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**[COMMITTEE PRINT]**

106TH CONGRESS 1st Session	HOUSE OF REPRESENTATIVES	REPORT 106-231
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**TREASURY, POSTAL SERVICE, AND GENERAL  
GOVERNMENT APPROPRIATIONS BILL, 2000**

, 1999.—Committed to the Committee of the Whole House on the State of the Union  
and ordered to be printed

Mr KOLBE, from the Committee on Appropriations,  
submitted the following

July 15, 1999

**REPORT**

[To accompany H.R.]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Treasury Department, the Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 2000, and for other purposes.

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# AIRPORT INSPECTION PRACTICES

The Customs Service recently appointed an advisory panel to investigate allegations that African Americans were being targeted for customs inspections, detention and for personal searches at Hartsfield International Airport and other locations, including border crossings. The Committee is extremely concerned about these allegations and commends the Customs Service for their prompt attention to investigating this matter. The Committee directs the Customs Service to report back on the matters investigated by the advisory panel no later than February 1, 2000.

## INSPECTION TECHNOLOGY ENHANCEMENTS

The Committee is encouraged by the potential of public-private initiatives to enhance the inspection capabilities of U.S. Customs at major seaports, international airports, and along the U.S. and Canadian border. The Committee strongly encourages the Customs Service to pursue these possibilities and consider a pilot test in order to determine the viability of a partnership of this type. The Committee believes that advanced technology can act as a force multiplier to enhance our enforcement capabilities in the detection of illegal contraband as well as expedite the flow of legitimate commerce.

## CUSTOMS INTEGRITY

The Committee is concerned about the portion of the report "An Assessment of Vulnerabilities to Corruption and Effectiveness of the Office of Internal Affairs, U.S. Customs Service" that states:

Most serious, however, is the belief that inspectors who are hired locally, particularly along the Southwest border and assigned to the local ports of entry, could be at greater risk of being compromised by family members and friends who may exploit their relationships to facilitate criminal activities. Although they could not offer any solid evidence, senior Customs officials expressed a real apprehension over the possibility that individuals were attempting to infiltrate Customs by seeking jobs as inspectors for the sole purpose of engaging in corrupt and criminal behavior.

The Committee takes strong exception to any implication that individuals of Hispanic background are particularly susceptible to corruption and expects the Customs Service to address unsubstantiated bias by senior Customs officials as it implements its anti-corruption strategy.

## OPERATION AND MAINTENANCE AIR AND MARINE INTERDICTION PROGRAMS

Appropriation, fiscal year 1999 to date .....	\$276,388,000
Budget estimate, fiscal year 2000 .....	109,413,000
Recommended in the bill .....	109,413,000
Bill compared with:	
Appropriation, fiscal year 1999 .....	- 166,975,000
Budget Estimate, fiscal year 2000 .....	

\* Includes \$157,700,000 in emergency appropriations enacted in Public Law 105-277

## MIS

The Customs Air and Marine interdiction of illegal entry of narcotics and other contraband. This appropriation provides all the resources for the Customs air and the interdiction of narcotics by other agencies. Included in this mission is the Bureau of Alcohol, Tobacco and Firearms.

## RECORDS

The Committee recommends that the U.S. Customs Service be provided the amount appropriated in fiscal year 1999.

## AIR AND MARINE INTERDICTION

In the fiscal year 1999 appropriation, Customs to provide its air and marine interdiction with its fiscal year 2000 budget within the Administration, the Committee strongly urges the Customs Service to review this report. The Committee expects the Customs Service to review its organizational, fleet, and operational requirements, and will source requirements.

## INTERDICTION

The Committee has been informed that the Customs Service has been offered by new passive detection air operations by perimeter tracking, as well as land-based aircraft and aerostat interdiction ports, as it has in the past, the such as electrooptical and infrared interdiction and investigative Customs to review the appropriate elements to their current operations.

## HARBOR MAINTENANCE

Appropriation, fiscal year 1999 to date .....	\$276,388,000
Budget estimate, fiscal year 2000 .....	109,413,000
Recommended in the bill .....	109,413,000
Bill compared with:	
Appropriation, fiscal year 1999 .....	- 166,975,000
Budget Estimate, fiscal year 2000 .....	

The Harbor Maintenance Trust is a trust established by the Army Corps of Engineers to provide for the maintenance of the channels and harbors. It is a trust and exports delivered fee is collected by the U.S. Harbor Maintenance Trust.

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106TH CONGRESS  
2d Session

HOUSE OF REPRESENTATIVES

REPORT  
106-756

July 18, 2000

TREASURY, POSTAL SERVICE, AND GENERAL  
GOVERNMENT APPROPRIATIONS BILL, 2001

, 2000.—Committed to the Committee of the Whole House on the State of the  
Union and ordered to be printed

Mr. KOLBE, from the Committee on Appropriations,  
submitted the following

REPORT

[To accompany H.R. 1]

The Committee on Appropriations submits the following report in  
explanation of the accompanying bill making appropriations for the  
Treasury Department, the Postal Service, the Executive Office of  
the President, and certain Independent Agencies for the fiscal year  
ending September 30, 2001, and for other purposes.

