

Bureau of Industry and Security

The mission of the Bureau of Industry and Security (BIS) is to advance U.S. national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system and by promoting continued U.S. strategic technology leadership.

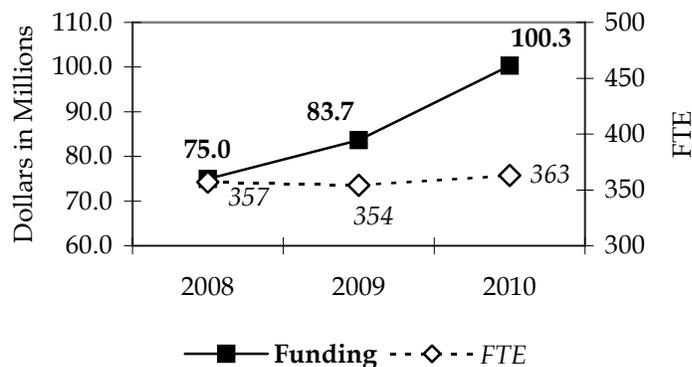
BIS accomplishes this mission through the following activities:

- Regulating the export of sensitive “dual use” goods and technologies in an effective and efficient manner;
- Enforcing export control, anti-boycott, and public safety laws;
- Cooperating with and assisting other countries on export control and strategic trade issues;
- Assisting U.S. industry in complying with international arms agreements; monitors the viability of the U.S. defense industrial base;
- Evaluating the effects on national security of foreign investments in U.S. companies; and,
- Supporting continued U.S. technology leadership in industries that are essential to national security.

BIS’s mission priorities are to:

- **Maintain and strengthen an adaptable and effective U.S. export control and treaty compliance system:** BIS administers and enforces controls on exports of dual-use goods and technologies to counter proliferation of weapons of mass destruction, combat terrorism, and pursue other national security and foreign policy goals. BIS also serves as the lead agency for ensuring U.S. industry compliance with the Chemical Weapons Convention (CWC) and the International Atomic Energy Agency (IAEA) Additional Protocol, which allows the IAEA complimentary inspection authority in order to develop a comprehensive picture of a country’s nuclear and nuclear-related activities. BIS’s enforcement efforts detect, prevent, and prosecute illicit dual-use export activity, with a primary focus on weapons of mass destruction, terrorism, and military diversion.
- **Integrate non-U.S. actors to create a more effective global export control and treaty compliance system:** The effectiveness of U.S. export controls is enhanced by strong controls in other nations that export or transship sensitive goods and technologies. BIS works to improve the participation and compliance of existing members of multilateral export control regimes and cooperates with other countries to help them establish effective export control programs. As part of policy formulation and implementation toward key trading partners and transshipment countries, BIS engages in a robust end-use visit program.
- **Ensure continued U.S. technology leadership in industries that are essential to national security:** BIS works to ensure that the United States remains competitive in industry sectors and sub-sectors critical to national security. To this end BIS analyzes the impact of export controls and trade policies on strategic U.S. industries, administers the Federal Government’s Defense Priorities and Allocations System (DPAS), reports on the impact of defense trade offsets, and evaluates the security impact of certain proposed foreign investments in U.S. companies.

Operations and Administration Budget
Authority
and FTE



Summary of Appropriations

<u>Funding Levels</u>	2008	2009	2010	Increase
<u>Appropriation</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
Operations and Administration	\$72,855	\$83,676	\$100,342	\$16,666
Total Appropriation	72,855	83,676	100,342	16,666
Transfers of funds from DM	1,500	0	0	0
Transfer of funds from NIST-ITS	600	0	0	0
TOTAL, BUDGET AUTHORITY	74,955	83,676	100,342	16,666
FTE*				
Operations and Administration	353	353	362	9
Reimbursable	4	1	1	0
Total	357	354	363	9

* The FTE levels for FYs 2009 and 2010 have been adjusted to reflect recent decisions.

Highlights of Budget Changes

Appropriation: Operations and Administration

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE*</u>	<u>Amount</u>
2009 Appropriation			353	\$83,676
Adjustments to Base				
<u>Other Changes</u>				
2009 Pay raise		\$753		
2010 Pay raise		684		
Payment to Working Capital Fund		77		
Full year cost of positions financed for part-year in FY 2009	3	240		
Civil Service Retirement System (CSRS)		(59)		
Federal Employees' Retirement System (FERS)		223		
Thrift Savings Plan		17		
Federal Insurance Contributions Act (FICA/OASDI)		44		
Health insurance		57		
Employees' Compensation Fund		(20)		
Travel - Mileage		21		
Rent payments to GSA		126		
Postage		7		
Printing and reproduction		2		
Other services:				
Working Capital Fund		1,184		
Payment to Working Capital Fund Utilities		(844)		
Payment to ITA Personnel Services		(494)		
NARA storage costs		4		
GSA Steam		296		
PEPCO Electric		596		
Fuel		(181)		
General Pricing Level Adjustment				
Transportation of things		1		
Communications, utilities, and miscellaneous		7		
Other services		96		
Supplies		10		
Equipment		19		
Subtotal, other cost changes			3	2,866
Reimbursable activities in support of licensing program				2,000
TOTAL, ADJUSTMENTS TO BASE			3	4,866
2010 Base			356	88,542
Program Changes			6	11,800
2010 APPROPRIATION			362	100,342

* The FTE levels for FYs 2009 and 2010 have been adjusted to reflect recent decisions.

