
III. Agency Budget Summaries

DEPARTMENT OF DEFENSE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2004 Final	2005 Enacted	2006 Request
Drug Resources by Function			
Intelligence	\$125.316	\$134.381	\$128.421
Interdiction	499.867	431.841	468.550
Investigations	49.521	49.213	46.720
Prevention	110.782	120.141	122.345
Research & Development	14.357	18.284	16.347
State and Local Assistance	146.732	147.151	107.690
Treatment	6.680	5.511	5.668
Total	\$953.255	\$906.522	\$895.741
Drug Resources by Decision Unit			
Counternarcotics Central Transfer Account	\$880.255	\$906.522	\$895.741
Afghanistan Supplemental Account	73.000	----	----
Total	\$953.255	\$906.522	\$895.741
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,405	1,421	1,421
Information			
Total Agency Budget (Billions)	\$441.7	\$402.6	\$419.3
Drug Percentage	0.2%	0.2%	0.2%

II. PROGRAM SUMMARY

- The Department of Defense (DoD) performs:
 - mandatory counternarcotics detection and monitoring missions;
 - demand reduction activities;

- permissive counternarcotics support to domestic and host nation law enforcement and/or military forces; and
 - other counternarcotics missions that support the war on terrorism, readiness, national security, and security cooperation goals.
- DoD carries out these missions by:
 - acting as the single lead federal agency to detect and monitor the aerial and maritime transit of illegal drugs toward the United States;
 - collecting, analyzing and disseminating intelligence on drug activity;
 - providing training for U.S. and foreign drug law enforcement agencies and foreign military forces with drug enforcement responsibilities; and,
 - approving and funding Governors' State Plans for National Guard use, when not in federal service, to support drug interdiction and other counternarcotics activities, as authorized by state laws.
 - In accordance with its statutory authorities, DoD will use its counternarcotics resources as effectively and efficiently as possible to achieve national and department counternarcotics priorities. DoD will focus on programs that fulfill statutory responsibilities, use military-unique resources and capabilities, and advance the national priorities of the *Strategy*. Finally, DoD will use its counternarcotics authorities and funding to support efforts in the war on terrorism to implement the Department's Security Cooperation Guidance.
 - While the DoD carries out drug demand reduction programs to maintain the Armed Forces as an effective fighting force; most of its drug control activities combat trafficking activity and, incidentally, the movement of other threats to the United States, its friends and allies. Accordingly, DoD will focus on counternarcotics activities that will contribute to:
 - The war on terrorism;
 - Security Cooperation Guidance;
 - Military readiness; and
 - National Security.
 - To best characterize and describe the support DoD provides, the department defined four mission areas to encompass the scope of the department's program. These mission areas are:
 - **Demand Reduction:** The department has assimilated the President's goal of a 25 percent reduction in drug use over three years into its strategic plan. The approach emphasizes prevention of drug use through pre-accession and random drug testing, anti-drug education and treatment. Emphasis is placed on deterring drug use through cost

effective drug testing with punitive consequences for members who are identified as drug users.

- **Domestic Support:** In light of the conflicts in Iraq and Afghanistan and the department's continuing global war against terror, DoD will limit its domestic contributions to the war on drugs to those functions that are militarily unique and benefit the department's primary missions. Domestic support includes translation, intelligence, communications, aerial and ground reconnaissance, transportation, border fence and road construction, eradication (excluding contraband destruction), and training. Additionally, the department committed to improving information sharing between DoD and law enforcement agencies in support of counter-narcoterrorism objectives.
- **Intelligence and Technology Support:** DoD will continue to provide critical intelligence support to national efforts to dismantle narcotics trafficking and international terrorist organizations benefiting from drug trafficking. Most of the collection and analysis is unique, and is essential to national and international efforts. The use of new technology continues to be instrumental in combating narcoterrorist activities. DoD will continue to test, evaluate, develop and deploy technologies that are used to collect and survey suspect narcoterrorist smuggling operations by air, land, or sea.
- **International Support:** DoD has expanded its counternarcotics mission to include targeting those terrorists groups worldwide that use narcotics trafficking to support terrorist activities. In order to support the war on terrorism, DoD will use its resources in regions where terrorists benefit from illicit drug revenue or use drug smuggling systems.

