



Homeland Security Department: FY2012 Appropriations

William L. Painter, Coordinator

Analyst in Emergency Management and Homeland Security Policy

Jennifer E. Lake, Coordinator

Section Research Manager

November 2, 2011

Congressional Research Service

7-5700

www.crs.gov

R41982

CRS Report for Congress

Prepared for Members and Committees of Congress

Summary

This report describes the FY2012 appropriations for the Department of Homeland Security (DHS). The Administration requested a total appropriation (mandatory and discretionary) of \$45,015 million in budget authority for FY2012. This amounts to a \$1,610 million, or a 3.7%, increase from the \$43,405 million enacted for FY2011 through the continuing resolution (P.L. 112-10). Total budget authority, including appropriations, fee revenues, and trust funds in the Administration's budget request for DHS for FY2012 amounts to \$57,079 million as compared to \$55,783 million enacted for FY2011.

Net requested appropriations for major agencies within DHS were as follows: Customs and Border Protection (CBP), \$10,372 million; Immigration and Customs Enforcement (ICE), \$5,494 million; Transportation Security Administration (TSA), \$5,514 million; Coast Guard, \$8,677 million; Secret Service, \$1,699 million; National Protection & Programs Directorate, \$1,268 million; Federal Emergency Management Administration (FEMA), \$6,789 million; Science and Technology, \$1,176 million; and the Domestic Nuclear Detection Office, \$332 million.

The House Committee on Appropriations reported its version of the FY2012 DHS Appropriations bill on May 26, 2011, by a vote of 27-20. The House bill as drafted by the subcommittee recommended a net discretionary appropriation of \$40,592 million for DHS for FY2012, not including \$258 million for the global war on terrorism. This amounted to a \$2,984 million decrease compared to the Administration's request, and \$1,072 million less than the \$41,664 million provided under P.L. 112-10, the FY2011 concurrent resolution. An amendment in full committee markup added \$1 billion in emergency funding for disaster relief.

On June 2, the House passed H.R. 2017, an amended version of the House bill, by a vote of 231-188. Increases made to DHS activities include \$320 million for grant programs for firefighters and \$10 million for CBP to improve cellular communications along the southern border. Several amendments used management accounts as offsets, leaving funding for those activities 44% below the requested level.

The Senate Committee on Appropriations reported its version of the FY2012 DHS Appropriations bill on September 7, 2011, by a vote of 28-2. The Senate bill as approved by the committee recommended a net discretionary appropriation of \$41,000 million for DHS for FY2012, not including \$258 million for the global war on terrorism, and \$4,200 million in funding for FEMA disaster relief that would be paid for by adjustments to the discretionary cap under the Budget Control Act. With those exclusions, the Senate-reported bill was \$2,533 million below the Administration's request, and \$667 million below the amount provided under P.L. 112-10.

On September 30, 2011, the President signed into law a short-term continuing resolution (CR) to continue funding for government operations through October 4, 2011, and then a second CR that runs through November 18, 2011. Both resolutions funded operations at the FY2011 rate, less 1.503% in order to accommodate the budget caps implemented by the Budget Control Act (P.L. 112-25). The resolutions included \$2.65 billion to replenish the Disaster Relief Fund (DRF) which had been depleted through responding to multiple significant events in FY2011. The short-term CR was passed as an amendment replacing the text of H.R. 2017, the Homeland Security Appropriations bill. This procedure interrupted the process for creating a stand-alone Homeland Security Appropriations bill to send to the President.

Contents

Most Recent Developments	1
Continuing Resolutions and H.R. 2017	1
Senate-Reported H.R. 2017	1
House-Passed H.R. 2017	1
President’s FY2012 Budget Request Submitted.....	2
Background.....	3
Department of Homeland Security	3
Budget Authority, Obligations, and Outlays.....	3
Discretionary and Mandatory Spending	4
Offsetting Collections.....	5
302(a) and 302(b) Allocations	5
Accounting for Emergency Funding, Overseas Contingency Operations and Disaster Relief.....	6
Appropriations for the Department of Homeland Security.....	7
DHS Appropriations Trends	7
Summary of DHS Appropriations	7
Title I: Departmental Management and Operations.....	11
Senate-Reported H.R. 2017	12
House-Passed H.R. 2017	14
House-Reported H.R. 2017	15
President’s FY2012 Request.....	17
St. Elizabeths and Headquarters Consolidation.....	20
Analysis and Operations.....	22
Title II: Security, Enforcement, and Investigations	24
Customs and Border Protection.....	28
Immigration and Customs Enforcement.....	33
Transportation Security Administration	37
United States Coast Guard.....	44
United States Secret Service.....	47
Title III: Protection, Preparedness, Response, and Recovery	50
National Protection and Programs Directorate.....	53
Infrastructure Protection and Information Security.....	55
Federal Protective Service.....	59
U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT).....	60
Office of Health Affairs.....	62
Federal Emergency Management Agency	64
Title IV: Research and Development, Training, Assessments, and Services	73
U.S. Citizenship and Immigration Services.....	75
Federal Law Enforcement Training Center	78
Science and Technology	79
Domestic Nuclear Detection Office.....	81

Tables

Table 1. Legislative Status of Homeland Security Appropriations	2
Table 2. FY2012 302(b) Discretionary Allocations for DHS	6
Table 3. DHS Appropriations, FY2003-FY2012	7
Table 4. DHS: Summary of Appropriations.....	8
Table 5. Title I: Departmental Management and Operations	11
Table 6. Office of the Chief Human Capital Officer Appropriations.....	18
Table 7. Title II: Security, Enforcement, and Investigations.....	25
Table 8. Customs and Border Protection Account Detail	29
Table 9. ICE Salaries and Expenses Account Detail.....	35
Table 10. TSA Gross Budget Authority by Budget Activity.....	39
Table 11. Coast Guard Operating (OE) and Acquisition (ACI) Sub-Account Detail	45
Table 12. FY2010 and FY2011 Enacted and FY2012 Budget Authority for the U.S. Secret Service	49
Table 13. Title III: Protection, Preparedness, Response, and Recovery	51
Table 14. FY2010-FY2012 Budget Activity for NPPD Management and Administration Appropriation.....	54
Table 15. Budget Authority for Infrastructure Protection and Information Security	57
Table 16. Budget Authority for Grants and Training	68
Table 17. Title IV: Research and Development, Training, Assessments, and Services	74
Table 18. USCIS Budget Account Detail.....	77
Table 19. Directorate of Science and Technology, Accounts and Activities.....	80
Table 20. Domestic Nuclear Detection Office, Accounts and Activities	82
Table A-1. Federal Homeland Security Funding by Agency, FY2002-FY2012	85

Appendixes

Appendix. DHS Appropriations in Context.....	84
--	----

Contacts

Author Contact Information.....	87
---------------------------------	----

This report describes the President's FY2012 request for funding for DHS programs and activities, as submitted to Congress on February 6, 2011. It compares the enacted FY2011 amounts to the request, the House-passed and Senate-reported appropriations bills for FY2012. It tracks legislative action and congressional issues related to the FY2012 DHS appropriations bills with particular attention paid to discretionary funding amounts. The report does not follow specific funding issues related to mandatory funding—such as retirement pay—nor does the report systematically follow any legislation related to the authorization or amendment of DHS programs.

Most Recent Developments

Continuing Resolutions and H.R. 2017

On September 30, 2011, the President signed into law a short-term continuing resolution (CR) to continue funding for government operations through October 4, 2011, and on October 5 a second CR that runs through November 18, 2011. Both resolutions funded operations at the FY2011 rate, less 1.503% in order to accommodate the budget caps implemented by the Budget Control Act (P.L. 112-10). The resolutions included \$2.65 billion to replenish the Disaster Relief Fund (DRF) which had been depleted through responding to multiple significant events in FY2011. The short-term CR was passed as an amendment replacing the text of H.R. 2017, the Homeland Security Appropriations bill. This procedure interrupted the process for creating a stand-alone Homeland Security Appropriations bill to send to the President.

Senate-Reported H.R. 2017

The Senate Committee on Appropriations reported its version of the FY2012 DHS Appropriations bill on September 7, 2011, by a vote of 28-2. This report uses Senate-reported H.R. 2017 and the accompanying report (S.Rept. 112-74) as the source for Senate-reported appropriations numbers, and for some historical data pertaining to FY2011 appropriations. The Senate bill as approved by the committee recommended a net discretionary appropriation of \$41,000 million for DHS for FY2012, not including \$258 million for the global war on terrorism, and \$4,200 million in funding for FEMA disaster relief that would be paid for by adjustments to the discretionary cap under the Budget Control Act. With those exclusions, this was \$2,533 million below the Administration's request, and \$667 million below the amount provided under P.L. 112-10.

House-Passed H.R. 2017

On June 2, 2011, the House passed H.R. 2017 with several amendments. This report uses House-passed H.R. 2017 and the accompanying report (H.Rept. 112-91) as the source for House-passed appropriations numbers. After floor action, the House bill carries a net discretionary appropriation of \$40,592 million for DHS for FY2012. Several amendments used management accounts as offsets, leaving funding for those activities 44% below the requested level. Increases made to DHS activities include \$320 million for grant programs for firefighters and \$10 million for CBP to improve cellular communications along the southern border. During markup in the House Appropriations Committee, an amendment by the subcommittee chairman added \$1,000 million in emergency funding for disaster relief, a move offset by transferring \$1,000 million and

rescinding \$500 million in unspent funds from a Department of Energy automotive advanced technology program.

President’s FY2012 Budget Request Submitted

The Administration requested a net appropriation (mandatory and discretionary) of \$45,015 million in budget authority for FY2012. This amounts to a \$1,610 million, or a 3.7%, increase from the \$43,405 million enacted for FY2011.¹ Total budget authority, including appropriations, fee revenues, and trust funds in the Administration’s budget request for DHS for FY2012 amounts to \$57,079 million as compared to \$55,783 million enacted for FY2011.²

Net requested appropriations for major agencies within DHS were as follows: Customs and Border Protection (CBP), \$10,372 million; Immigration and Customs Enforcement (ICE), \$5,494 million; Transportation Security Administration (TSA), \$5,514 million; Coast Guard, \$8,677 million; Secret Service, \$1,699 million; National Protection & Programs Directorate, \$1,268 million; Federal Emergency Management Administration (FEMA), \$6,789 million; Science and Technology, \$1,176 million; and the Domestic Nuclear Detection Office, \$332 million.

Table I. Legislative Status of Homeland Security Appropriations

Subcommittee Markup		House Committee Report H.Rept. 112-91	House Passage H.R. 2017	Senate Committee Report	Senate Passage ^a	Conference Report Approval		P.L.
House	Senate					House	Senate	
5/13 (vv)		5/26 (27-20)	6/2 (231-188)	9/7 (28-2)				

Note: (VV) = voice vote, (UC) = unanimous consent.

- a. The first short-term CR (running through October, 4 2011) was passed as an amendment that replaced the text of H.R. 2017. This procedure interrupted the process for creating a stand-alone Homeland Security Appropriations bill to send to the President.

Note on Most Recent Data

Data used in this report for FY2010 revised amounts are from the President’s Budget Documents. FY2011 enacted amounts are from the *DHS Expenditure Plan for Fiscal Year 2011*, and in cases where additional detail was required, S.Rept.112-74. Information on the FY2012 request is from the President’s Budget Documents, the FY2012 *DHS Congressional Budget Justifications*, and the FY2012 *DHS Budget in Brief*. Information on House and Senate bills are drawn from the appropriate versions of H.R. 2017, H.Rept. 112-91 and S.Rept. 112-74. Data used in the **Appendix** are taken from the *Analytical Perspectives* volume of the FY2006-FY2012 President’s Budget. Except when discussing total amounts for the bill as a whole, all amounts contained in this report are rounded to the nearest million.

