

**Without international cooperation, the United States cannot protect its national infrastructure from the cyber threat.**

Cyber crime already has been recognized as a serious and growing problem. In response, the government has passed new laws, set new security requirements, established new centers, promoted partnerships with the private sector, and supported the exchange of information and research.

In addition to domestic efforts, the United States must seek international cooperation. Cyber criminals and terrorists using the Internet are unrestrained by national borders. Therefore, the U.S. Government must make every effort to establish international agreements and cooperation to prevent or respond to a cyber-terrorist attack.

**Recommendation:**

- The Secretary of State, in concert with other departments and agencies, should take the lead in developing an international convention aimed at harmonizing national laws, sharing information, providing early warning, and establishing accepted procedures for conducting international investigations of cyber crime.

## **Improve Executive and Legislative Branch Review of Counterterrorism Activities**

**The senior official responsible for coordinating all U.S. counterterrorism efforts does not have sufficient authority to ensure that the President's priorities on counterterrorism are reflected in agencies' budgets.**

The United States does not have a single counterterrorism budget. Instead, counterterrorism programs exist in the individual budgets of 45 departments and agencies of the Federal Government. The National Coordinator for Security, Infrastructure, and Counterterrorism (currently a member of the President's staff) is responsible for ensuring that the counterterrorism programs in these departments and agencies meet the President's overall counterterrorism objectives. To discharge this responsibility, the National Coordinator established a process to set priorities, develop counterterrorism initiatives and review their funding in agency budgets. This process is an efficient means of balancing counterterrorism program requirements against other agency priorities, but it has a significant drawback. The National Coordinator has no role in the critical step when the Office of Management and Budget (OMB) decides what agency programs will be funded and at what levels. This decision is conveyed to the agencies when budget revisions are passed back to the agencies (called passbacks).

The Commission believes that whoever coordinates the national counterterrorism effort on behalf of the President should also have the authority to ensure that the President's counterterrorism objectives are reflected in agency budgets. That means the coordinator should participate with OMB in the passback of counterterrorism budget submissions, as well as in the final phase of the budget process when agencies appeal OMB's decisions.

**Recommendation:**

- The President should require the Director of the Office of Management and Budget and the national counterterrorism coordinator to agree on all budget guidance to the agencies, including the response to initial budget submissions, and both officials should be involved in presenting agencies' counterterrorism budget appeals to the President.

**Congressional responsibility for reviewing the President's counterterrorism budget is divided among several committees and sub-committees, making coordinated review more difficult.**

One of the essential tasks for the national counterterrorism coordinator is to prepare a comprehensive counterterrorism plan and budget. Similarly, Congress should develop mechanisms for coordinated review of the President's counterterrorism policy and budget, rather than having each of the many relevant committees moving in different directions without regard to the overall strategy.

As a first step, the Commission urges Congress to consider holding joint hearings of two or more committees on counterterrorism matters. In addition, to facilitate executive-legislative discussion of terrorism budget issues, the House and Senate Appropriations committees should each assign to senior staff responsibility for cross-appropriations review of counterterrorism programs.

Finally, the Commission notes the importance of bipartisanship both in Congress and in the executive branch when considering counterterrorism policy and funding issues.

**KEY CONGRESSIONAL COMMITTEES  
WITH OVERSIGHT RESPONSIBILITY FOR  
COUNTERTERRORISM**

**SENATE**

Appropriations  
Armed Services  
Foreign Relations  
Governmental Affairs  
Judiciary  
Intelligence

**HOUSE OF REPRESENTATIVES**

Appropriations  
Armed Services  
Government Reform  
International Relations  
Judiciary  
Intelligence

**Recommendations:**

- Congress should develop a mechanism for reviewing the President's counterterrorism policy and budget as a whole. The executive branch should commit to full consultation with Congress on counterterrorism issues.
- House and Senate Appropriations Committees should immediately direct full-committee staff to conduct a cross-subcommittee review of counterterrorism budgets.