III. BUDGET SUMMARY

2005 Program

- The total DoD FY 2005 drug control budget is \$906.5 million. This funding supports the following activities:
 - **Demand Reduction (\$125.7 million):** A total of \$21.9 million is for the National Guard State Plans and Service outreach programs, and the Young Marines outreach program, and \$103.7 million is for the continued support of 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.
 - **Domestic Support (\$254.9 million):** 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, \$206.7 million is for the portion of the total National Guard State Plans that supports domestic law enforcement efforts and the counter-narcoterrorism schools; \$12.7 million is for Domestic Operational Support, such as US Northern Command (NORTHCOM) counter-narcoterrorism support to DLEAs and Title 10 National Guard

translation efforts; \$31.5 million is for domestic detection and monitoring efforts (i.e., Tethered Aerostats); and \$4.3 million is for the Criminal Information Sharing Alliance Network.

- **Intelligence, Technology and Other (\$133.6 million)**: Intelligence programs collect, process, analyze, and disseminate information required for counter-narcoterrorism operations. Technology programs increase the department's abilities to target narcoterrorist activity. A total of \$77.9 million is for counter-narcoterrorism intelligence support and analysis; \$32.1 million is for signal intelligence (SIGINT) collection and processing; \$8.6 million is for Service and SOCOM command and control programs; and \$14.9 million is for Counternarcotic (CN) Technology efforts.
- **International Support (\$392.3 million)**: Counter-narcoterrorism programs support efforts in the U.S. Central Command, U.S. Southern Command, U.S. Pacific Command, and U.S. European Command Area of Responsibilities (AORs) 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. A total of \$163.4 million supports operations in these AORs, including Section 1033 support; \$165.2 million is for detection and monitoring platforms and assets; and \$63.6 million is for AOR Command and Control support, including operations of Joint-Interagency Task Forces West and South.

2006 Request

- The department's FY 2006 Central Transfer Account request of \$895.7 million reflects price growth of \$18.7 million and a program decrease of \$29.4 million from the FY 2005 enacted amount of \$906.5 million. The department's FY 2006 counter-narcoterrorism budget will continue to fund, within fiscal constraints, an array of effective programs that support the *Strategy's* and department's goals.
- **Demand Reduction (\$128.0 million)**: A total of \$19.8 million is for the National Guard State Plans and Service outreach programs, and the Young Marines outreach program, and \$108.2 million is for the continued support of DoD Demand Reduction programs.
- **Domestic Support (\$199.1 million)**: Of this amount, \$152.7 million is for the portion of the total National Guard State Plans that supports domestic law enforcement efforts and the counter-narcoterrorism schools; \$14.1 million is for Domestic Operational Support, such as NORTHCOM counter-narcoterrorism support to DLEAs and Title 10 National Guard translation efforts; and \$32.3 million is for Tethered Aerostats.
- **Intelligence, Technology and Other (\$139.6 million)**: A total of \$87.7 million is for counter-narcoterrorism intelligence support and analysis; \$25.8 million is for SIGINT collection and processing; \$12.1 million is for Service and SOCOM command and control programs; and \$13.9 million is for CN Technology efforts.
- **International Support (\$429.1 million)**: Funding of \$177.5 million supports operations in U.S. Central Command, U.S. Southern Command, U.S. Pacific Command, and U.S.

European Command AORs, including Section 1033 support. Resources of \$180.7 million are for detection and monitoring platforms and assets; and \$70.9 million is for AOR Command and Control support, including operations of Joint-Interagency Task Forces West and South.

IV. PERFORMANCE

Summary

- This section on program accomplishments is drawn from DoD's FY 2006/2007 Biennial Budget Estimate, with accompanying FY 2004 internal management performance accomplishments narrative. During the past year, DoD has made significant progress on the development of its first counternarcotics performance plan which outlines goals, effect on goals, program level performance results, and targets appropriate to their CN support role.
- The CN program has not been reviewed under the Administration's PART process. The outcome measures presented indicate in part how program performance is being monitored.
- DoD does not conduct counternarcotics interdictions, rather it is in a supporting role to law enforcement agencies. The CN functions include acting as the single lead federal agency for the detection and monitoring of aerial and maritime movement of illegal drugs toward the U.S.; collecting, analyzing and disseminating intelligence on illegal drugs; and providing training for United States and foreign drug law enforcement agencies and foreign military forces with drug enforcement responsibilities.
- DoD is on track to reduce drug use by 25 percent over the next few years. The actual active duty percent positive test rate was 0.62 percent against a projected annual target of 1.18 percent for FY 2004—a significant reduction.
- DoD assets provided significant support to domestic and foreign drug law enforcement agencies in the areas of training, communications support, infrastructure, intelligence, transportation, equipment, command and control, and detection and monitoring. Activities indicative of DoD support are in the chart below.