¹ House Appropriations Committee, “Fact Sheet - FY2012 Homeland Security Bill - Summary Table,” press release, May 12, 2011, <http://appropriations.house.gov>.

² Department of Homeland Security, *Budget in Brief FY 2012*, Washington, DC, February 2011.

Background

Department of Homeland Security

The Homeland Security Act of 2002 (P.L. 107-296) transferred the functions, relevant funding, and most of the personnel of 22 agencies and offices to the new Department of Homeland Security created by the act. Appropriations measures for DHS have generally been organized into five titles:

- Title I contains appropriations for the Office of Management, the Office of the Secretary, the Office of the Chief Financial Officer, the Office of the Chief Information Officer (CIO), Analysis and Operations (A&O), and the Office of the Inspector General (OIG).
- Title II contains appropriations for Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE), the Transportation Security Administration (TSA), the Coast Guard (USCG), and the Secret Service.³
- Title III contains appropriations for the National Protection and Programs Directorate (NPPD), Office of Health Affairs (OHA) Federal Emergency Management Agency (FEMA).⁴
- Title IV contains appropriations for U.S. Citizenship and Immigration Services (USCIS), the Science and Technology Directorate (S&T), and the Federal Law Enforcement Training Center (FLETC).
- Title V contains general provisions providing various types of congressional direction to the department.

The structure of the bill is not automatically symmetrical between House and Senate versions. Additional titles are sometimes added to address special issues: For example, the FY2012 House full committee mark-up added Title VI to carry a \$1 billion emergency appropriation for the Disaster Relief Fund (DRF). The Senate version carries no additional titles beyond what is described above.

Budget Authority, Obligations, and Outlays

Federal government spending involves a multi-step process that begins with the enactment of budget authority by Congress. Federal agencies then obligate funds from the enacted budget

³ The U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) program was appropriated within Title II through the FY2007 appropriation. The FY2008 appropriation transferred US-VISIT, as proposed by the Administration, to the newly created National Protection & Programs Directorate (NPPD) in Title III. Division E of P.L. 110-161, the DHS Appropriations Act, 2008, enacted this reorganization.

⁴ Through the FY2007 appropriation, Title III contained appropriations for the Preparedness Directorate, Infrastructure Protection and Information Security (IPIS) and FEMA. The President's FY2008 request included a proposal to shift a number of programs and offices to eliminate the Preparedness Directorate, create the NPPD, and move several programs to FEMA. These changes were largely agreed to by Congress in the FY2008 appropriation, reflected by Title III in Division E of P.L. 110-161.

authority to pay for their activities. Finally, payments are made to liquidate those obligations; the actual payment amounts are reflected in the budget as outlays.

Budget authority is established through appropriations acts or direct spending legislation and determines the amounts that are available for federal agencies to spend. The Antideficiency Act⁵ prohibits federal agencies from obligating more funds than the budget authority that was enacted by Congress. Budget authority may also be indefinite, as when Congress enacts language providing “such sums as may be necessary” to complete a project or purpose. Budget authority may be available on a one-year, multi-year, or no-year basis. One-year budget authority is only available for obligation during a specific fiscal year; any unobligated funds at the end of that year are no longer available for spending. Multi-year budget authority specifies a range of time during which funds can be obligated for spending; no-year budget authority is available for obligation for an indefinite period of time.

Obligations are incurred when federal agencies employ personnel, enter into contracts, receive services, and engage in similar transactions in a given fiscal year. Outlays are the funds that are actually spent during the fiscal year.⁶ Because multi-year and no-year budget authorities may be obligated over a number of years, outlays do not always match the budget authority enacted in a given year. Additionally, budget authority may be obligated in one fiscal year but spent in a future fiscal year, especially with certain contracts.

In sum, budget authority allows federal agencies to incur obligations and authorizes payments, or outlays, to be made from the Treasury. Discretionary agencies and programs, and appropriated entitlement programs, are funded each year in appropriations acts.

Discretionary and Mandatory Spending

Gross budget authority, or the total funds available for spending by a federal agency, may be composed of discretionary and mandatory spending. Discretionary spending is not mandated by existing law and is thus appropriated yearly by Congress through appropriations acts. The Budget Enforcement Act of 1990⁷ defines discretionary appropriations as budget authority provided in annual appropriation acts and the outlays derived from that authority, but it excludes appropriations for entitlements. Mandatory spending, also known as direct spending, consists of budget authority and resulting outlays provided in laws other than appropriation acts and is typically not appropriated each year. However, some mandatory entitlement programs must be appropriated each year and are included in the appropriations acts. Within DHS, the Coast Guard retirement pay is an example of appropriated mandatory spending.

⁵ U.S.C. §§1341, 1342, 1344, 1511-1517.

⁶ Appropriations, outlays, and account balances for government treasury accounts can be viewed in the end of year reports published by the U.S. Treasury titled *Combined Statement of Receipts, Outlays, and Balances of the United States Government*. The DHS portion of the report can be accessed at <http://fins.treas.gov/annualreport/cs2005/c18.pdf>.

⁷ P.L. 101-508, Title XIII.

Offsetting Collections⁸

Offsetting funds are collected by the federal government, either from government accounts or the public, as part of a business-type transaction such as offsets to outlays or collection of a fee. These funds are not counted as revenue. Instead, they are counted as negative outlays. DHS net discretionary budget authority, or the total funds that are appropriated by Congress each year, is composed of discretionary spending minus any fee or fund collections that offset discretionary spending.

Some collections offset a portion of an agency's discretionary budget authority. Other collections offset an agency's mandatory spending. They are typically entitlement programs under which individuals, businesses, or units of government that meet the requirements or qualifications established by law are entitled to receive certain payments if they establish eligibility. The DHS budget features two mandatory entitlement programs: the Secret Service and the Coast Guard retired pay accounts (pensions). Some entitlements are funded by permanent appropriations, others by annual appropriations. The Secret Service retirement pay is a permanent appropriation and as such is not annually appropriated, whereas the Coast Guard retirement pay is annually appropriated. In addition to these entitlements, the DHS budget contains offsetting Trust and Public Enterprise Funds. These funds are not appropriated by Congress. They are available for obligation and included in the President's budget to calculate the gross budget authority.

302(a) and 302(b) Allocations

In general practice, the maximum budget authority for annual appropriations (including DHS) is determined through a two-stage congressional budget process. In the first stage, Congress sets overall spending totals in the annual concurrent resolution on the budget. Subsequently, these amounts are allocated among the appropriations committees, usually through the statement of managers for the conference report on the budget resolution. These amounts are known as the 302(a) allocations. They include discretionary totals available to the House and Senate Committees on Appropriations for enactment in annual appropriations bills through the subcommittees responsible for the development of the bills. In the second stage of the process, the appropriations committees allocate the 302(a) discretionary funds among their subcommittees for each of the appropriations bills. These amounts are known as the 302(b) allocations. These allocations must add up to no more than the 302(a) discretionary allocation and form the basis for enforcing budget discipline, since any bill reported with a total above the ceiling is subject to a point of order. 302(b) allocations may be adjusted during the year as the various appropriations bills progress towards final enactment.

This year, no agreement on the budget was reached between the House and Senate until passage of the Budget Control Act (BCA)(P.L. 112-25). Although the House passed a budget resolution, the Senate did not. The BCA set limits on discretionary spending for FY2012-FY2021. **Table 2** shows DHS's 302(b) allocations for FY2011 and the current appropriations cycle.

⁸ Prepared with assistance from Bill Heniff Jr., Analyst in American National Government.

Table 2. FY2012 302(b) Discretionary Allocations for DHS

(budget authority in billions of dollars)

FY2011 Comparable	FY2012 Request Comparable	FY2012 House Allocation ^a	FY2012 Senate Allocation	FY2012 Enacted Comparable
41.661	43.356	42.290	41.000 ^b	

Source: U.S. Congress, House Appropriations, Homeland Security, *FY2012 Homeland Security Bill - Summary Table*, 112th Cong., 1st sess., May 12, 2011, and U.S. Congress, House Appropriations, *Revised Suballocation to Subcommittees Fiscal Year 2012 Budget Authority and Outlays*, 112th Cong., 1st sess., June 14, 2011, p. 2.

Note: Amounts may not total due to rounding.

- This represents the revised allocation approved by the Appropriations Committee by voice vote on June 14, 2011. The initial allocation was \$40,592 million.
- The Senate allocation was made with the awareness that funding could be added for disaster relief through mechanisms in the Budget Control Act without affecting the allocation.

Accounting for Emergency Funding, Overseas Contingency Operations and Disaster Relief

As noted above, P.L. 112-25, the Budget Control Act (BCA), significantly changed the legislative environment for the Homeland Security Appropriations bill. It established a series of annual caps on discretionary spending from FY2012 to FY2021. For the first two years, it established a “sub-cap” on security spending, including DHS. As Congress moves forward with appropriations legislation, if the discretionary spending caps were to be exceeded, in most cases, a sequester would occur – an automatic across-the-board rescission of budget authority to meet the cap.

There are three ways outlined in the BCA to raise the cap to accommodate certain types of spending traditionally associated with the DHS appropriations bill: It can be done for overseas contingency operations to fight the war on terror; for emergency situations; and for disaster relief. Congress can adjust the cap as much as it wants to accommodate the first two. However, disaster relief is no longer eligible for designation as an emergency under the BCA. The cap can be adjusted upward to accommodate spending on disaster relief by a limited amount. That limit is set for each of the fiscal years from FY2012 to FY2021 by the following formula:

Limit on disaster relief cap adjustment for the fiscal year = Rolling average of the disaster relief spending over the last ten fiscal years (throwing out the high and low years) + the unused amount of the potential adjustment for disaster relief from the previous fiscal year.

It remains to be seen how these new parameters for appropriations negotiations will impact the final resolution of the FY2012 appropriations process. If Congress fails to adopt additional measures recommended by the “supercommittee” set up by the BCA to make further reductions in the deficit, a sequester could be triggered. The cap adjustment mechanism for disaster relief was used for the first time in the Senate version of H.R. 2017, where they proposed raising the discretionary cap by \$4,200 million to accommodate additional funding for the DRF. However, as the Senate version was used as a “vehicle” for passing the CR, deleting all that was in the original bill, new legislation will need to be drafted to implement this adjustment, as well as to make appropriations for DHS.

Appropriations for the Department of Homeland Security

DHS Appropriations Trends

Table 3 presents DHS Appropriations, as enacted, for FY2003 through the FY2012 request. The appropriation amounts are presented in current dollars and are not adjusted. The amounts shown in **Table 3** represent enacted amounts at the time of the start of the next fiscal year's appropriation cycle (with the exception of FY2009 and FY2011)—defined as the filing of the first committee report to accompany a version of a DHS appropriations bill. In cases where a previous year's data are not reflected in the report, as was the case for data for FY2011, the alternative source is noted.

