

107TH CONGRESS  
2D SESSION

# H. R. 3639

To amend the Internal Revenue Code of 1986 to allow taxpayers to designate \$3 of their income tax liability for purposes of homeland security and further to establish an Office of Homeland Security within the Executive Office of the President.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2002

Mr. PASCRELL introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Internal Revenue Code of 1986 to allow taxpayers to designate \$3 of their income tax liability for purposes of homeland security and further to establish an Office of Homeland Security within the Executive Office of the President.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Homeland Security  
5 Fund Act of 2002”.

1 **TITLE I—DESIGNATION OF**  
 2 **AMOUNTS FOR HOMELAND**  
 3 **SECURITY; HOMELAND SECU-**  
 4 **RITY FUND**

5 **SEC. 101. DESIGNATION OF AMOUNTS FOR HOMELAND SE-**  
 6 **CURITY.**

7 (a) IN GENERAL.—Subchapter A of chapter 61 of the  
 8 Internal Revenue Code of 1986 (relating to returns and  
 9 records) is amended by adding at the end the following  
 10 new part:

11 **“PART IX—DESIGNATION FOR HOMELAND**  
 12 **SECURITY**

“Sec. 6097. Designation.

13 **“SEC. 6097. DESIGNATION.**

14 “(a) IN GENERAL.—Every taxpayer whose adjusted  
 15 income tax liability for the taxable year is \$3 or more may  
 16 designate that \$3 be paid over to the Homeland Security  
 17 Fund.

18 “(b) MANNER AND TIME OF DESIGNATION.—A des-  
 19 ignation under subsection (a) may be made with respect  
 20 to any taxable year—

21 “(1) at the time of filing the return of the tax  
 22 imposed by chapter 1 for such taxable year, or

23 “(2) at any other time (after the time of filing  
 24 the return of the tax imposed by chapter 1 for such

1 taxable year) specified in regulations prescribed by  
2 the Secretary.

3 Such designation shall be made in such manner as the  
4 Secretary prescribes by regulations except that, if such  
5 designation is made at the time of filing the return of the  
6 tax imposed by chapter 1 for such taxable year, such des-  
7 ignation shall be made either on the first page of the re-  
8 turn or on the page bearing the taxpayer's signature.

9 “(c) SPECIAL RULES.—

10 “(1) DESIGNATION OF INCOME TAX LIABIL-  
11 ITY.—

12 “(A) JOINT RETURNS.—In the case of a  
13 joint return having an adjusted income tax li-  
14 ability of \$6 or more, each spouse may des-  
15 ignate that \$3 be paid over to the Homeland  
16 Security Fund.

17 “(B) ADJUSTED INCOME TAX LIABILITY.—

18 For purposes of this section, the term ‘adjusted  
19 income tax liability’ means income tax liability  
20 (as defined in section 6096(b)) reduced by any  
21 amount designated under section 6096 (relating  
22 to designation of income tax payments to Presi-  
23 dential Election Campaign Fund).”

1 (b) CLERICAL AMENDMENT.—The table of parts for  
 2 such subchapter A is amended by adding at the end the  
 3 following new item:

“Part IX. Designation for Homeland Security.”

4 (c) EFFECTIVE DATE.—The amendments made by  
 5 this section shall apply to taxable years ending after the  
 6 date of the enactment of this Act.

7 **SEC. 102. HOMELAND SECURITY FUND.**

8 (a) IN GENERAL.—Subchapter A of chapter 98 of the  
 9 Internal Revenue Code of 1986 (relating to trust fund  
 10 code) is amended by adding at the end the following new  
 11 section:

12 **“SEC. 9511. HOMELAND SECURITY FUND.**

13 “(a) CREATION OF TRUST FUND.—There is estab-  
 14 lished in the Treasury of the United States a trust fund  
 15 to be known as the ‘Homeland Security Fund’, consisting  
 16 of such amounts as may be appropriated or credited to  
 17 such Trust Fund as provided in this section or section  
 18 9602(b).

19 “(b) TRANSFERS TO TRUST FUND.—There are here-  
 20 by appropriated to the Homeland Security Fund amounts  
 21 equivalent to the amounts designated under section 6097  
 22 (relating to designation for homeland security).

23 “(c) EXPENDITURES.—Amounts in the Homeland  
 24 Security Fund shall be available, as provided in appropria-

tion Acts, for making expenditures before January 1,  
2007, for purposes of—

“(1) adapting public health infrastructure to  
new threats,

“(2) securing all modes of transportation,

“(3) protecting America’s physical and informa-  
tional infrastructure,

“(4) providing law enforcement with the tech-  
nology to effectively combat terrorism,

“(5) improving interagency and intergovern-  
mental coordination, prevention and response, and

“(6) preventing proliferation of weapons of  
mass destruction and preparing the military to effec-  
tively fight terrorism.”

(b) CLERICAL AMENDMENT.—The table of sections  
for such subchapter is amended by adding at the end the  
following new item:

“Sec. 9511. Homeland Security Fund.”

