted to you earlier this month.

#### U.S. MARSHALS SERVICE

The Marshals Service, in many ways, is the organization that links law enforcement with prosecution as well as providing specific services to the Judiciary. Therefore, as long as more persons are charged with crime, the Marshals Service responsibility for moving them through the justice system grows.

In 1993, the budget request totals \$341.5 million, or \$27.6 million over the 1992 appropriation enacted. After adjustments to base are covered, the net program increases total 113 positions and \$7.7 million.

As the judicial workload grows and judgeship vacancies are filled, there are increased requirements for court security, prisoner security and the transportation of prisoners. Outside these normal workload increases are significant increases for converting the Marshals Service to the Department's Financial Management System, improving its ADP and telecommunications system, implementing the Chief Financial Officers Act, and other administrative systems improvements.

Two significant offsets are made to the requested increases. One is the closure of the Special Operations Group Training Center at Camp Beauregard, Louisiana which has been underutilized and too costly and the other is to defer a portion of the funding available for the construction of holding cells.

#### SUPPORT OF U.S. PRISONERS

The Marshals Service has responsibility for administering a separate appropriation titled Support of U.S. Prisoners. For a number of years, there has been an unrelenting increase in the number of unsentenced prisoners who must appear before the courts, and daily housing costs of keeping prisoners in local jails have steadily risen. In 1993, we expect to house an average of 12,987 prisoners daily in 920 State and local jails at an average cost of \$49.09 per day. The cost is expected to be about \$261 million. In addition, \$7.4 million will be applied to the popular Cooperative Agreement Program to provide 250 guaranteed bed spaces on a long-term basis.

#### ASSETS FORFEITURE FUND

Like the Marshals Service, the Assets Forfeiture Fund is linked to both law enforcement and litigative efforts. The Fund was designed to take the resources of drug dealers and apply them back into law enforcement activities after the expenses of handling forfeitures were subtracted, and a determination was made that seizures were legally transferred to the Government. In the 1993 budget, the discretionary budget authority associated with the Fund continues at the \$100 million level.

#### LEGAL ACTIVITIES

The litigation and other legal work of the Department is conducted by a dedicated staff supported from three appropriations -- U.S. Attorneys, General Legal Activities, and the Antitrust Division. Witnesses who appear at trials on behalf of the Government are paid from the Fees and Expenses of Witnesses

appropriation. In criminal cases, the vast resources applied to investigations are useless unless the Government is able to prosecute criminal offenses effectively in court.

The U.S. Trustees, who oversee bankruptcy filings, are also included within this section.

#### UNITED STATES ATTORNEYS

At the core of the Federal legal system are the United States Attorneys. In the 94 judicial districts, the U.S. Attorneys prosecute most criminal cases, represent the Government in civil actions, and initiate the collection of fines, penalties, and forfeitures. As the priorities of the Nation change, U.S. Attorneys are asked to take up new and stimulating challenges.

The Department's four priority initiatives of violent crime, drugs, white collar crime, and civil rights all require considerable resources from the U.S. Attorneys. These initiatives explain the thrusts of the \$813.5 million appropriation request, an increase of \$92.8 million over the amount appropriated in 1992, as well as the increases slated to be allocated to the U.S. Attorneys from the Organized Crime Drug Enforcement appropriation.

Mandatory increases and a transfer of 30 positions and \$3.3 million from the Civil Division to handle financial fraud investigations account for more than half of the increases.

Program enhancements over the base funding level net to \$39 million. The preponderance of the new funds, \$34.4 million, are for criminal litigation in two areas - violent crime and white collar crime.

Violent crime efforts will require \$25.8 million and 360 positions. Of this amount, the "Weed and Seed" initiative will require \$14.3 million, thus bringing 1993 resources for "Weed and Seed" to \$20 million. The remainder will be about equally divided between enabling the District of Columbia Superior Court to respond to the continuing wave of homicides and other violent crimes committed in the District of Columbia and a nationwide effort to use Federal laws to reduce firearm violence.

White collar crime will require an additional \$6.6 million, which will be applied to health care fraud, bankruptcy fraud, computer fraud, pension plan fraud, and telemarketing fraud.,

Rounding out the criminal litigation initiatives is a request for \$2 million to use U.S. Attorneys more widely to enforce civil rights laws.

On the civil side, increases totaling more than \$5 million will be used for debt collection and to assist other Federal agencies recover claims in bankruptcy proceedings.

The U.S. Attorneys will continue work in prosecuting drug offenses both from their direct appropriation and from the allocation they get from the Organized Crime Drug Enforcement appropriation. In 1993, all additional funds for drug prosecution will come from the Organized Crime Drug Enforcement Task Forces.