Table 3. DHS Appropriations, FY2003-FY2012
(budget authority in millions of dollars)

FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012 Request
29,069 ^a	30,175	30,642 ^b	31,679 ^c	35,311 ^d	38,817 ^e	41,205	49,891 ^f	43,405	49,616 ^g

Sources: FY2008 enacted amounts are from Division E of P.L. 110-161, and tables in the Joint Explanatory Statement for Division E, published in the Congressional Record, December 17, 2007, pp. H16107-H16121 (incorporating amendments to the budget request). FY2009 enacted taken from S.Rept. 111-31. FY2010 enacted amounts are from S.Rept. 111-222, P.L. 111-212, and P.L. 111-230. FY2011 enacted amounts are from the *DHS Expenditure Plan for Fiscal Year 2011*, and the FY2012 request amount is from H.Rept. 112-91.

Notes: Amounts may not total due to rounding. Amounts do not include supplemental appropriations or rescissions that were enacted subsequent to the enactment of each appropriations bill.

- a. S.Rept. 108-86 reported the FY2003 enacted amount as \$29,287 million. CRS was unable to identify the reason for this discrepancy. For the purposes of this table the House number was used to maintain consistency with other fiscal years.
- b. Amount does not include \$4,703 million in advance appropriations for Project Bioshield.
- c. Amount does not include \$2,508 million in advance appropriations for Project Bioshield.
- d. Amount includes \$1,829 million in emergency budget authority that was enacted as a part of the FY2007 DHS Appropriations Act (P.L. 109-295).
- e. Amount includes \$2,710 million in emergency funding for DHS enacted by Division E of P.L. 110-161.
- f. Includes net \$5,754 million in supplemental spending (P.L. 111-212, P.L. 111-230).
- g. On September 9, 2011, the Administration requested an additional \$4.6 billion for the Disaster Relief Fund for FY2012. This is reflected in the total.

Summary of DHS Appropriations

Table 4 is a summary table comparing the enacted totals for FY2010 and FY2011 to the request for, and congressional action on, the FY2012 appropriations. Totals represent net budget authority, taking into account impacts of rescissions, and are inclusive of emergency spending. Later tables will reflect fees and mandatory spending.

Table 4. DHS: Summary of Appropriations
(net budget authority in millions of dollars)

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supplemental	FY2011 Rescission	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Title I: Departmental Operations									
Departmental Management	808	839			839	947	342	692	
Analysis and Operations	333	334			334	355	344	339	
Office of the Inspector General	119	114			114	144	124	125	
Subtotal: Title I	1,261	1,287			1,287	1,447	811	1,156	
Title II: Security, Enforcement, and Investigations									
Customs and Border Protection	10,407	9,880			9,880	10,372	10,348	10,242	
Immigration and Customs Enforcement	5,517	5,501			5,501	5,494	5,547	5,535	
Transportation Security Administration	5,130	5,296			5,296	5,515	5,502	5,305	
U.S. Coast Guard	8,900	8,593			8,593	8,677	8,381	8,653	
U.S. Secret Service	1,490	1,515			1,515	1,699	1,673	1,676	
Subtotal: Title II	31,444	30,785			30,785	31,756	31,452	31,410	
Title III: Protection, Preparedness, Response and Recovery									
National Protection & Programs Directorate	1,314	1,216			1,216	1,268	1,231	1,254	
Office of Health Affairs	137	139			139	161	166	159	

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supplemental	FY2011 Rescission	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Federal Emergency Management Administration	12,230	7,209			7,209	11,389 ^a	5,682	9,781 ^b	
Subtotal: Title III	13,681	8,564			8,564	12,819	7,079	6,994^b	
Title IV: Research and Development, Training, Assessments, and Services									
Citizenship and Immigration Services	246	146			146	369	132	121	
Federal Law Enforcement Training Center	291	271			271	276	274	272	
Science and Technology	1,006	828			828	1,176	539	800	
Domestic Nuclear Detection Office	383	342			342	332	337	268	
Net subtotal: Title IV	1,926	1,589			1,589	2,154	1,283	1,461	
Title V: General Provisions									
National Special Security Event Reimbursement Fund	0	7			7	0	0	10	
Data Center Migration								15	
St. Elizabeths / Mission Support Consolidation								56	
Reimbursement for Spills of National Significance								1	
CG aircraft replacement (emergency)								18	

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supplemental	FY2011 Rescission	FY2011 Total	FY2012 Request	FY2012 House-passed	FY2012 Senate-reported	FY2012 Enacted
Rescissions	-41	-557 ^c			-557	-42 ^d	-33	-103	
Rescissions (emergency funding)								-18	
Subtotal: Title V	-41	-550			-550	-42	-33	-21	
Title VI: Disaster Assistance									
Subtotal: Title VI							1,000^e	0	
Title VII: Spending Reduction Account									
Subtotal: Title VII							-1^f	0	
Net DHS budget authority	49,523	41,661			41,661	48,176	40,591	41,000	

Source: CRS Analysis of the DHS Expenditure Plan for FY 2011, FY2012 DHS Congressional Budget Justifications, the FY2012 DHS Budget in Brief, P.L. 111-83, P.L. 112-10, and H.R. 2017, as passed by the House.

Notes: Amounts may not total due to rounding. Funding levels do not reflect transfers between components or from outside the department. The FY2011 supplemental appropriations column and the FY2011 rescission column are placeholders. Thus, while no such funding proposals have yet been put forth for FY2011, these columns are included in anticipation that such actions may occur as the bill moves forward. Supplemental appropriations and rescissions have occurred on numerous occasions for past DHS appropriations.

- a. On September 9, 2011, the Administration requested an additional \$4.6 billion for the Disaster Relief Fund for FY2012. This is reflected in the total.
- b. Includes \$4,200 million for the DRF “paid for” by an adjustment to the discretionary cap under the Budget Control Act.
- c. This total reflects the rescissions included in P.L. 112-10. An additional \$107 million rescission was included in P.L. 112-8.
- d. These rescissions are accounted for in other titles, but are shown here for comparison.
- e. This is emergency funding, offset with rescissions from other legislation – therefore it does not impact the total net budget authority.
- f. This reflects a reduction on the 302(b) for the bill – therefore it does not impact the total net budget authority.

Title I: Departmental Management and Operations⁹

Title I covers the general administrative expenses of DHS. It includes the Office of the Secretary and Executive Management (OSEM), which is comprised of the immediate Office of the Secretary and 12 entities that report directly to the Secretary; the Under Secretary for Management (USM) and its components, such as the offices of the Chief Administrative Officer (OCAO), Chief Human Capital Officer (OCHCO), and Chief Procurement Officer (OCPO); the Office of the Chief Financial Officer (OCFO); the Office of the Chief Information Officer (OCIO); the Analysis and Operations Office (AOO); the Office of the Inspector General (OIG); and DHS Headquarters Consolidation. **Table 5**, below, shows Title I appropriations for FY2010, FY2011, the President's request for FY2012, the House-passed amounts for FY2012, and the Senate-reported amounts for FY2012.

Table 5. Title I: Departmental Management and Operations
(budget authority in millions of dollars)

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Office of the Secretary and Executive Management	148	137				143	62	135	
Office of the Under Secretary for Management	254	239				249	107	237	
Office of the Chief Financial Officer	61	53				62	51	51	
Office of the Chief Information Officer	345	333				278	122	268	
Analysis and Operations	333	334				355	344	339	
Office of the Federal Coordinator for Gulf Coast Rebuilding	2	0				0	0	0	
DHS Headquarters Consolidation	-	77				215	0	0 ^b	

⁹ Prepared by Barbara L. Schwemle, Analyst in American National Government, Government and Finance Division.

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Office of the Inspector General	119 ^a	114 ^a				144	124 ^a	125 ^a	
Net Budget Authority: Title I	1,261	1,287				1,447	811	1,156	

Sources: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.R. 2017, as passed by the House, and S.Rept. 112-74.

Notes: Amounts may not total due to rounding. The FY2011 supplemental appropriations column and the FY2011 rescission column are placeholders. Thus, while no such funding has yet been put forth for FY2011, supplemental appropriations and rescissions have occurred on numerous occasions for past DHS appropriations.

The House-passed amounts in the table include reductions agreed to as follows:

H.Amdt. 349 to increase funding by \$320 million for Firefighters Assistance Grants offset by reductions from the Office of the Secretary and Executive Management, Office of the Under Secretary for Management, and Office of Chief Information Officer, offered by Representative Steven LaTourette, and agreed to on a 333-87 (Roll No. 384) vote on June 1, 2011.

H.Amdt. 351 to increase funding for Immigration Customs and Enforcement by \$1 million offset by reducing funds for Homeland Security Department Executive Management by a similar amount, offered by Representative Edward Royce, and agreed to on a 268-151 (Roll No. 386) vote on June 1, 2011.

H.Amdt. 353 to reduce the funding for the Office of the Under Secretary for Management by \$600,000 and applying the savings to the Spending Reduction Account, offered by Representative Paul Broun, and agreed to by voice vote on June 1, 2011.

H.Amdt. 354 to increase funding for border security fencing and infrastructure by \$10 million offset by a reduction in funding for the Office of the Under Secretary for Management by a similar amount, offered by Representative Ted Poe, and agreed to on a 327-93 (Roll No. 387) vote on June 1, 2011.

a. Does not include a \$16 million transfer of funds from FEMA's Disaster Relief Account.

b. The Senate provided \$56 million for DHS headquarters consolidation in Title V of their bill.

Senate-Reported H.R. 2017

H.R. 2017, as reported by the Senate Committee on Appropriations, would provide these appropriations, as compared with the President's request: OSEM, \$135 million (a reduction of \$7 million or 5.6% less than the President's request); USM, \$237 million (\$12 million or 4.8% less); OCFO, \$51 million (\$11 million or 17.7% less); OCIO, \$268 million (\$10 million or 3.6% less); and AOO, \$339 million (\$16 million or 4.5% less). The OIG receives \$125 million (\$19 million or 13.2% less) in direct appropriations, plus a \$16 million transfer from the FEMA Disaster Relief Fund for its oversight of disaster assistance. No funding is recommended for DHS Headquarters Consolidation under Title I, although \$56 million is provided in Title V. The total funding provided by the Senate-reported bill for Title I was \$1,156 million. This represents a decrease of \$291 million, or 20.1%, from the President's request.

The Senate-reported bill would provide that \$35 million of the appropriation could not be obligated until DHS submits to the Senate and House Committees on Appropriations a comprehensive plan for implementing a system to track through biometric means foreign visitors

leaving the country by air in FY2012, or certifies in writing to Congress that the statutory requirements for such be repealed.¹⁰

For the OCPO, funding is provided to enhance the capabilities of the department's acquisition workforce and to add cost analysts to each of DHS' major components to oversee large-scale procurements. The office is directed to brief the committee within 60 days after the act's enactment on the acquisition workforce, including the risks of not filling acquisition positions and the long-term strategy to fill gaps in competencies.

Under the OCAO, \$5 million is provided for continued maintenance and upgrade of the department's Nebraska Avenue Complex facilities, which will allow for completion of the project on the perimeter fence and for other mechanical, electrical, and building improvements. The Chief Administrative Officer is directed to brief the committee within 90 days after the act's enactment on savings to be accrued from the disposal of surplus property.

For the OCFO, the funding does not include the \$11 million requested in the budget for the Transformation and Systems Consolidation (TASC) project since the department canceled its plans for acquiring TASC. DHS is directed to maintain frequent communications with the committee on its financial management improvement plans. The balances that remain available from prior year appropriations for TASC could be obligated in FY2012 with the approval of a new strategy by the Acquisition Review Board and the department's independent evaluation to validate the strategy.

For the OCIO, the appropriation of \$268 million includes \$106 million for salaries and expenses and \$162 million, to be available until FY2014, for technology investments across the department. The technology funded is allocated as \$39 million for information technology services, \$79 million for infrastructure and security activities, and \$44 million for the homeland security data network. The office is required to submit a multi-year investment plan to the Senate and House Committees on Appropriations with the FY2013 budget submission.