## 18 **TITLE II—OFFICE OF HOMELAND** 19 **SECURITY**

### 20 **SEC. 201. OFFICE OF HOMELAND SECURITY.**

21 There is established within the Executive Office of  
22 the President an office to be known as the “Office of  
23 Homeland Security” (in this title referred to as the “Of-  
24 fice”).

1 **SEC. 202. DIRECTOR OF HOMELAND SECURITY.**

2 (a) DIRECTOR.—The head of the Office shall be the  
3 Director of the Office of Homeland Security, who shall  
4 be appointed by the President, by and with the advice and  
5 consent of the Senate. The President shall ensure that the  
6 Director functions as a cabinet-level official.

7 (b) EXECUTIVE SCHEDULE I PAY RATE FOR DIREC-  
8 TOR.—Section 5312 of title 5, United States Code, is  
9 amended by inserting after the item relating to the Direc-  
10 tor of National Drug Control Policy the following new  
11 item:

12 “Director of the Office of Homeland Security.”.

13 **SEC. 203. RESPONSIBILITIES.**

14 Subject to the direction and control of the President,  
15 the responsibilities of the Director shall include the fol-  
16 lowing:

17 (1) Directing, in consultation with appropriate  
18 Federal and State agencies and Congress, the cre-  
19 ation of a national strategy for homeland security,  
20 as provided in section 204, to include all aspects of  
21 prevention and response to terrorist activities.

22 (2) Developing, reviewing, and approving, in  
23 collaboration with the Director of the Office of Man-  
24 agement and Budget, a national budget for home-  
25 land security and the allocation of amounts in the  
26 Homeland Security Fund among the purposes speci-

1       fied in section 9511(c) of the Internal Revenue Code  
2       of 1986.

3           (3) Reviewing programs, plans and activities of  
4       the relevant Federal agencies to insure effective im-  
5       plementation of the national homeland security  
6       strategy.

7           (4) Coordinating the planning and implementa-  
8       tion of all Federal homeland security activities with  
9       relevant Federal agencies for the purposes of remov-  
10      ing unnecessary duplication and gaps in  
11      counterterrorism activities.

12          (5) Certifying as part of the budget submission  
13      of the President to Congress the relevance and accu-  
14      racy of counterterrorism budgets from Federal agen-  
15      cies and rejecting budget requests not consistent  
16      with the national homeland security strategy.

17          (6) Directing and reviewing the development of  
18      a comprehensive national assessment on the threat  
19      to homeland security, which shall be conducted by  
20      the heads of relevant Federal agencies.

21          (7) Overseeing the appropriate sharing of infor-  
22      mation among Federal, State, and local agencies in-  
23      volved in intelligence collection and law enforcement  
24      for the purpose of protecting homeland security.

1           (8) Establishing a center within the Office to  
2           analyze and publicize as appropriate lessons learned  
3           from homeland security exercises conducted by Fed-  
4           eral, State, and local government agencies and other  
5           organizations involved in terrorism response.

6           (9) Consulting regularly with Congress on all  
7           issues relating to homeland security.

8           (10) Attending meetings of the President's cab-  
9           inet and the National Security Council relating to  
10          counterterrorism and homeland security.

11          (11) Serving as the President's principal  
12          spokesperson on issues relevant to homeland secu-  
13          rity.

14   **SEC. 204. NATIONAL HOMELAND SECURITY STRATEGY.**

15          The national homeland security strategy created  
16   under section 203 shall include the following:

17           (1) A comprehensive research, development, and  
18           procurement plan for supporting homeland security.

19           (2) Mechanisms to insure the flexibility and mo-  
20           bility in Federal personnel policies and practices to  
21           achieve maximum effective use of personnel among  
22           all concerned agencies.

23           (3) Policies and procedures to maximize the col-  
24           lection, analysis, translation, exploitation, and dis-  
25           semination of, throughout the Federal Government



1 and with State and local authorities, information rel-  
2 evant to homeland security concerns.

3 (4) Plans for improving the resources of, co-  
4 ordination among, and effectiveness of health and  
5 medical sectors for detecting and responding to ter-  
6 rorist attacks on the homeland.

7 (5) Specific measures to enhance cooperative ef-  
8 forts between the public and private sectors in pro-  
9 tecting homeland security.

10 **SEC. 205. OFFICERS AND STAFF OF OFFICE.**

11 (a) OFFICERS.—The President shall assign to the Of-  
12 fice such officers in addition to the Director, if any, as  
13 the President, in consultation with the Director, considers  
14 appropriate to discharge the responsibilities of the Office.

15 (b) STAFF.—The Director may appoint such employ-  
16 ees, and may detail employees from other agencies, as nec-  
17 essary to carry out the functions of the Office. Such em-  
18 ployees shall include individuals with relevant State and  
19 local expertise.

20 **SEC. 206. ANNUAL REPORTS.**

21 The Director shall submit to the Congress annual re-  
22 ports of the activities of the Office in carrying out the  
23 responsibilities specified in section 203.

1 **SEC. 207. AUTHORIZATION OF APPROPRIATIONS.**

2       There are authorized to be appropriated such  
3 amounts as are necessary to carry out this title.

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