## GENERAL LEGAL ACTIVITIES

The General Legal Activities appropriation funds 10 Washington based activities. Most of the resources vested in this appropriation are concentrated in the five legal divisions supported by this appropriations, but there are also sizeable requirements for the Legal Activities Office Automation activity and smaller amounts for the Solicitor General; the Office of Legal Counsel; the U.S. National Center Bureau, INTERPOL; and the Special Counsel for Immigration Related Unfair Employment Practices.

In 1993, the budget request for the General Legal Activities appropriation is \$419.5 million, or \$35.3 million over the amount enacted in 1992. The program increases are concentrated in five high priority areas previously addressed. The largest increase for the Washington-based legal divisions is for the Civil Rights Division. These include program increases totaling \$3.7 million, all of which fall within the Administration's priorities to enforce the civil rights laws. In 1993, the Department's request includes approximately \$2.7 million that is needed to provide information to entities required to comply with the Americans with Disabilities Act and to enforce compliance actions where it is clear that voluntary compliance will not be obtained. Additional resources are also needed to investigate police brutality and hate crimes and uncover housing discrimination by continuing a Housing Testers Program.

The Tax Division initiatives totaling over \$2 million have a link to white collar crime. More than half of the total relates



to criminal prosecution and most of the remainder to civil litigation, where the emphasis will be to collect taxes from bankrupt corporations financed through high yield bonds. Within the white collar crime priority, we will focus on complex schemes devised to defraud the Government of excise taxes on motor fuels, increased fraud associated with electronic filing of income taxes, fraud associated with bankruptcy filings, and a general effort to follow through on the Internal Revenue Service's effort to reduce the tax gap.

The Criminal Division's program increase for \$1 million is mainly related to our white collar crime initiative, which specifically includes \$350,000 to combat pension plan fraud and another \$300,000 for health care fraud. Most of the remainder will be applied to the recently established computer crime unit.

The Environment and Natural Resources Division is central to the implementation of the President's environmental priorities. Increases total \$3.2 million, of which \$1.8 million will be used to develop standard protocols to help bring Federal facilities into compliance with environmental laws. The Government will also be required to defend cases protesting Clean Air Act regulations and enforce the final provisions of the Resource Conservation and Recovery Act. The remainder of the increase is the \$1.4 million requested for automated litigation support.

Aside from the various legal division requirements, the budget includes a \$43.4 million request for Legal Activities Office Automation, a \$12.7 million increase over the amount provided in

1992. This request, which is one of our infrastructure priorities, is a key factor in the Department's productivity and efficiency. Several legal divisions that entered the office automation era fairly early are now at the point where their systems are outmoded, and the basic equipment is obsolete. The request will allow us to begin to upgrade some of the earlier systems and allow the Department to comply with the mandatory requirements of the Government Open Systems Protocol.

#### ANTITRUST DIVISION

The appropriation request for the Antitrust Division for 1993 is \$54.1 million. Together with a fixed \$10 million estimate for premerger notification filing fees under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, the total amount available to the Division in 1993 will be \$64.1 million, an increase of almost \$5.9 million over the total amount available in 1992.

The Antitrust Division was the earliest legal division in the Department to install office automation equipment and automated litigation support. Consequently, the Division has a strong need to obtain automated systems that meet current security requirements, support management requirements, and meet special litigation requirements. In terms of new program initiatives, the Division is following up on its legislative proposal regarding joint production ventures and proposing to expand its role as an advocate for competition. The 1993 initiatives will require an additional \$2.6 million.

If legislation to transfer certain railroad related functions from the Interstate Commerce Commission is enacted, the Committee will need to consider a related budget request for \$850,000.

#### FEES AND EXPENSES OF WITNESSES

The Fees and Expenses of Witnesses appropriation request for 1993 of \$81 million is \$11.8 million below the \$92.8 million enacted in 1992. The no-year mandatory portion of the account can absorb this reduction without difficulty because unexpected unobligated balances from 1992 will remain available to help support the 1993 expected program level.

This appropriation supports litigation efforts by paying witnesses who appear on behalf of the Government, either as fact or expert witnesses, as well as physicians ordered by the court to perform mental competency examinations. Persons admitted to the Government's witness protection program are maintained in safehouses or are permanently relocated at Government expense. Smaller programs have been established to compensate victims harmed by protected witnesses and to pay private counsel for Government employees sued for actions taken while performing their official duties.