Under the AOO, the Chief Intelligence Officer is directed to submit an expenditure plan for FY2012 within 60 days after the act's enactment. According to the committee report, the plan is to focus Intelligence and Analysis (I&A) activities on areas where DHS "can provide unique expertise or serve intelligence customers who are not supported by other components of the Intelligence Community, consistent with current statute and Executive orders, and in a way that does not impair intelligence support"¹¹ to the department's senior leadership.¹²

Among other directives included in the Senate committee report for the departmental management and operations accounts are the following:

- The Office for Civil Rights and Civil Liberties (OCRCL) and Immigration and Customs Enforcement are directed to jointly brief the committee on findings and recommendations within 30 days after the OCRCL completes its review of immigration enforcement programs.

¹⁰ S.Rept. 112-74, p. 12.

¹¹ Ibid., pp. 25-26.

¹² Ibid., p. 26.

- The Office of Policy is directed to submit a report to the committee by April 13, 2012, on the status of each state in implementing REAL ID and strategies related to compliance. The Assistant Secretary for Policy is directed to brief the committee within 90 days after the act's enactment on resources, by DHS component (including components with no presence), in the U.S. Virgin Islands and the need for additional resources to be stationed in the Islands permanently.
- The Secretary is directed to submit a revised plan on gaps between actual and budgeted collections of user fees to the committee within 90 days after the act's enactment and updates on a quarterly basis thereafter.
- The Under Secretary for Management and the Under Secretary for Science and Technology are directed to brief the committee on efforts to leverage the expertise of the Science and Technology Directorate with regard to test and evaluation processes within 90 days after the act's enactment.
- The Deputy Secretary of DHS and the Deputy Secretary of Defense are directed to submit a joint report to the committee by May 1, 2012, that will evaluate the costs and benefits of establishing a National Guard cybersecurity team or an equivalent civilian team. The report is to discuss the recommended command hierarchy, organizational responsibilities with regard to guidance and training, and establishment of critical relationships across agencies with responsibilities for cybersecurity.

House-Passed H.R. 2017

H.R. 2017, as passed by the House, would provide these appropriations, as compared with the President's request: OSEM, \$62 million (a reduction of \$81 million or 56.6% less than the President's request); USM, \$107 million (\$142 million or 57% less); OCFO, \$51 million (\$11 million or 17.7% less); OCIO, \$122 million (\$156 million or 56.1% less); AOO, \$344 million (\$11 million or 3.1% less); and OIG, \$124 million (\$20 million or 13.9% less). No funding is recommended for DHS headquarters consolidation. The total funding provided by the House-passed bill for Title I was \$811 million. This represents a decrease of \$636 million, or 44%, from the President's request.

Under the OSEM appropriation, the Secretary is directed to submit the National Preparedness Goal and the National Preparedness System to the House and Senate Committees on Appropriations no later than October 15, 2011, and January 15, 2012, respectively.¹³ The House-passed bill would provide that \$63 million of the appropriation could not be obligated until the committees receive the two submissions and the Secretary's determination on implementation of biometric air exit. This is \$1 million more than remains in the account in the House-passed version of the bill as a result of H.Amdt. 349 and H.Amdt. 351, which used the account as an offset.

Under the USM appropriation, \$5 million would be available until September 30, 2016, for the alteration and improvement of facilities, tenant improvements, and relocation costs to consolidate the department's headquarters operations at the Nebraska Avenue Complex and \$17 million

¹³ The National Preparedness Goal was released October 7, 2011.

would be available until September 30, 2014, for the Human Resources Information Technology program.

Under the CIO appropriation, \$72.3 million would be available until September 30, 2014, for development and acquisition of information technology equipment, software services, and related activities. Not later than 60 days after the act's enactment the CIO would be required to submit an expenditure plan for all information technology acquisition projects that are funded under the Office of the CIO or by multiple components of the department to the House and Senate Committees on Appropriations. The plan would include, for each project, the project name, key milestones, funding sources, detailed annual and lifecycle costs, and projected cost savings or cost avoidance to be achieved.

House-Reported H.R. 2017

Prior to floor action, the management accounts were \$330 million larger than after House passage. The House Appropriations Committee recommended these appropriations for management accounts, as compared with the President's request: OSEM, \$127 million (\$16 million or 11.2% less); USM, \$235 million (\$14 million or 5.6% less); OCFO, \$51 million (\$11 million or 17.7% less); and OCIO, \$261 million (\$17 million or 6.1% less). No funding was recommended for DHS Headquarters Consolidation. The total funding recommended by the House committee for Title I was \$1,142 million. This represented a decrease of \$305 million, or 21.1%, from the President's request.

For DHS Headquarters Consolidation, no funding was recommended. The House committee report expressed concern about rising costs in the portion of the project funded through GSA, and a lack of coordination between the DHS and GSA plans for funding. The report went on to cite difficulties in funding "minimum elements of the project" due to the budget request's underfunding of disaster relief and reliance on unauthorized fee proposals.

For the OCFO, the committee did not include funding of \$11 million for Transformation and Systems Consolidation (TASC) because the department cancelled its solicitation for the project. DHS is to "keep the Committee informed on its strategy for establishing a core financial system and any plans for integrating its remaining management systems for acquisitions and assets."

The House committee report includes two significant directives under the OCFO account. The first relates to the department's annual congressional budget justifications. New report language appears that emphasizes:

The CFO shall also submit, as part of the Department's 2013 justification materials to Congress, complete explanations and justifications for all proposed legislative language, whether it is new or amends existing law. Such information should be provided regardless of whether the proposed changes are substantive or technical in nature and include an annotated comparison of proposed versus existing language.

The second directive relates to the process by which the department developed its budget, expressing the House committee's view that \$645 million in new fee revenue is "hypothetical," as the fee increases have not been authorized, and CBO disagrees with the Administration's estimates of how much additional revenue would be generated. The committee notes that as a result, "The Committee is therefore compelled to fill the huge budgetary hole left to it by the

Department, while not cutting funding required for critical homeland security missions, as is evident in this bill.” The report goes on to note that:

in the future [the Committee] will reject any funding proposals based on such hypothetical funding scenarios or on proposals for legislation under the jurisdiction of authorizing committees. While the Committee expects to be kept informed about the status of such legislative proposals, it will not recognize them as relevant to its appropriations work until they have been enacted into law.

For the OIG appropriation, the House committee stated that its recommendation for reduced funding is “in the interest of efficiency, with the expectation that OIG will prioritize funding to meet its stated needs for enhanced oversight of emergency and Departmental programs, as well as audits of 9/11 Commission recommendation implementation.” The report also notes that the committee “will continue the practice of transferring \$16,000,000 from the Disaster Relief Fund to OIG in fiscal year 2012,” but that it “hopes in the future to reach the point where OIG will fund its disaster-related audits and investigations from its core budget.”

Among other new directives included in the committee report for the departmental management and operations accounts are the following:

- The Secretary is directed to submit a report by December 1, 2011, that will include “(1) A prioritized list of efficiencies being implemented as a result of the Secretary’s Efficiency Review, and an accounting of progress against that list; (2) A list of positions the Department intends to convert from contractors to Federal positions, and an accounting of progress against that list; (3) A list of components and specific procurements where additional oversight personnel are needed relative to the current personnel and existing capabilities, and where such personnel are being assigned; and (4) How reforms in the headquarters structure and function are providing better support and management for Department field operations.”
- The House committee directs the department to arrange for an independent evaluation of its efficiency review and provide the results to the committee within 30 days after the evaluation is completed.
- The OCIO “is directed to brief the Committees on Appropriations—in coordination with other components as deemed necessary—no later than 60 days after the date of the enactment of this Act detailing Department-wide efforts to combat “insider threats” in the cyber domain, including, but not limited to an overview of: (1) the extent of the Department’s ability to monitor the unauthorized removal of sensitive unclassified and classified material from DHS information systems; (2) changes made in the wake of recent information security breaches, including any new restrictions to DHS information systems and databases, both internally and to external stakeholders; (3) any recent restrictions placed on DHS users by external, interagency stakeholders on access to certain databases and an assessment of the operational impact of such restrictions; and (4) plans to improve the DHS information security architecture and policies to preclude similar breaches from happening at DHS.”
- DHS is encouraged “to seek direct hiring authority for intelligence analyst vacancies, both to speed up the conversion process and to ensure that qualified

candidates are not recruited elsewhere due to bureaucratic delays in the DHS hiring process.”

President’s FY2012 Request

FY2012 request compared to the FY2011 enacted appropriations was as follows: OSEM, \$143 million, an increase of \$6 million (+4.4%); USM, \$249 million, an increase of \$10 million (+4.2%); OCFO, \$62 million, an increase of \$9 million (+17.0%); OCIO, \$278 million, a decrease of \$55 million (-16.5%); AOO, \$355 million, an increase of \$20 million (+6.0%); OIG, \$144 million, an increase of \$30 million (+26.3%); and DHS Headquarters Consolidation, \$215 million, an increase of \$138 million (+179.2%).

The largest increase from FY2011 under the President’s request for FY2012 would occur for DHS Headquarters Consolidation (requesting \$215 million and no full-time equivalent (FTE) employees, up from \$77 million in FY2011). The next-largest increase would occur in the OIG (requesting \$144 million and 676 total FTEs, up from \$114 million and an undetermined number of FTEs in FY2011). The Administration’s request funds the OIG without relying on a transfer from the Disaster Relief Fund, which has been made since FY2007 specifically to support oversight of disaster-related activities.¹⁴ Among accomplishments that are anticipated during FY2012, the Office of Emergency Management Oversight, within the OIG, “plans to complete 15 management reviews of FEMA [Federal Emergency Management Agency] programs and operations and 75 reviews of FEMA grants.”¹⁵

The OCIO requested \$278 million and 291 total FTEs, including \$32.3 million to enhance the cyber security and information sharing capability throughout the department. Within the OCIO account, the Office of Accessible Systems and Technology requested \$1 million and three FTEs for, among other reasons, to support technical assistance and accessibility helpdesk services for DHS employees with disabilities. The justification states that a 75% increase in technical assistance and a 125% increase in accessibility helpdesk tickets has occurred over the past year and that the “numbers are expected to increase dramatically by FY2012.” Under the department’s balanced workforce strategy to ensure “that only federal employees perform work that is inherently governmental,” contractor positions will continue to be converted to DHS positions.¹⁶

The OCFO is requesting \$62 million and 232 total FTEs. According to the OCFO justification, a planned accomplishment in FY2012 is the continuation of improvements to the financial process at the headquarters “to eliminate overpayments and improper payments.” Within the OCFO account, the Special Access Program Control Office requested \$640,000 and three FTEs to establish a system for protecting sensitive information throughout the department’s budget and financial process. The project will include modifications to information technology, secure telephones, and the use of safes that are approved by the General Services Administration.¹⁷

¹⁴ U.S. Congress, House Appropriations, *Consolidated Appropriations Act, 2008*, Explanatory Statement of the Managers, 110th Cong., 1st sess., January 2008, Book 1 - Division E (Washington: GPO, 2008), p. 1124.

¹⁵ U.S. Department of Homeland Security, Office of Inspector General, Congressional Justification, FY2012, pp. OIG-5, OIG-7, and OIG-10.

¹⁶ U.S. Department of Homeland Security, Departmental Management and Operations, Office of the Chief Information Officer, Congressional Justification, Fiscal Year 2012, pp. OCIO-4, OCIO-10 - OCIO-11, OCIO-28, and OCIO-34.

