

FY 1999 BUDGET HIGHLIGHTS
FEDERAL DRUG CONTROL PROGRAMS

Executive Office of the President
Office of National Drug Control Policy



Barry R. McCaffrey
Director

FY 1999 Drug Budget Program Highlights

Overview:

- In total, drug control funding recommended for FY 1999 is **\$17.1 billion**, an increase of **\$1.1 billion (+6.8%)** over the FY 1998 enacted level.
- FY 1999 funding includes an increase of **\$491 million** for treatment and prevention programs and an increase of **\$602 million** for supply reduction efforts.
- The largest percentage increase in FY 1999 is for **Goal 1** activities which target youth. Goal 1 increases by **\$256 million (+15%)**. In FY 1999, new resources are included for a School Counselor Initiative, prevention research, and youth tobacco use prevention.

Drug Spending by Department (\$ Millions)

<u>Department</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>% Change 98-99</u>
Defense	940.1	847.7	882.8	4.1%
Education	679.1	685.3	739.7	7.9%
HHS	2,392.3	2,522.5	2,812.9	11.5%
Justice	6,703.7	7,260.5	7,670.0	5.6%
ONDCP	288.9	428.2	449.4	5.0%
State	194.2	211.5	256.5	21.3%
Transportation	526.7	455.0	515.2	13.3%
Treasury	1,175.9	1,327.9	1,388.1	4.5%
Veterans Affairs	1,056.6	1,097.2	1,139.1	3.8%
All Other	<u>1,075.8</u>	<u>1,141.6</u>	<u>1,215.9</u>	<u>6.5%</u>
Total	15,033.2	15,977.4	17,069.8	6.8%

Program Highlights:

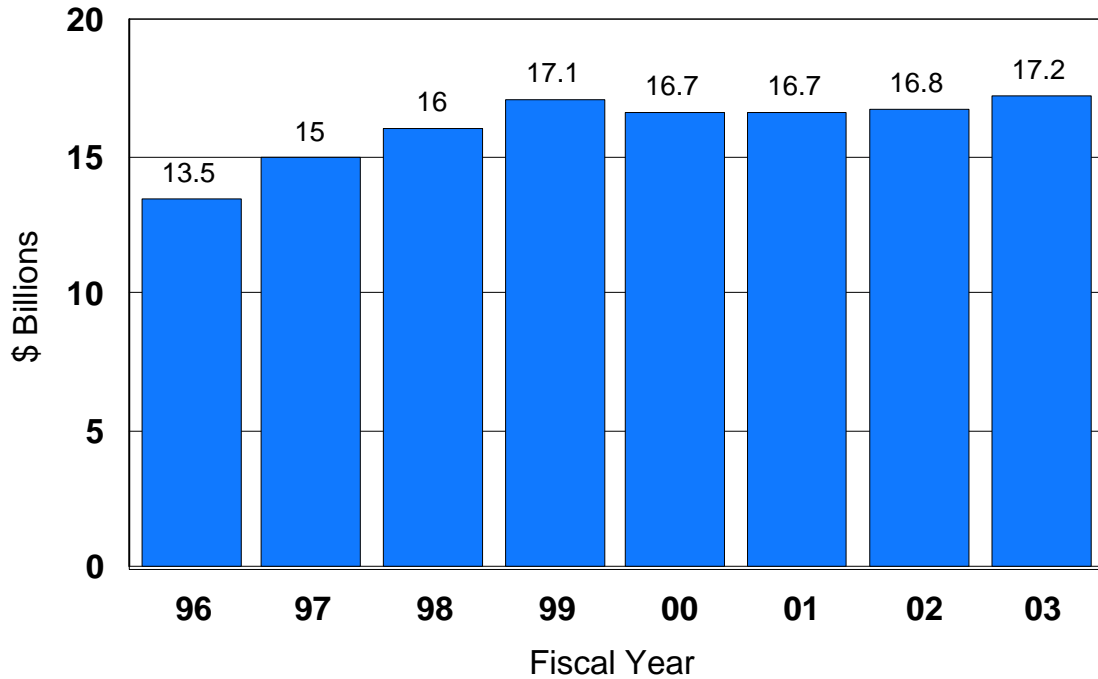
- **Youth Anti-Drug Media Campaign (\$195 million)** -- In FY 1999, ONDCP will continue the Youth Media Campaign, which will use the full power of the media -- from TV to the Internet -- to teach kids about the dangers of drugs. This campaign is designed to discourage drug use by youth, increase the perception of risk and disapproval associated with drugs, and encourage parents and other adult leaders to talk to children about drugs.
- **School Drug Prevention Coordinators (\$50 million)** -- This initiative is funded through the Department of Education. It will provide for about 1,300 paid drug prevention coordinators. Each coordinator will develop and direct drug prevention programs in up to five middle schools, providing prevention services to approximately 6,500 middle schools in FY 1999.
- **Drug Treatment** -- To help address the need for treatment, the FY 1999 budget includes an increase of **\$200 million (\$143 million drug-related)** for the Substance Abuse Block Grant. With this additional funding, the Substance Abuse and Mental Health Services Administration (SAMHSA) will be better able to meet the needs of special populations of chronic drug users who may face economic or geographic barriers to treatment.
- **Drug Research (\$49 million)** -- This initiative will allow the National Institute on Drug Abuse (NIDA) to expand drug use research. Basic research on drug abuse and addiction among children and adolescents, as well as all chronic users, and increased dissemination of research findings, will help enhance the effectiveness of programs.
- **Youth Tobacco Initiative (\$146 million)** -- In FY 1999, this initiative provides an additional **\$100 million** for the Food and Drug Administration (FDA) and an additional **\$46 million** to the Centers for Disease Control and Prevention. This program will target cigarette smoking by underage youth. As part of this effort, FDA will expand its enforcement activities, and CDC will conduct further research on the health risks of nicotine and smoking.
- **Criminal Justice System -- Drug Intervention Program (\$85 million)** -- This initiative will provide grants through the Office of Justice Programs which will help break the cycle of drug abuse and violence by assisting State and local governments to develop and implement comprehensive systems for drug testing, treatment, and graduated sanctions for drug offenders.
- **Methamphetamine Initiative (\$24.5 million)** -- This initiative provides DEA with 223 positions, including 100 special agents, to address the growth of methamphetamine trafficking, production, and abuse across the United States.