Until 1993, this entire appropriation was classified as mandatory, but the pending request now includes a \$1.4 million to provide temporary protective services to approximately 50 witnesses who will appear before the D.C. Superior Court. Because this program has not been statutorily mandated, it has been classified by the Administration as a discretionary program.

## UNITED STATES TRUSTEE SYSTEM FUND

Although the fees established for bankruptcy filings exceed the expenses of the United States Trustees, the basic enabling legislation made receipts unavailable for operations and specified that the program should be financed from appropriations. In the 1992 appropriations act, relief was provided to the extent that certain increased fees for Chapter 11 cases were made available for obligation. This allowed the 1992 program to be funded near the level of the request. The total funding expected to be available in 1993 is \$100.2 million, \$29.3 million of which is derived from Chapter 11 filing fees. This should support 1,308 positions, 198 positions more than in 1992. In 1993, the appropriation request is \$70.9 million or \$13.7 million more than in 1992. Even with these increases, the situation remains serious. The growing wave of bankruptcies demands a Federal response because bankruptcies are the Constitutional responsibility of the Federal Government. Over the past five years the caseload has increased by 82 percent. The U.S. Trustees Program has made great strides in bringing integrity, professionalism and uniformity to the system. Yet, thousands of old cases remain open, and there is a high risk that many private trustees who have not met fiduciary standards will go undetected. In addition, fraud by debtors appears to be extensive. Accordingly, we are now reviewing the steps that we must take to close cases that should be closed, to find and prosecute any private trustee or debtor fraud (including improved training of Assistant U.S. Trustees, FBI Special Agents and Assistant U.S.

Attorneys), and to propose any legislation needed to ensure that we have all the necessary tools to accomplish these tasks.

#### FEDERAL PRISON SYSTEM

The Federal Prison System, it must be emphasized, is at the end of a long administration of justice pipeline where public attitudes about crime influence the Administration to propose and the Congress to act on the punishment of crime. These actions usually translate into decisions on investigative and prosecutorial resources to be applied. Ultimately, the courts are presented with criminals who require sentencing within guidelines. With a growing body of Federal offenses and the recent wave of violent crime, it is difficult to see an end to the growing population in Federal prisons.

At present there are over 65,000 Federal inmates in direct custody, about 40 percent more than there were in 1989. The average daily population forecast for 1993 is 74,500. Drug offenders make up 58 percent of this population, a proportion that has risen steadily since 1980.

For many years the Federal prison population has been well over the System's rated capacity. Within the last year, we have decided that we could safely accept more double bunking in correctional institutions, and we have urged the American Correctional Association to adopt similar standards. Even using our own upward revision in design capacity, we are still 50 percent overcrowded. From the policy perspective, our only option seems to be to construct more prisons to house the growing population.

In the 1993 budget for the "Buildings and facilities" appropriation, the \$339.2 million request includes program increases of \$172.1 million for new construction and \$67.3 million for modernization and repair of existing facilities.

The \$172.1 million construction request includes \$79.6 million to construct a 662-bed penitentiary in Yazoo City, Mississippi. Architectural, engineering, and site preparation work totaling \$39.5 million is budgeted for the construction of a penitentiary in Forrest City, Arkansas, which will have another 662 beds, a medical center and camp with 750 beds at an undetermined site, and detention centers in the Middle District of Florida and Sacramento, California with 500 beds each. Another \$33 million is included to expand projects at five existing facilities, adding another 408 beds. These specific construction projects will provide an additional 3,482 beds. Finally, \$20 million is included to acquire and renovate surplus facilities, such as former military bases or closed colleges, that would house an undetermined number of prisoners.

Under modernization and repair, an increase of \$67.3 million includes a number of projects that are needed to keep the older facilities fully functional. Substantial increases are needed to achieve utility and energy savings, life safety improvements, and hazardous waste removal.

For the "Salaries and expenses" appropriation, the request is for \$1.9 billion, nearly \$297 million higher than 1992. This is an 18.6 percent increase. Metropolitan Correctional Centers

will be opened in Brooklyn, New York and Miami, Florida. The Federal Correctional Institution in Manchester, Kentucky and portions of the Correctional Complex in Florence, Colorado will be activated. In Allenwood, Pennsylvania we plan to open a medium security facility. Opening and staffing these facilities will require an additional 1,683 positions and over \$100 million in 1993, but these activations will make 4,640 bed spaces available.

The request for care and subsistence is \$13.5 million. Another \$19 million for 1,502 contract bed spaces should allow some relief from current overcrowding. The other major increase is \$22 million to provide a joint contract detention facility in the Southwest with 1,000 beds which would be shared with the Immigration and Naturalization Service.