¹⁷ U.S. Department of Homeland Security, Departmental Management and Operations, Office of the Chief Financial Officer, Congressional Justification, Fiscal Year 2012, pp. OCFO-8 and OCFO-11 - OCFO-12.

Personnel Issues

The Office of the Chief Human Capital Officer (OCHCO) manages and administers human resources at DHS and includes the Office of Human Capital (OHC). The OCHCO “establishes policy and procedures” and provides “oversight, guidance, and leadership within the Department” for the various functions under human capital management. These functions are policy and programs, learning and development, executive resources, human capital business systems, headquarters human resources management services, and business support and operations. The OCHCO reports to the Under Secretary for Management. The OHC implements the Human Capital Operational Plan and is organized around the initiatives of talent management, performance culture, learning and development, and service excellence.¹⁸ The Human Resources Information Technology (HRIT) program “is to merge and modernize the DHS HRIT infrastructure to provide flexibility and the management information that will allow DHS to continuously evolve in response to changing business, legislative and economic” circumstances.¹⁹

Table 6, below, shows the funding for the OCHCO for FY2010, the President’s request for FY2012, the House-passed amounts for FY2012, and the Senate-reported amounts for FY2012. The OCHCO appropriation is included in the total for the Office of the Under Secretary of Management, as shown in **Table 5**.

Table 6. Office of the Chief Human Capital Officer Appropriations

(budget authority in millions of dollars)

Account	FY2011 Enacted	FY2012 Request	FY2012 House-passed	FY2012 Senate-reported	FY2012 Enacted
Salaries and Expenses CHCO	25	28	26	25	
Human Resources Information Technology	17	17	16	14	
Total	42	45	41	39	

Sources: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.R. 2017, as passed by the House, and S.Rept. 112-74.

Notes: Amounts may not add correctly due to rounding.

Personnel and the Senate-Reported Bill

The Senate committee recommended an appropriation of \$39 million for the OCHCO, \$6 million or 13.3% less than the President’s request. Of the total, \$25 million is allocated for salaries and expenses and \$14 million is allocated to the HRIT Program. The reduction in HRIT program funding results from prior-year balances remaining available.

The OCHCO is directed to brief the committee within 90 days after the act’s enactment on progress in implementing training and leadership development programs. The briefing is also to include information on the ongoing reforms to the hiring process, closing of mission-critical

¹⁸ FY2011 DHS Justifications, Departmental Management and Operations, Under Secretary for Management, pp. USM-4 and USM-49.

¹⁹ *Ibid.*, p. USM-15.

competency gaps, performance metrics, and plans to acquire an automated tool for performance management and appraisal. In addition, the office and the Federal Law Enforcement Training Center (FLETC) are directed to brief the committee within six months after enactment on the arrangement under which the entire department's human resources services will be provided by FLETC instead of by the OCHCO beginning in FY2012. With regard to the Balanced Workforce Strategy for converting contract jobs to federal positions, the USM and the CHCO are directed to brief the committee by November 30, 2011, on the ongoing analysis of the workforce, plans for implementation, and the calculation of and estimated savings associated with the strategy.

The department is directed to review the current limitations on overtime for its law enforcement personnel and propose any necessary adjustments in the FY2013 budget.

The Senate-reported bill includes the same general provisions that are related to personnel as the House bill: the obligation of funds for OSEM is prohibited for new hires unless they are verified through E-Verify; funds cannot be used to pay for first-class travel; and funds cannot be used for adverse personnel actions for employees who use protective equipment or measures, including surgical masks, N95 respirators, gloves, or hand-sanitizers in the conduct of their official duties. In addition, DHS is prohibited from using funds to carry out reorganization authority (routine or small reallocations of personnel or functions within components of the department). Another provision permits administrative law judges to be available on a temporary basis to serve on an arbitration panel as needed for cases related to Hurricanes Katrina and Rita.

Personnel and the House-Passed Bill

The amounts listed in **Table 5** and **Table 6** are the House-passed amounts for FY2012. According to staff of the House Subcommittee on Homeland Security Appropriations, because of the reductions to the Under Secretary for Management account in the House-passed bill (discussed earlier), the OCHCO amounts may be expected to be reduced by about 50%, but the precise funding totals are not yet available.²⁰ The House-passed bill narrative for the USM account states that \$17 million would be available until September 30, 2014, for the Human Resources Information Technology program.

Personnel and the House-Reported Bill

The House committee recommended an appropriation of \$41 million for the OCHCO, that is \$4 million less than the President's request. Of the total, \$26 million is allocated for salaries and expenses and \$16 million (rounded) is allocated to the HRIT Program. The committee report does not provide any additional information on the OCHCO appropriation.

Among general provisions that are related to personnel are these: the obligation of funds for OSEM is prohibited for new hires unless they are verified through E-Verify; funds cannot be used to pay for first-class travel; and funds cannot be used for adverse personnel actions for employees who use protective equipment or measures, including surgical masks, N95 respirators, gloves, or hand-sanitizers in the conduct of their official duties.

²⁰ Telephone conversation with House Subcommittee on Homeland Security Appropriations staff on July 22, 2011.

Personnel and the President's FY2012 Request

According to the DHS Justifications, the FY2012 budget requested \$45 million and 163 full-time equivalent (FTE) employees for the OCHCO.²¹ The requested funding for OCHCO salaries and expenses was \$3 million more than the \$25 million provided for FY2011. The number of FTEs would increase by 22, from 108 to 130, for FY2012. The appropriation requested for HRIT for FY2012 was \$17 million, the same amount as the funding authorized for FY2011. The FTEs for this account would increase by 8, from 25 to 33, for FY2012.²²

The OCHCO requested \$750,000 and three FTEs to design and implement a comprehensive leader program for the department, and \$2 million and seven FTEs for workforce training programs. According to the DHS justification, the funds will be used to implement a comprehensive framework for identifying skill gaps in mission critical occupations and perform assessments of competency; to deploy career paths for mission critical occupations; to implement a rotational assignments program; and to deliver new or enhanced training in foreign languages, labor management, and employee preparedness.²³ The justification for the OCHCO stated several initiatives, including development of “a comprehensive proposal” that will “identify executive resource requirements for FY2012 and FY2013;” continuation of reforms to the department’s hiring process in coordination with the Office of Personnel Management and DHS components; and establishment of a department-wide drug testing program that will test employees in sensitive positions, in positions requiring commercial driver’s licenses, and in positions requiring firearms to be carried, and include pre-employment testing.²⁴

St. Elizabeths and Headquarters Consolidation²⁵

The Department of Homeland Security’s headquarters footprint occupies more than 7 million square feet of office space in about 45 separate locations in the greater Washington, DC, area. This is largely a legacy of how the department was assembled in a short period of time from 22 separate federal agencies who were themselves spread across the National Capital region. The fragmentation of headquarters is cited by the Department as a major contributor to inefficiencies, including time lost shuttling staff between headquarters elements; additional security, real estate, and administrative costs; and reduced cohesion among the components that make up the department.

To unify the department’s headquarters functions, in October 2006 the department approved a \$3.4 billion master plan to create a new DHS headquarters on the grounds of St Elizabeths in Anacostia. According to GSA, this is the largest federal office construction since the Pentagon was built during World War II. \$1.4 billion of this project was to be funded through the DHS

²¹ FY2012 DHS Justifications, Departmental Management and Operations, Under Secretary for Management, pp. USM-9 and USM-12.

²² Ibid., pp. USM- 9 and USM-12.

²³ U.S. Department of Homeland Security, Departmental Management and Operations, Under Secretary for Management, Congressional Justification, Fiscal Year 2012, pp. USM-23 and USM -25.

²⁴ U.S. Department of Homeland Security, Departmental Management and Operations, Office of the Under Secretary for Management, Congressional Justification, Fiscal Year 2012, pp. USM-10 - USM-12.

²⁵ Prepared by William L. Painter, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division.

budget, and \$2 billion through the GSA.²⁶ Thus far, \$375 million has been appropriated to DHS for the project and \$871 million to GSA. Phase 1A of the project – a new Coast Guard headquarters facility – is nearing completion with the funding already provided by Congress.

Not all DHS functions in the greater Washington, DC, area are slated to move to the new facility. The space available in a completed St. Elizabeths campus can hold the headquarters functions of the Department and provide command and control facilities—not house the entire department. Although not all DHS would move to St. Elizabeths, since the Administration’s FY2010 request, the Administration has sought funding for consolidation of some of these other offices to fewer locations to save money on lease costs as well.

Senate-Reported H.R. 2017

The Senate recommended \$56 million in Title V of their version of the DHS appropriations bill to complete the Coast Guard headquarters facility, \$159 million (74%) below the President’s requested funding level.²⁷ The Senate also included in their bill a requirement that DHS provide within 60 days of enactment an expenditure plan and an initial analysis of the mix of offices to be housed at the headquarters complex.

House-Passed H.R. 2017

The House recommended no funding for the St. Elizabeths project or headquarters lease consolidation in their bill. In report language, the Committee stated:

[B]oth costs and schedule of the current project are matters of concern for the Committee. In hearings the Committee held on the St. Elizabeths project in 2010, it became clear that adequate cost controls were essential for this project.... Yet costs have grown in a year from \$3,400,000,000 to \$3,600,000,000 chiefly due to increases in the General Services Administration share of the project. The Committee notes that dependence on GSA funding requires coordination of funding and management, and that the proposed DHS request, even if resources were available, would likely not coincide with necessary GSA funding. Furthermore, delays are already being factored into the Department’s planning, as it has projected it will postpone work on the FEMA section of the facility.²⁸

In minority views included in the report, the ranking members of the subcommittee and full committee had a different perspective:

Of particular concern is the decision to provide no funding for the new DHS headquarters or for the consolidation of leased property, a penny-wise and pound-foolish decision. Already, based on the delay in finalizing the 2011 bill and the reduced resources provided in that bill for DHS headquarters construction activities, the cost of the headquarters project has grown by \$200 million, from a total cost of \$3.4 billion to \$3.6 billion. The decision to deny an additional \$159,643,000 in 2012 to finalize construction of the first phase of the new headquarters project and begin construction on the second phase will result in higher costs in

²⁶ U.S. Congress, House Committee on Appropriations, Subcommittee on Homeland Security, *Homeland Security Headquarters Facilities*, 111th Cong., 2nd sess., March 25, 2010 (Washington: GPO, 2010), pp. 335-366.

²⁷ As of this writing, the Senate has not filed its version of the Financial Services Appropriations bill, which would include GSA’s share of the funding.

²⁸ H.Rept. 112-91, p. 16.

the out years and will delay, by at least one year, when the Coast Guard can move into its new headquarters facility (phase one), which is already under construction.²⁹

President's FY2012 Request

The Administration requested \$215 million for headquarters consolidation through the DHS budget, including \$160 million for new construction at St. Elizabeths, and \$55 million for lease consolidation. They also requested \$217 million in the General Services Administration budget for the project, including funding for a planned highway alterations to provide better motor vehicle access to the campus.³⁰

Analysis and Operations³¹

The DHS intelligence mission is outlined in Title II of the Homeland Security Act of 2002 (codified at 6 U.S.C. 121). Organizationally, and from a budget perspective, there have been several changes to the information, intelligence analysis, and infrastructure protection functions at DHS. Pursuant to the Homeland Security Act of 2002, the Information Analysis and Infrastructure Protection (IAIP) Directorate was established. The act created an Under Secretary for IAIP to whom two Assistant Secretaries, one each for Information Analysis (IA) and Infrastructure Protection (IP), reported. The act outlined 19 functions for the IAIP Directorate, including the following, among others:

- To assess, receive, and analyze law enforcement information, intelligence information, and other information from federal, state, and local government agencies, and the private sector to (1) identify and assess the nature and scope of the terrorist threats to the homeland, (2) detect and identify threats of terrorism against the United States, and (3) understand such threats in light of actual and potential vulnerabilities of the homeland;
- To develop a comprehensive national plan for securing the key resources and critical infrastructure of the United States;
- To review, analyze, and make recommendations for improvements in the policies and procedures governing the sharing of law enforcement information, intelligence information, and intelligence-related information within the federal government and between the federal government and state and local government agencies and authorities.