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Starting January 1, 2000, the Customs Service implemented a new category in the Harmonized Tariff Schedule for foundry coke, subheading 2704.00.0010. Unfortunately, there have been difficulties in accurately accounting for the foundry coke entering the United States even after the creation of the separate category for foundry coke. These difficulties may arise from importers not being aware of the new category or from the Customs Service having difficulty in recognizing the difference between foundry coke and furnace coke.

It is essential that the U.S. Customs Service accurately track the actual amount of foundry coke entering U.S. ports. Therefore, the U.S. Customs Service is directed to make any and all necessary changes to ensure the accurate collection of customs data for foundry coke imports posted since January 1, 2000, and for all future foundry coke imports. Customs will coordinate with the Bureau of the Census to insure transmission to and public reporting by Customs of import data under this foundry coke enumeration.

#### TERMINAL ISLAND FACILITY

The Committee is concerned about the environmental conditions at the Customhouse at Terminal Island, California, where materials that circulate through the ventilation system may include asbestos, coal and petroleum coke particles. While many Customs employees have been moved from the Customhouse to healthier work environments, the Committee is concerned about the health and safety of the remaining employees. The Committee understands that employees in the office of the Special Agent in Charge will be moved by December, but is concerned that under current plans permanent relocation for all affected employees may not occur before May 2001. The Committee directs GSA and Customs to expedite the lease procurement process on permanent space, and to develop a plan for temporary re-location if permanent re-location is not likely to be accomplished by November 30, 2000.

#### CUSTOMS INTEGRITY REPORT

The Committee is concerned about the Department's responsive-ness to issues raised by the Committee in the House Report 106-231 concerning the Treasury report entitled "An Assessment of Vulnerabilities to Corruption and Effectiveness of the Office of Internal Affairs, U.S. Customs Service." The report related the opinion of "senior Customs officials" that inspectors hired locally along the Southwest border and assigned to local ports of entry, "could be at greater risk of being compromised by family members and friends who may exploit the relationships to facilitate criminal activities." Customs offered but failed to provide the Committee evidence supporting these views, and statistics provided by Customs did not support the allegation described in the report. In addition, written responses from ATF, DEA, FBI and the Secret Service indicated that these agencies did not agree with the concern that such local hiring posed a greater risk of individuals being compromised. Although Treasury and Customs now agree that the passage from the report did not reflect accurately their beliefs or practices, the Committee is concerned that Treasury has been slow in taking steps to communicate this to senior managers and others involved with Customs integrity issues. The Committee continues to take

strong exception to an background are partic Treasury and Customs senior Customs official strategy.

#### HARBOR I

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Budget estimate, fiscal year  
Recommended in the bill ....  
Bill compared with:  
Appropriation, fiscal year  
Budget Estimate, fiscal

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#### OPERATION, MAINTENANCE

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Budget estimate, fiscal year  
Recommended in the bill ..  
Bill compared with:  
Appropriation, fiscal year  
Budget Estimate, fiscal

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strong exception to any implication that individuals of Hispanic background are particularly susceptible to corruption and directs Treasury and Customs to contest any such unsubstantiated bias by senior Customs officials as Customs implements its anti-corruption strategy.

#### HARBOR MAINTENANCE FEE COLLECTION

Appropriation, fiscal year 2000 to date .....	\$3,000,000
Budget estimate, fiscal year 2001 .....	3,000,000
Recommended in the bill .....	3,000,000
Bill compared with:	
Appropriation, fiscal year 2000 .....	
Budget Estimate, fiscal year 2001 .....	

#### MISSION

The Harbor Maintenance Fee is established to provide resources to the Army Corps of Engineers for the improvement of American channels and harbors. It is assessed on the value of commercial imports and exports delivered to or from certain specified ports. The fee is collected by the U.S. Customs Service and deposited into the Harbor Maintenance Trust Fund.

#### RECOMMENDATION

Although the President has submitted a proposal to establish a Harbor Services Fund, no legislative action has occurred as of the time this bill was drafted. Therefore, in fiscal year 2001, the Committee recommends that \$3,000,000 be transferred from the Harbor Maintenance Trust Fund to the Customs Service Salaries and Expenses appropriation to offset costs incurred by Customs in collecting Harbor Maintenance Fees.

#### OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE INTERDICTION PROGRAMS

Appropriation, fiscal year 2000 to date .....	\$108,688,000
Budget estimate, fiscal year 2001 .....	156,875,000
Recommended in the bill .....	125,778,000
Bill compared with:	
Appropriation, fiscal year 2000 .....	+17,090,000
Budget Estimate, fiscal year 2001 .....	-31,097,000

#### MISSION

The Customs Air and Marine Interdiction Programs combat the illegal entry of narcotics and other items into the United States. This appropriation provides all operations, maintenance and procurement for the Customs air and marine program and support for the interdiction of narcotics by other Federal, state, and local agencies. Included in this mission is the requirement to support the Bureau of Alcohol, Tobacco and Firearms and the U.S. Secret Service.

#### RECOMMENDATION

The Committee recommends an appropriation of \$125,778,000 for the Customs Service Air and Marine Interdiction Programs, \$17,090,000 above the amount appropriated in fiscal year 2000 and \$31,097,000 below the budget request. The Committee includes \$2,174,000 million to maintain current levels, \$9,916,000 million for base infrastructure for new P-3 aircraft being delivered, and \$5