Comparison by Activity

	2009 Currently Avail.		2010 Base		2010 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Management & Policy Coordination	11	\$5,850	11	\$6,056	11	\$6,056	0	\$0
Export Administration	182	40,988	183	44,432	186	54,432	3	10,000
Export Enforcement	160	36,838	162	38,054	165	39,854	3	1,800
TOTAL DIRECT OBLIGATIONS	353	83,676	356	88,542	362	100,342	6	11,800
REIMBURSABLE OBLIGATIONS	1	6,281	1	2,000	1	2,000	0	0
TOTAL OBLIGATIONS	354	89,957	357	90,542	363	102,342	6	11,800
FINANCING								
Unobligated balance, start of year (Direct)								
Unobligated balance, start of year (Reimbursable)		(4,481)						
Offsetting collections from:								
Federal funds	(1)	(1,050)			(1)	(1,050)		
Non-Federal sources		(750)				(950)		
Subtotal, financing	(1)	(6,281)			(1)	(2,000)		
TOTAL BUDGET AUTHORITY/	353	83,676			362	100,342		
APPROPRIATION								

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>Export Enforcement</u>				
WMD and IED Nonproliferation Initiative	165	\$38,540	+3	+\$1,800

Export Enforcement (EE) currently maintains a significant inventory of cases in the critically important areas of weapons of mass destruction (WMD), terrorism, and un-authorized military end-use. These cases are a priority, and some of them directly impact the ability of the U.S. military to successfully execute its missions in Iraq and Afghanistan. EE also has an expanding operation targeting illicit procurement of U.S.-origin items used in improvised explosive devices (IEDs) being employed against U.S. troops in the Middle East. In order to support these ongoing activities, EE proposes additional funding to appropriately staff and support investigations, conduct intelligence analysis and support licensing reviews.

Export Administration

Cyber Espionage and System Modernization Initiative	183	\$44,432	+3	+\$10,000
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BIS is seeking additional resources for its information technology systems in order to both 1) respond to cyber espionage threats and 2) modernize critical systems and software. In response to growing cyber espionage, BIS proposes to implement a Compartmentalized Application Infrastructure (CAI), which secures mission-critical export control system applications and data by separating high, moderate, and low security systems from one another. To modernize critical systems and software, BIS proposes to invest additional resources in the ongoing ECASS-Redesign project, which is migrating existing functionality from a high risk, obsolete system (Legacy ECASS) to a current, stable, supportable technology system.

BIS Performance Measures

BIS supports the Department's strategic goal to "Maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers." BIS has continued to refine its performance measures to: (1) focus on results, (2) measure work under its control, (3) use representative data, and (4) create new measures to support new initiatives/programs.

Performance Outcomes and Measures

(Dollars reflect obligations in Millions)

	2008 Actual	2009 Estimate /Target	2010 Estimate /Target
Outcome 1: Maintain and Strengthen an Adaptable and Effective U.S. Export Control and Treaty Compliance System	\$66.1	\$73.3	\$89.8
Percent of licenses requiring interagency referral referred within nine days	98%	95%	95%
Median processing time for new regime regulations (months)	2	3	3
Percent of attendees rating seminars highly	93%	85%	85%
Percent of declarations received from U.S. industry in accordance with CWC Regulations (time lines) that are processed, certified and submitted to the State Department in time for the U.S. to meet its treaty obligations	100%	100%	100%
Number of actions that result in a deterrence or prevention of a violation and cases which result in a criminal and/or administrative charge	881	850	850
Percent of Shipped Transactions in Compliance with the Licensing Requirements of the Export Administration Regulations (EAR)	87%	95%	97%
Percentage of Post-Shipment Verifications completed and categorized above the "Unfavorable" classification	136 PSVs / 93%	260 PSVs / 85%	260 PSVs / 85%
Outcome 2: Integrate Non-U.S. Actors to Create a More Effective Global Export Control and Treaty Compliance System	\$5.1	\$5.6	\$5.7
Number of end-use checks completed	490	850	850
Outcome 3: Ensure Continued U.S. Technology Leadership in Industries that are Essential to National Security	\$5.1	\$6.4	\$6.8
Percent of industry assessments resulting in BIS determination, within three months of completion, on whether to revise export controls	100%	100%	100%
Total	\$76.3	\$85.3	\$102.3