- **Southwest Border -- Border Patrol (\$163.2 million, \$24.5 million drug-related) --** This enhancement includes 1,000 new border patrol agents, primarily for the southwest border. Also included is funding for new technology which will enable the Border Patrol to allocate agents more efficiently based on current information regarding illegal alien traffic.
- **Ports-of-Entry -- U.S. Customs Service (\$66.4 million) --** Customs FY 1999 request includes a total increase of \$66.4 million for counterdrug operations. Of this total, \$54.0 million is requested for non-intrusive inspection technologies. The request supports two seaport X-ray systems as well as \$41 million for mobile and fixed-site X-ray systems for land border ports-of-entry along the southwest border.
- **Interdiction -- U.S. Coast Guard (\$35.7 million) --** Most of the drug-related increase (\$32.8 million) requested in FY 1999 will provide for capital improvements to enhance the Coast Guard's interdiction capabilities, particularly in the Caribbean. The FY 1999 request includes funding for improved sensors on C-130 aircraft, additional coastal patrol craft, and expansion of the Coast Guard's deep water assets.
- **Interdiction Support -- Defense --** The FY 1999 budget for the Department of Defense (DoD) would increase by a net of \$35.1 million from the FY 1998 enacted level. The total FY 1999 DoD drug budget includes substantial program enhancements of **\$75.4 million** to support counterdrug activities in the Andean region (\$60.8 million), operations in the Caribbean (\$8.5 million), training of Mexican counterdrug forces (\$4.0 million), and air reconnaissance missions (\$2.1 million). In addition to these enhancements, the request includes an additional \$15 million for the National Guard.
- **International Country Support (\$45 million) --** Included in this increase for the Department of State are funds to build on FY 1998 support for Andean nations involved in interdiction and counterdrug law enforcement operations. This effort will expand crop eradication and alternative development programs to reduce illicit coca cultivation.