Finally, the operation of a total system requires that we provide AIDs treatment, manage drug care, extend the use of contract medical care, and provide other correctional services.

#### OFFICE OF JUSTICE PROGRAMS

State and local assistance for law enforcement activities is being provided by a growing number of Justice components, but the major vehicle for providing law enforcement assistance grants is still the Office of Justice Programs.

The 1993 request for the three accounts administered by the Office are very similar to the 1992 proposals.

For the "Justice assistance" appropriation the request is \$588.5 million. Its largest component is the \$496 million drug control grant program. This includes \$22 million to be transferred

to the Federal Bureau of Investigation to continue its work to implement the National Crime Information Center 2000 Project. The Administration also urges that the Regional Information Sharing System be incorporated into the drug grants and that the States should share more of the costs. Finally, our pilot "Weed and Seed" effort includes \$8 million in drug grants and another \$2 million from the Juvenile Justice request.

We continue to support the efforts of the National Institute of Justice, the Bureau of Justice Statistics and the Missing Children's program. The Bureau of Justice Statistics needs resources to survey offenders on probation and parole; to measure family violence, child abuse, and other injuries that warrant emergency room care; and to reinstate the Criminal Justice Employment and Expenditure Survey.

The 1993 budget request would terminate the \$5 million program to reimburse States for Mariel Cubans convicted in State courts. The Juvenile Justice program request for \$7.5 million will focus on High Risk Youth programs that deal with gangs and drugs.

For the "Public Safety Officers Benefits" appropriation we have been fortunate that death claims have leveled off but new legislation passed in 1990 will add costs for disability payments. The self-financed Crime Victim Fund requires no legislative action.

#### GENERAL ADMINISTRATION

The direct funding requested for the General Administration is \$132.9 million, or \$22.8 million more than in 1992. The request



includes net mandatory changes of \$8.1 million and program increases totaling \$14.7 million.

An increase of \$6.5 million in no-year funding is requested to continue the implementation of the Department's Facilities Program 2000 initiative. The requested funding will support several planned projects, including the design and above standard construction for the Swing Space project, which is required to house the personnel that will be displaced during the planned renovation of the Main Justice Building.

A \$5.3 million increase is requested to begin implementing the Chief Financial Officers Act and to improve the Department's financial reporting system. Additional resources will also enhance the Department's ADP security through increased program coordination and oversight

In addition, the request includes \$1.5 million to provide 20 additional immigration judges and 40 support staff needed by the Executive Office of Immigration Review.

The budget request also earmarks \$1.1 million to improve debt collection methods and increase information on the program's effectiveness.

#### QUANTICO TRAINING CENTER

In the 1992 appropriations process, the Congress provided \$3.5 million to begin work on an expanded law enforcement training center in Quantico, Virginia. The 1993 request provides \$31 million to construct the center. The center will be located on donated Marine Corps land and will serve the growing training needs

of both the Federal Bureau of Investigation and the Drug Enforcement Administration. It is necessary that we proceed with additional facilities.

#### OFFICE OF THE INSPECTOR GENERAL

The Office of the Inspector General conducts audits, investigations, and inspections of Departmental programs and functions. The 1993 request for \$31.8 million and 358 positions includes 10 new positions and \$3 million to oversee audits of the Department's financial statements.

#### OTHER PROGRAMS

The Community Relations Service's 1993 request of \$36.6 million contains \$8.5 million in program increases over the base funding level. All of these initiatives relate to the Cuban Haitian entrant program. A major component is the \$4.9 million requested for halfway house outplacements of 360 Mariel Cubans from Bureau of Prison facilities. An additional \$3 million is needed to maintain beds at St. Elizabeths Hospital and for drug release cases. Accompanying these overall increases, the program requires more substance abuse and follow-up counselors as well as more mental health evaluations. Our goal is to get Mariel Cubans out of Federal facilities quickly and keep them out.

The U.S. Parole Commission continues to phase out its operations as it moves closer to its termination date of November 7, 1997 as directed by the Judicial Improvements Act of 1990. With sentencing guidelines applying to more prisoners, the number of prisoners eligible for parole declines.

For the National Institute of Corrections (NIC), the \$11 million request includes only one 1993 program initiative. As State and local correctional institutions are rapidly expanding, the need for technical assistance requests, training, and grants from the Federal Government grows.

Finally, the Foreign Claims Settlement Commission request provides for core staff and continued adjudicating claims against Iran.

#### CONCLUSION

Again, I want to express my appreciation to this Subcommittee for your support. I am hopeful that we can receive your backing for fiscal year 1993.