Former Secretary Chertoff's Second Stage Review reorganization of the department in 2005 made several changes to the DHS intelligence structure. IAIP was disbanded and the Office of Infrastructure Protection was placed within the newly created National Protection and Programs Directorate. The Office of Information Analysis was renamed the Office of Intelligence and Analysis and became a stand-alone entity. The Assistant Secretary for Intelligence Analysis was designated the department's Chief Intelligence Officer. Pursuant to the Implementing

²⁹ Ibid., p. 202.

³⁰ For information on the General Services Administration budget, please consult CRS Report R42008, *Financial Services and General Government: FY2012 Appropriations*, by Garrett Hatch.

³¹ Prepared by Jerome P. Bjelopera, Specialist in Organized Crime and Terrorism, Domestic Social Policy Division.

Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53), the Homeland Security Act of 2002 (codified at 6 U.S.C. 201) was amended to codify the Office of Intelligence and Analysis and the Office of Infrastructure Protection and made the head of the Office of Intelligence and Analysis an Under Secretary position. It also designated the Under Secretary for Intelligence and Analysis as the department's Chief Intelligence Officer with responsibility for managing the entire DHS Intelligence Enterprise.

In 2008, former Secretary Chertoff established the Office of Operations Coordination and Planning (OPS), built on the foundation of the former Office of Operations Coordination. OPS supports departmental and interagency crisis and contingency planning and operations to support the Secretary of Homeland Security in his/her role as the principal federal official for domestic incident management.³²

It should be noted that funds included in this account support both the Office of Intelligence and Analysis (I&A) and the Office of Operations Coordination and Planning (OPS). I&A is responsible for managing the DHS intelligence enterprise and for collecting, analyzing, and sharing intelligence information for and among all components of DHS, and with the state, local, tribal, and private sector homeland security partners. As a member of the intelligence community, I&A's budget is part of the National Intelligence Program, a classified program document. OPS develops and coordinates departmental and interagency operations plans and manages the National Operations Center, the primary 24/7 national-level hub for domestic incident management, operations coordination, and situational awareness, fusing law enforcement, national intelligence, emergency response, and private sector information.

Senate-Reported H.R. 2017

The Senate Appropriations Committee recommended \$339 million for the Analysis and Operations (AOO) account. This is an increase of \$5 million (+1.5%) over the enacted FY2011 amount of \$334 million and a decrease of \$16 million (-5%) from the budget request. It is a decrease of \$8 million (-2%) below the House-passed version of H.R. 2017. The committee denied a request for the C2 Gap Filler Technology initiative³³ because of an insufficient justification, the need to support core DHS operations, and the lack of clarity surrounding future costs and requirements. The committee also required the DHS Chief Intelligence Officer to submit an expenditure plan for FY2012 no later than 60 days after the date of enactment of the act. It also required quarterly briefings from I&A regarding progress in placing DHS intelligence professionals in state and local fusion centers.

House-Passed H.R. 2017

The House Committee on Appropriations recommended \$344 million for the Analysis and Operations (AOO) account, \$11 million (-3%) below the amount in the President's FY2012 request. The recommendation is \$10 million more than the amount enacted in FY2011. The

³² According to Homeland Security Presidential Directive (HSPD)-5, *Management of Domestic Incidents*, (2003): "To prevent, prepare for, respond to, and recover from terrorist attacks, major disasters, and other emergencies, the United States Government shall establish a single, comprehensive approach to domestic incident management.... The Secretary of Homeland Security is the principal Federal official for domestic incident management."

³³ This is a project designed to improve information sharing between U.S. military and Customs and Border Protection (CBP) elements monitoring air traffic in North America.

committee denied a request for the C2 Gap Filler Technology initiative because of insufficient justification and uncertainties regarding scope and total cost. No changes were made to the committee's version of the Analysis and Operations section of the bill through floor action.

President's FY2012 Request

The FY2012 request for the AOO account was \$355 million, an increase of \$20 million (+6%) over the enacted FY2011 amount of \$334 million. The account request includes funding for 1,103 positions, and 1,017 FTE, an increase of 269 positions and 224 FTE from 2011.

Title II: Security, Enforcement, and Investigations

Title II contains the appropriations for the Bureau of Customs and Border Protection (CBP), the Bureau of Immigration and Customs Enforcement (ICE), the Transportation Security Administration (TSA), the U.S. Coast Guard, and the U.S. Secret Service. **Table 7** shows the FY2010 and FY2011 enacted, and FY2012 appropriation action for Title II.

Table 7. Title II: Security, Enforcement, and Investigations

(budget authority in millions of dollars)

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Customs & Border Protection									
Salaries and expenses ^a	8,295	8,196			8,196	8,726	8,770	8,762	
Automation modernization	422	336			336	364	334	334	
Border Security Fencing, Infrastructure, and Technology	814	573			573	528	510	400	
Air and Marine Interdictions	552	515			515	471	500	507	
Facilities Management (Construction)	326	259			259	284	234	239	
Fee accounts ^b (offset)	1,432	1,418			1,418	1,468	1,413	1,413	
Gross total	11,845	11,298			11,298	11,840	11,761	11,655	
Net total (gross less fees, trust funds and mandatory)	10,407	9,880			9,880	10,372	10,348	10,242	
Immigration & Customs Enforcement									
Salaries and expenses	5,422	5,427			5,427	5,497	5,523	5,513	
Automation & infrastructure modernization	90	74			74	14	24	22	
Construction	5	0			0	0	0	0	
Rescission						-16			
Fee accounts ^c (offset)	305	305			305	312	312	312	
Gross total	5,822	5,805			5,805	5,806	5,859	5,846	
Net total (gross less fees, trust funds and mandatory)	5,517	5,501			5,501	5,494	5,547	5,535	

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Transportation Security Administration									
Aviation security (gross funding)	5,214	5,213			5,213	5,401	5,225	5,294	
Surface Transportation Security	111	106			106	135	130	135	
Transportation Threat Assessment and Credentialing	220	204			204	224	224	204	
Transportation Security Support	1,002	987			987	1,114	1,033	1,042	
Federal Air Marshals	860	928			928	991	961	981	
Aviation security capital fund (mandatory—does not reflect in net discretionary totals)	250	250			250	250	250	250	
Gross total	7,656	7,688			7,688	8,115	7,823	7,906	
Offsetting aviation security collections	-2,229	-2,100			-2,100	-2,310	-2,030	-2,310	
Credentialing/Fee accounts ^d (offset to TTAC)	-48	-41			-41	-40	-40	-40	
Net total (gross less fees, trust funds and mandatory)	5,130^e	5,296			5,296	5,515	5,502	5,305	
U.S. Coast Guard									
Operating expenses	6,909	6,894			6,894	6,820 ^f	7,071	7,078	
Environmental compliance & restoration	13	13			13	17	10	17	
Reserve training	134	133			133	137	132	134	
Acquisition, construction, & improvements	1,552	1,517			1,517	1,422	1,152	1,392	
Alteration of bridges	4	0			0	0	0	0	

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Research, development, tests, & evaluation	25	25			25	20	13	28	
Retired pay (mandatory— does not reflect in net discretionary total)	1,361	1,401			1,401	1,440	1,440	1,440	
Health care fund contribution	264	265			265	262	262	262	
Gross Total	10,262	10,248			10,248	10,117	10,080	10,351	
Net Total (gross less fees, trust funds and mandatory) ^g	8,900	8,593			8,593	8,677	8,381	8,653	
U.S. Secret Service									
Salaries and expenses	1,486	1,511			1,511	1,692	1,666	1,670	
Acquisition, construction, and improvements	4	4			4	7	7	5	
Total	1,490	1,515			1,515	1,699	1,673	1,675	
Net Budget Authority: Title II	31,444	30,785			30,785	31,756	31,452	31,410	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding. Supplemental appropriations and rescissions have occurred on numerous occasions for past DHS appropriations.

- a. Roughly \$3 million of this line is offset from the Harbor Maintenance Trust Fund.
- b. Fees include COBRA, Land Border, Immigration Inspection, Immigration Enforcement, and Puerto Rico.
- c. Fees include Exam, Student Exchange and Visitor Fee, Breached Bond, Immigration User, and Land Border.
- d. Fees include TWIC, HAZMAT, Registered Traveler, and Alien Flight School Checks.
- e. Includes a \$4 million rescission of prior year unobligated balances.
- f. Does not include \$258 million request for overseas contingency operations, which is requested as a transfer from DoD.
- g. Does not include mandatory funding or overseas contingency operation funding, which does not count as discretionary budget authority.

Customs and Border Protection³⁴

CBP is responsible for security at and between ports-of-entry (POE) along the border, with a priority mission of preventing the entry of terrorists and instruments of terrorism. CBP's ongoing responsibilities include inspecting people and goods to determine if they are authorized to enter the United States; interdicting terrorists and instruments of terrorism; intercepting illegal narcotics, firearms, and other types of contraband; interdicting unauthorized travelers and immigrants; and enforcing more than 400 laws and regulations at the border on behalf of more than 60 government agencies. CBP is comprised of the inspection functions of the legacy Customs Service, Immigration and Naturalization Service (INS), and the Animal and Plant Health Inspection Service (APHIS); the Office of Air and Marine Interdiction, now known as Office of Air and Marine (OAM); and the U.S. Border Patrol (USBP). See **Table 7** for account-level detail for all of the agencies in Title II, and **Table 8** for subaccount-level detail for CBP appropriations and funding for FY2010-FY2012.

Senate-Reported H.R. 2017

The Senate Appropriations Committee proposed an appropriation of \$10,242 million for CBP in FY2012 and estimated fee collections of \$1,413 million (total budget authority of \$11,655 million). This recommendation amounted to an increase of \$362 million (3.6%) over the FY2011 appropriated level of \$9,880 million and a decrease of \$106 million (0.9%) below the House-passed version of H.R. 2017.

House-Passed H.R. 2017

The House Appropriations Committee proposed an appropriation of \$10,338 million for CBP in FY2012 (total funding authority of \$11,751), amounting to an increase of \$458 million (4.6%) over the FY2011 appropriated level, and a decrease of \$34 million (0.3%) from the Administration's requested level. The House approved the committee's recommendation with one amendment—adding \$10 million to the CBP budget to improve emergency cellular communications along the southwest border.

President's FY2012 Request

The Administration requested an appropriation of \$11,840 million in gross budget authority for CBP for FY2012, amounting to a \$595 million (5.3%) increase from the enacted FY2011 level of \$11,245 million. The Administration requested \$10,372 million in net budget authority for CBP, representing a \$492 million increase (5%) over the FY2011 enacted level. The request includes the following changes:

- Increase of \$229 million to fund the increase in journeyman grade level for frontline CBP officers, Border Patrol agents, and CBP agricultural specialists from GS-11 to GS-12;

³⁴ Prepared by Marc R. Rosenblum, Specialist in Immigration Policy, Domestic Social Policy Division.