(Budget Authority in Millions)

	FY 1997 Actual	FY 1998 Enacted	FY 1999 Request	FY 98 - FY 99 Change	
				\$	%
Drug Goal:					
Goal 1	1,496.3	1,760.0	2,016.0	256.0	14.5%
Goal 2	5,976.1	6,522.3	6,724.1	201.8	3.1%
Goal 3	3,324.2	3,486.9	3,732.0	245.1	7.0%
Goal 4	1,687.9	1,527.3	1,669.3	142.1	9.3%
Goal 5	2,548.8	2,681.0	2,928.4	247.4	9.2%
Total	\$15,033.2	\$15,977.4	\$17,069.8	\$1,092.4	6.8%
Drug Function:					
Criminal Justice System	7,684.4	8,187.2	8,544.0	356.8	4.4%
Drug Treatment	2,756.2	2,885.6	3,092.2	206.5	7.2%
Drug Prevention	1,643.3	1,926.4	2,158.8	232.4	12.1%
International	416.7	500.0	548.1	48.1	9.6%
Interdiction	1,723.3	1,615.3	1,805.2	189.9	11.8%
Research	655.2	679.5	725.1	45.6	6.7%
Intelligence	154.2	183.3	196.5	13.2	7.2%
Total	\$15,033.2	\$15,977.4	\$17,069.8	\$1,092.4	6.8%
Function Areas:					
Demand Reduction	4,942.9	5,376.6	5,867.1	490.5	9.1%
<i>Percent</i>	<i>33%</i>	<i>34%</i>	<i>34%</i>		
Domestic Law Enforcement	7,950.4	8,485.5	8,849.5	364.0	4.3%
<i>Percent</i>	<i>53%</i>	<i>53%</i>	<i>52%</i>		
International	416.7	500.0	548.1	48.1	9.6%
<i>Percent</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>		
Interdiction	1,723.3	1,615.3	1,805.2	189.9	11.8%
<i>Percent</i>	<i>11%</i>	<i>10%</i>	<i>11%</i>		
Total	\$15,033.2	\$15,977.4	\$17,069.8	\$1,092.4	6.8%
Supply / Demand Split:					
Supply	10,090.3	10,600.8	11,202.7	601.9	5.7%
<i>Percent</i>	<i>67%</i>	<i>66%</i>	<i>66%</i>		
Demand	4,942.9	5,376.6	5,867.1	490.5	9.1%
<i>Percent</i>	<i>33%</i>	<i>34%</i>	<i>34%</i>		
Total	\$15,033.2	\$15,977.4	\$17,069.8	\$1,092.4	6.8%
Demand Components:					
Prevention (w/ Research)	1,874.0	2,167.4	2,421.1	253.7	11.7%
Treatment (w/ Research)	3,068.9	3,209.1	3,446.0	236.8	7.4%
Demand Research Total	543.4	564.5	616.1	51.6	9.1%