Selected Measures of Performance		
PART Review		
Not Reviewed		
Outcome-Oriented Measures	FY 2004	
	Target	Actual
a. Demand Reduction		
Percent of active duty military personnel testing positive for drug use	1.18	0.62
b. Source Zone Partner Nation Support		
Total number of Colombian pilots receiving aviation training to fly USG-provided Plan Colombia helicopters	80	114
Number of basic rotary pilots trained/graduated	40/40	40/33
Number of Huey II pilots trained/graduated pilots	32/32	32/29
c. Domestic Support to Law Enforcement Agencies (Supply Reduction)	*	
Heroin seized with National Guard support	*	1,389 lbs
Marijuana seized with National Guard support	*	842,509 lbs
Cocaine seized with National Guard Assistance	*	102,382 lbs
Ecstasy seized with National Guard support	*	411,520 pills
d. Transit Zone International and Detection & Monitoring Programs	*	
# Below are a few examples of FY04 accomplishments.		
USS Crommelin and Curts supported record cocaine seizures.	*	75,000 lbs
USS John L. Hall intercepts multi-million dollar cocaine shipment in Eastern Pacific.		3,500 lbs
USS Samuel B. Roberts completes deployment after intercepting cocaine	*	23,500 lbs
USS Decatur intercepts hashish laden boat in Persian Gulf	*	3,780 lbs
USS Philippine Sea intercepts two dhows carrying heroin in Arabian Gulf		95 lbs

* Note: DoD has not established targets for support external to DoD. As part of the development of its performance plan, DoD is assessing the feasibility of setting targets for its support functions.

Discussion

- Demand Reduction: DoD set a goal of reducing the amount of drug use in the entire DoD population by 10 percent in two years and 25 percent in five years using FY 2000 as a baseline. This goal was established in FY 2002. The percentage of active duty personnel drug tests that return positive results for illicit drugs has dropped from 1.26 percent in 2003 to 0.62 percent in 2004. This puts DoD well below the projected glide slope for achieving the long-term targets.

- Domestic Support: The National Guard supported the maintenance and management of four regional counternarcotics training centers which provide training for regional law enforcement agencies. In addition to the seizure results shown in the chart, National Guard support to law enforcement resulted in over 61,000 arrests, and the confiscation of over 8,000 weapons, 15,000 vehicles, and \$216 million of currency from illicit drug traffickers. Narcotics-related documents were translated by National Guard personnel in support of law enforcement efforts.
- Transit Zone: DoD provided assets in support of CN detection and monitoring operations to both JIATF-E and JIATF-W. These assets include aircraft, (E-2, P-3, B200, C26, RC7, and HC-130), helicopters, naval ships, and radar, which are employed in concert with other assets from the U.S. Coast Guard and Immigration and Customs Enforcement. DoD also provides intelligence and communications support and command and control for JIATF-South and West and continues to develop appropriate support for CENTCOM. DoD assets normally have attached USCG Law Enforcement detachments that actually conduct the lawful search and seizure of suspect narco-trafficking vessels. In the CENTCOM area of operation, DoD assets conduct interdiction operations as part of the war against terrorism. In FY 2004, international narcotics seizures were at an all-time high. A few examples of DoD drug interceptions in the transit zone are listed in the chart.
- Source Zone Partner Nation Support: DoD maintains primary focus on supporting CN efforts in Colombia and in FY 2004, operations in Afghanistan. In addition to aviation training in Colombia, DoD provided medical supplies and training, mobility support, increased intelligence support, counterintelligence equipment, and provided infrastructure support to assist in Colombia's Plan Patriota, an aggressive offensive operation against the FARC and other narcoterrorist organizations. Contracts were put in place to support counternarcotics operations in Afghanistan. This assistance includes training and equipping an Afghan narcotics interdiction unit and other police forces, mobility support, and infrastructure. The infrastructure piece consists of constructing facilities for provincial/highway/border police forces, an intelligence fusion center, and a border crossing check point. Communications equipment also has been ordered, which will be key to establishing command and control and passing actionable intelligence. The base for these Afghanistan projects was set-up in FY 2004 with completion expected in FY 2005. Training support was also provided to other partner nations including: Ecuador, Peru, Bolivia, Paraguay, Mexico, Thailand, Philippines, Malaysia, and Uzbekistan. Over 70 CN training deployments were conducted in FY 2004 resulting in training for over 7,000 personnel.