- Increase of \$55 million for Northern Border Projects and Innovative Technology Pilots.
- Increases of \$43 million to add 300 new CBP officers and canine assets to new and expanded POEs;
- Increase of \$40 million for tactical communications;
- Increase of \$33 million for Data Center Consolidation for a central DHS management system;
- Increase of \$26 million for CBP integrity programs;
- Increase of \$20 million for the National Targeting Center;
- Increase of \$20 million to increase functionality in the Automated Commercial Environment (ACE);
- Increase of \$8 million to hire 11 CBP officers and support the expansion of the Immigration Advisory Program in Paris, Abu Dhabi, Dubai, and Amman;
- Reduction of \$60 million due to cancelled deployments of SBI^{net} Block 1 in Arizona
- Reduction of \$48 million in the air and marine acquisition program;
- Reduction of \$30 million in professional service contract spending;
- Reduction of \$25 million in facilities management and sustainment activities; and
- Reduction of \$20 million in mission support.

Table 8. Customs and Border Protection Account Detail

(budget authority in millions of dollars)

Activity	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Salaries and Expenses	8,193	8,722	8,766	8,762	
<i>Headquarters Management and Administration</i>	1,463	1,911	1,874	1,878	
<i>Border Security Inspections and Trade Facilitation @ POE</i>	2,894	2,907	2,988	2,977	
<i>Border Security and Control Between POE</i>	3,544	3,620	3,620	3,620	
<i>Air and Marine Operations—Salaries</i>	296	288	288	288	
<i>Harbor Maintenance Trust Fund (offset)</i>	(3)	(3)	(3)	(3)	
Automation Modernization Subtotal	336	364	334	334	
<i>Automated Commercial Environment</i>	148	168	140	140	
<i>Current Operations Protection</i>	188	194	194	194	

Activity	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Border Security, Fencing, Infrastructure and Technology (BSFIT)	573	528	510	400	
<i>Development and Deployment</i>	325	337	312	212	
<i>Operations and Maintenance</i>	172	133	133	133	
<i>Program Management</i>	76	57	54	54	
Air and Marine	515	471	500	507	
<i>Operations and Maintenance</i>	371	361	361	365	
<i>Procurement</i>	144	110	139	141	
Construction and Facilities Management	259	284	234	239	
<i>Facility Construction and Sustainment</i>	233	227	180	185	
<i>Program Oversight and Management</i>	36	57	54	54	
CBP Total Appropriations	9,880	10,372	10,348	10,242	
Estimated Fee Collections	1,365	1,468	1,413	1,413	
CBP Total Budget Authority	11,245	11,840	11,761	11,655	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding. FY2010 amounts include FY2010 supplemental appropriations and revisions. POE refers to ports of entry; BSFIT refers to Border Security Fencing, Infrastructure, and Technology; CBP refers to U.S. Customs and Border Protection.

Issues for Congress

Issues that Congress could consider during the FY2012 appropriations cycle include CBP staffing, fencing and tactical infrastructure at the southwest and northern borders, efforts to combat transnational threats, and cargo security.

Border Patrol and CBP Officer Staffing

In recent years, the number of Border Patrol agents and CBP officers have been a subject of steady congressional interest as some Members have called for increased staffing, including during the FY2011 budget cycle.³⁵ The Administration's FY2012 budget request supports 21,370 Border Patrol agents (an increase of 1,000 from FY 2011) and 21,186 CBP officers at ports of entry (an increase of 300), representing the highest staffing levels ever in these categories.³⁶ The request also includes \$229 million to fully fund the increase in journeyman grade level for Border

³⁵ See CRS Report R41189, *Homeland Security Department: FY2011 Appropriations*, coordinated by Jennifer E. Lake and William L. Painter.

³⁶ U.S. Department of Homeland Security, *Budget-in-Brief: Fiscal Year 2012*, p. 9.

Patrol agents, frontline CBP officers, and CBP agricultural specialists from GS-11 to GS-12. These numbers include 2,200 Border Patrol agents and almost 3,800 CBP port of entry officers at the northern border.³⁷ The request also would fund 10 new canine inspection teams, bringing the total number of such teams to 610, covering 331 ports of entry.³⁸ While the House and Senate Appropriation Committee reports supported the Administration's request for additional staffing levels for the Border Patrol and CBP officers at POE's, the House committee expressed skepticism about the Administration's methodology for calculating CBP officer staffing demands, and recommended strategies for reducing staffing at POE's.³⁹ More generally, while some Members of Congress may see current Border Patrol staffing levels (at the southwest and/or northern borders) as still being too low to achieve border security goals and to facilitate trade and legal migration, others may question the cost effectiveness of additional border staffing.

Fencing, Infrastructure, and Technology

The Administration requested \$528 million for the deployment of tactical infrastructure and surveillance technology, a decrease of \$45 million from the FY2011 enacted level of \$573 million. The House Appropriations Committee recommended \$500 million for tactical infrastructure and surveillance technology, a decrease of \$73 million from the FY2011 enacted level and \$28 million from the Administration's request. H.Amdt. 354, adopted by a vote of 327-93 during floor consideration, added \$10 million to this amount to improve cell phone communications along the southern border, bringing the total to \$510 million. The Senate Appropriations Committee recommended \$400 million for fencing and surveillance technology, noting a high unobligated balance in the Border Security Fencing, Infrastructure, and Technology account.

Since FY2006, DHS has received about \$4.4 billion in appropriations for the Administration's border enforcement strategy known as the Secure Borders Initiative, of which it has allocated about \$2.9 billion for fencing and other tactical infrastructure and about \$1.5 billion for SBInet,⁴⁰ a technology program managed under contract by the Boeing Company to provide Border Patrol command centers with integrated imagery and other data to increase the situational awareness of unauthorized entries and to enhance operational capabilities—often referred to as a “virtual fence.” A prototype for SBInet's primary fixed tower surveillance system was deployed along a 53 mile stretch of the Arizona border beginning in 2008, but the program faced significant delays and cost overruns;⁴¹ and in January 2011 DHS announced plans to end Boeing's contract and to develop a new border surveillance plan.

³⁷ U.S. Department of Homeland Security, Budget-in-Brief: Fiscal Year 2012, p. 32.

³⁸ U.S. Customs and Border Protection, *Congressional Budget Justifications* FY2012, p. CBP S&E 80-81.

³⁹ U.S. Congress, House Appropriations, *Department of Homeland Security Appropriations Bill, 2012*, Report to accompany H.R. 2017, 112th Cong., 1st sess., May 26, 2011, H.Rept. 112-91 (Washington: GPO, 2011), pp. 27-28.

⁴⁰ Testimony of GAO Director of Homeland Security and Justice Issues Richard M. Stana, in U.S. Congress, House Committee on Homeland Security, Subcommittee on Border and Maritime Security, *Border Security: Preliminary Observations on the Status of Key Southwest Border Technology Programs*, 111th Cong., 1st Sess., March 15, 2011.

⁴¹ Statement of Randolph C. Hite, Director, Information Technology Architecture and System Issues, Testimony Before the Subcommittees on Management, Investigations, and Oversight; and Border, Maritime, and Global Counterterrorism; Committee on Homeland Security, House of Representatives, *Secure Border Initiative: DHS Needs to Follow Through on Plans to Reassess and Better Manage Key Technology Program*, 110th Cong., 2nd Sess., Thursday, June 17, 2010.

Under the department's new Alternative (Southwest) Border Technology program, DHS plans to deploy a mix of Remote Video Surveillance Systems (RVSS) consisting of fixed daylight and infrared cameras that transmit images to a central location, Mobile Surveillance Systems (MSS) mounted on trucks and monitored in the truck's passenger compartment, hand-held equipment, and existing SBInet integrated towers.⁴² The Administration's budget request includes \$244 million for its Alternative (Southwest) Border Technology program to complete the first three Integrated Fixed Tower (IFT) System deployments to Border Patrol Stations' areas of responsibility in Arizona. GAO's initial review of the Alternative (Southwest) Border Technology program has identified questions about the cost-effectiveness of some elements of the plan, including the deployment of SBInet Integrated Fixed Towers in certain parts of Arizona, and Congress may subject the new southwest border plan to additional oversight.

Congress also has a long-standing interest in the number of miles of fencing and other tactical infrastructure along the southwest border, which stood at 299 miles of vehicle fencing and 350 miles of pedestrian fencing as of March 2011.⁴³ Some Members of Congress have argued that fencing should be constructed along longer stretches of the southwest border, and/or that vehicle barriers and single-layer fences should be upgraded to pedestrian and/or double-layer fences, while others see additional fencing as not being cost effective. The House Appropriations committee report notes that existing border infrastructure includes the total miles of pedestrian and vehicle fencing that had been deemed appropriate and necessary by the Bush Administration.

Some Members of Congress also have raised questions about whether CBP has taken adequate steps to secure the northern border against the entry of potential terrorists; and concerns have been raised about wait times for trade and tourism at the northern border.⁴⁴ The Administration's request includes \$45 million for investments in technology systems addressing security needs for the Northern Border maritime and cold weather environment, Northern Border technology pilot programs, and additional investments in proven stand-alone technology for deployment at the Northern Border. The House and Senate reports approved the pilot program, and these provisions of the bill were not amended on the House floor.

Combating Transnational Threats

With the upsurge in violent crime in many parts of Mexico, Congress has grown more interested in CBP's efforts to combat criminal organizations; to prevent the illegal movement of money, arms, and illicit goods; and to guard against the threat of spillover violence in the United States.⁴⁵ The Border Patrol's Alliance to Combat Transnational Threats (ACTT) is a collaborative enforcement approach among DHS agencies in partnership with other federal agencies and state, local, and tribal governments. The program began in September 2009 along the Arizona/Sonora

⁴² Ibid.

⁴³ Testimony of U.S. Border Patrol Chief Michael J. Fisher, House Committee on Homeland Security, Subcommittee on Homeland Security, *Department of Homeland Security Appropriations for Fiscal Year 2011*, 111th Cong., 2nd Sess., February 24, 2010.

⁴⁴ See U.S. Congress, Senate Committee on the Judiciary, Subcommittee on Immigration, Refugees and Border Security, *Improving Security and Facilitating Commerce at America's Northern Border and Ports of Entry*, 112th Cong., 1st Sess., May 17, 2011.

⁴⁵ See for example, U.S. Congress, House Committee on Homeland Security, Subcommittee on Oversight, Investigations, and Management, *The U.S. Homeland Security Role in the Mexican War Against Drug Cartels*, 112th Cong., 1st Sess., March 31, 2011.

border and expanded in July 2010 to the El Paso/Ciudad Juarez border area. ACTT deployments in FY2010 consisted of temporary (45-day) deployments, with a similar model being employed at the start of FY2011 to send 500 Border Patrol agents to the Tucson Sector. CBP plans for an increase of 859 permanent Border Patrol agents in the Tucson Sector during FY2011, allowing for sustained ACTT operations. CBP also conducts joint enforcement operations with Mexico's Customs agency and with the U.S. Drug Enforcement Agency. House and Senate appropriators both requested that CBP and ICE brief the committee on metrics used to assess the level and impact of violence in border communities and along the southwest border.