Drug Control Funding, FY 1996 - FY 2003

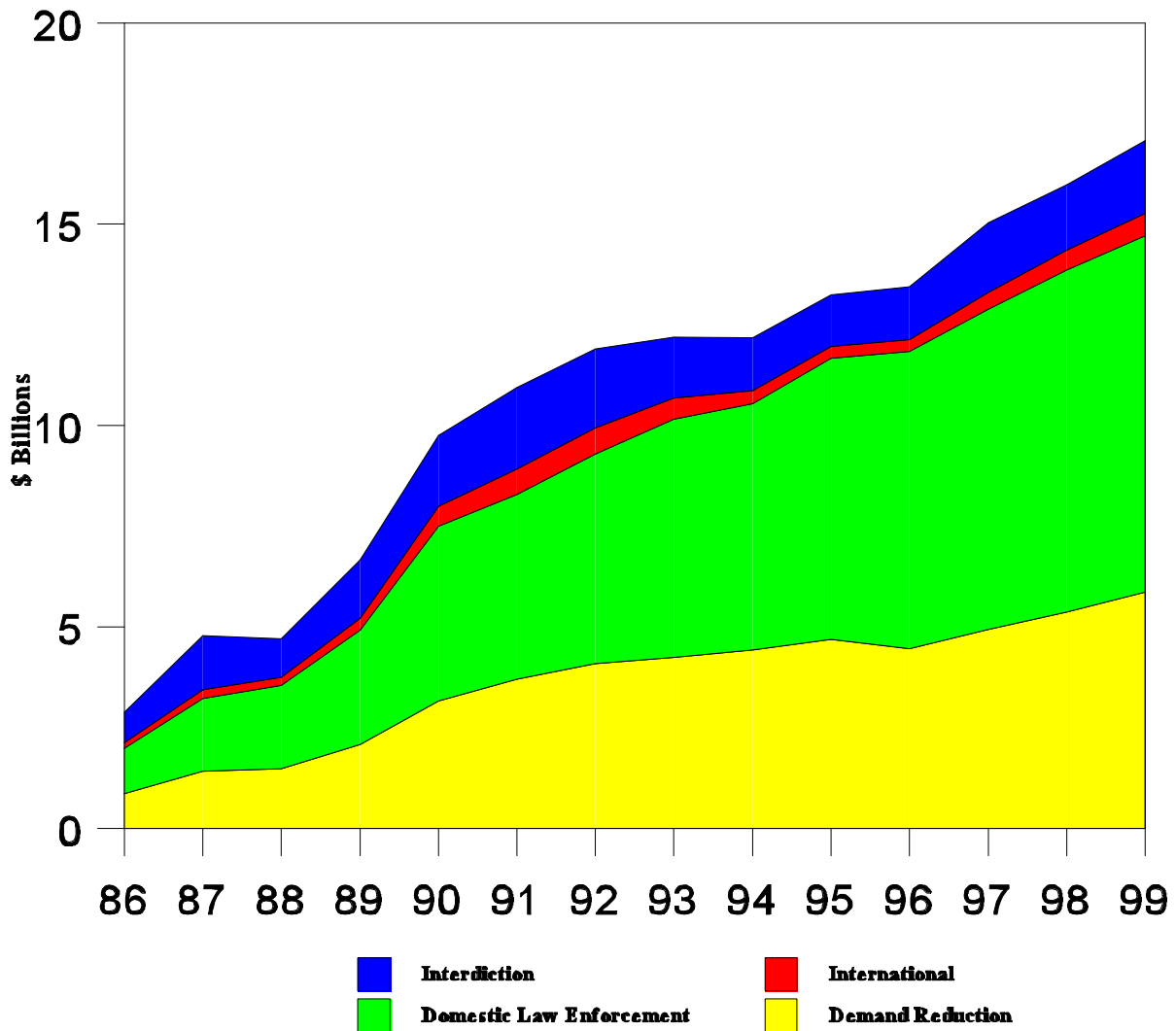


Drug Spending by Department (\$ in Millions)

<u>Department</u>	FY 98	FY 99	<u>Planning Level</u>			% Change 98-03	
	Enacted	Request	FY 00	FY 01	FY 02		FY 03
Defense	\$848	\$883	\$870	\$886	\$896	\$912	+ 8%
Education	685	740	742	744	746	749	+ 9%
HHS	2,523	2,813	2,813	2,813	2,813	2,813	+ 12%
Justice	7,261	7,670	7,317	7,235	7,243	7,444	+ 3%
ONDCP	428	449	449	449	449	449	+ 5%
State	212	257	264	271	279	287	+ 35%
Transportation	455	515	529	515	515	515	+ 13%
Treasury	1,328	1,388	1,317	1,323	1,337	1,359	+ 2%
Veterans Affairs	1,097	1,139	1,183	1,227	1,275	1,376	+ 25%
All Other	<u>1,142</u>	<u>1,216</u>	<u>1,217</u>	<u>1,236</u>	<u>1,258</u>	<u>1,281</u>	<u>+ 12%</u>
Total	\$15,977	\$17,069	\$16,701	\$16,699	\$16,811	\$17,183	+ 8%

- The outyears presented in this five-year budget are derivative of the total outyear figures by bureau and department included in the *President's FY 1999 Budget*.
- The decline in funding projected for FY 2000 and FY 2001 is associated with the reduction in funding and subsequent expiration of Community Oriented Policing Services (COPS). For FY 1999, the drug-related portion of the COPS program is \$468.6 million.

Historical Funding of Drug Control Programs



(FY 1986 - FY 1999)

- By FY 1999, the total federal drug control budget will grow to a level almost six times its size in FY 1986.
- Demand Reduction, as a percent of the total, has increased from 30% in FY 1986 to 34% in FY 1999.
- Supply Reduction programs have grown substantially from \$2.0 billion in FY 1986 to \$11.2 billion in FY 1999.