Cargo Security

CBP is responsible for screening cargo passing through U.S. ports of entry for contraband and dangerous materials. CBP manages cargo security through the Secure Freight Initiative and Container Security Initiative, two programs that collect data about U.S.-bound cargo to conduct risk-based targeting and that screen cargo at overseas ports before they are loaded on U.S.-bound vessels; through a number of programs to facilitate trade by trusted importers; and through other programs to target terrorist travelers and dangerous cargo. The security benefits of enhanced imaging screening and radiation scanning of U.S.-bound cargo must be weighed against the direct costs of such screening efforts as well as the paperwork burden, costs, and longer wait times for U.S. importers. As a result, the level of funding for the different screening programs, and the specific screening requirements to be imposed on U.S.-bound cargo, have been subjects of ongoing discussion.

The Administration has requested reductions to the Container Security Initiative (CSI) in each of the last two funding cycles, including a 44% reduction for FY2012. The CSI stations CBP officers in foreign ports to target high-risk containers for inspection before they are loaded on U.S.-bound ships. CSI was operational in 58 ports for FY2010, and screened over 80% of the volume of maritime containers destined for the United States.⁴⁶ The Administration proposes to remove CBP officers from most of these foreign ports and to rely more heavily on remote risk-based targeting and reciprocal inspections agreements with foreign governments. The House Appropriations Committee report objects to these changes, and recommended \$79 million for the CSI, \$10 million more than the Administration requested. The House committee also recommended \$46 million for Automated Targeting Systems (\$15 million more than the Administration requested), and directed the Administration to report to the committee within 90 days about how it would use the enhanced funding. The House made no changes to these provisions. The Senate report also recommended increased spending on Automated Targeting Systems (\$5 million more than the Administration requested), as well as on the National Targeting Center (\$5 million more than the Administration requested).

Immigration and Customs Enforcement⁴⁷

ICE focuses on enforcement of immigration and customs laws within the United States. ICE develops intelligence to reduce illegal entry into the United States and is responsible for investigating and enforcing violations of the immigration laws (e.g., alien smuggling, hiring unauthorized alien workers). ICE is also responsible for locating and removing aliens who have

⁴⁶ Ibid., CBP-S&E-37.

⁴⁷ Prepared by Marc R. Rosenblum, Specialist in Immigration Policy, Domestic Social Policy Division.

overstayed their visas, entered illegally, or have become deportable. In addition, ICE develops intelligence to combat terrorist financing and money laundering, and to enforce export laws against smuggling, fraud, forced labor, trade agreement noncompliance, and vehicle and cargo theft. See **Table 7** for account-level detail for all of the agencies in Title II, and **Table 9** for sub-account-level detail for ICE appropriations and funding for FY2010, FY2011 and FY2012.

Senate-Reported H.R. 2017

The Senate Appropriations Committee recommended that ICE receive \$5,535 million in net budget authority for FY2012 (total funding authority of \$5,846 million), a figure which represents an increase of \$34 million over the FY2011 enacted level and an increase of \$40 million over the Administration's request.

House-Passed H.R. 2017

The House Appropriations Committee recommended that ICE receive \$5,546 million in net budget authority for FY2012 (total funding authority of \$5,858 million), a figure which represents an increase of \$45 million over the FY2011 enacted level and an increase of \$52 million over the Administration's request.⁴⁸ The House approved this recommendation, with one amendment, adding \$1 million in support of the §287(g) program.

President's FY2012 Request

The Administration requested \$5,494 million in net budget authority and \$5,806 million in gross budget authority for ICE in FY2012. The request represented a decrease of about \$7 million (0.2%) in net budget authority and an increase of \$1 million in gross budget authority from the enacted FY2011 levels of \$5,501 million and \$5,805 million, respectively. The gross budget request includes the following changes:

- Increase of \$158 million for detention beds;
- Increase of \$64 million for Secure Communities interoperability deployment;
- Increase of \$11 million for data center migration;
- Increase of \$7 million for detention and removal operations;
- Increase of \$4 million to the acquisitions workforce;
- Reduction of \$27 million through efficiencies in Enforcement and Removal Operations Fugitive Operations, Criminal Alien, and Transportation and Removal Programs; and
- Reduction of \$15 million for headquarters Atlas infrastructure technology operations and management.

⁴⁸ The request appears lower in budget authority than it is due to a proposed \$16 million rescission from ICE.

Table 9. ICE Salaries and Expenses Account Detail

(budget authority in millions of dollars)

Activity	FY2011 Enacted	FY2012 Request	FY2012 House-passed	FY2012 Senate-reported	FY2012 Enacted
HQ Management HQ & Administration	514	433	419	414	
Legal Proceedings	222	216	216	216	
Investigations	1,851	1,858	1,861	1,892	
<i>Investigations - Domestic</i>	1,702	1,714	1,714	1,739	
<i>Investigations – International</i>	113	115	115	115	
<i>Visa Security Program</i>	36	29	32	38	
Intelligence	70	82	82	83	
Detention and Removal Operations	2,571	2,725	2,751	2,724	
<i>Custody Operations</i>	1,794	2,024	2,051	2,024	
<i>Fugitive Operations</i>	230	155	155	155	
<i>Criminal Alien Program</i>	193	197	197	197	
<i>Alternatives to Detention</i>	72	72	72	72	
<i>Transportation and Removal Program</i>	282	277	277	277	
Comprehensive Identification and Removal of Criminal Aliens (Secure Communities)	200	184	194	184	
Salaries and Expenses Total	5,427	5,497	5,523	5,513	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding. FY2010 amounts include revisions and an unspecified \$80 million increase from FY2010 supplemental appropriations. FY2012 bottom line includes \$1 million from H.Amdt. 351 to add funds to support the 287(g) program. ICE refers to U.S. Immigration and Customs Enforcement.

Issues for Congress

ICE is responsible for many divergent activities due to the breadth of the civil and criminal violations of law that fall under its jurisdiction. As a result, how ICE resources are allocated in order to best achieve its mission is a continuously debated issue.⁴⁹ The FY2012 appropriations process involves discussions about ICE's role in detaining and removing (deporting) aliens and on the role of state and local law enforcement agencies in immigration enforcement.

⁴⁹ Also see CRS Report R41704, *Overview of Immigration Issues in the 112th Congress*, by Ruth Ellen Wasem.

Enforcement and Removal Operations

Part of ICE's mission includes locating and removing deportable aliens, which involves determining the appropriate amount of detention space as well as which aliens should be detained. Although some contend that the priority should be placed on removing aliens who have committed crimes in the United States, fewer than one-third of those deported by ICE in FY2008 and in FY2009 had ever been convicted of a criminal offense.⁵⁰ The proportion increased to 44% in FY2010.⁵¹ Others, however, argue that the prioritization of criminal aliens should not come at the expense of ICE's other responsibilities, such as thwarting terrorist travel and conducting worksite enforcement investigations.⁵²

ICE's office of Enforcement and Removal Operations (ERO) provides custody management of the aliens who are in removal proceedings or who have been ordered removed from the United States.⁵³ ERO also is responsible for ensuring that aliens ordered removed actually depart from the United States. Some contend that ERO does not have enough detention space to house all those who should be detained. Concerns have been raised that decisions regarding which aliens to release and when to release them may be based on the amount of detention space, not on the merits of individual cases, and that detention conditions may vary by area of the country leading to inequities. Some policymakers have advocated for the increased use of alternatives to detention programs for non-criminal alien detainees, citing these programs as a lower cost option than detention and a more proportional treatment relative to the violation.⁵⁴

ICE maintained 33,400 detention bed spaces in FY2011, and the President's FY2012 budget requested an increase of \$158 million to maintain the current amount of bed space, accounting for an increase in the budgeted average daily bed rate from \$99 to \$122.⁵⁵ The House Appropriations Committee proposed to increase ICE's detention budget by \$27 million dollars, and to require ICE to increase the number of detention beds maintained to 34,000 beds in FY2012. This proposal was approved by the House, but not included in the Senate Committee report. House and Senate appropriators both supported the Administration's proposal to consolidate funding for detention beds in the Custody Operations sub-account, rather than allocating detention funds across several different Enforcement and Removal programs as in previous budgets.

⁵⁰ U.S. Congress, House Committee on Appropriations, *Department of Homeland Security Appropriations Bill, 2010*, Report to accompany H.R. 2892, 111th Cong., 1st sess., June 16, 2009, H.Rept. 111-157, p. 8; U.S. Department of Homeland Security Office of Immigration Statistics, *Immigration Enforcement Actions: 2009*.

⁵¹ U.S. Department of Homeland Security Office of Immigration Statistics, *Immigration Enforcement Actions: 2010*.

⁵² U.S. Congress, House Committee on Appropriations, *Department of Homeland Security Appropriations Bill, 2010*, Report to accompany H.R. 2892, 111th Cong., 1st sess., June 16, 2009, H.Rept. 111-157, p. 228.

⁵³ For more information on detention issues see CRS Report RL32369, *Immigration-Related Detention: Current Legislative Issues*, by Chad C. Haddal and Alison Siskin. Under the INA aliens can be removed for reasons of health, criminal status, economic well-being, national security risks, and others that are specifically defined in the act. In 2010, ICE changed the name of DRO to Enforcement and Removal Operations (ERO). The House and Senate Appropriations Committees have not adopted the name change in their reports.

⁵⁴ U.S. Congress, House Committee on Homeland Security, Subcommittee on Border, Maritime, and Global Counterterrorism, *Moving Toward More Effective Immigration Detention Management*, 111th Cong., 1st sess., December 10, 2009 (Washington: GPO, 2009).

⁵⁵ DHS, *U.S. Immigration and Customs Enforcement Salaries and Expenses Congressional Budget Justifications FY2012*, p. 57.

Immigration Enforcement in State and Local Jails

The Administration's request includes \$184 million (a \$64 million increase over FY2011 following a downward adjustment to that year's budget) for Secure Communities, an information sharing program between DHS and the Department of Justice to check the fingerprints of arrestees against DHS immigration records. With this request, ICE expects to be able to expand Secure Communities to 96% of all jurisdictions nationally in FY2012, providing ICE with the resources to confirm the identification of an estimated 282,000 more removable aliens in FY2012 than in FY2010, including an estimated 73,000 Level 1 offenders.⁵⁶

The enforcement of immigration by state and local law enforcement agents through agreements pursuant to §287(g) of the INA (the §287(g) program) and through screening for immigration violations in state and local jails through the §287(g) program and Secure Communities have sparked debate about the proper role of state and local law enforcement officials in enforcing federal immigration laws.⁵⁷ Many have expressed concern over proper training, finite resources at the local level, possible civil rights violations, and the overall impact on communities. Nonetheless, some observers contend that the federal government has scarce resources to enforce immigration law and that state and local law enforcement entities should be utilized. House and Senate appropriators both expressed strong support for the continued expansion of Secure Communities; and during floor consideration, the House adopted H.Amdt. 351 by a vote of 268-151, which increased funding for ICE by \$1 million to facilitate §287(g) agreements with local law enforcement.

Transportation Security Administration⁵⁸

TSA, created by the Aviation and Transportation Security Act (ATSA, P.L. 107-71), is charged with protecting air, land, and rail transportation systems within the United States to ensure the freedom of movement for people and commerce. In 2002, TSA was transferred to DHS with the passage of the Homeland Security Act (P.L. 107-296). TSA's responsibilities include protecting the aviation system against terrorist threats, sabotage, and other acts of violence through the deployment of passenger and baggage screeners; detection systems for explosives, weapons, and other contraband; and other security technologies. TSA also has certain responsibilities for marine and land modes of transportation including assessing the risk of terrorist attacks to all non-aviation transportation assets, including seaports; issuing regulations to improve security; and enforcing these regulations to ensure the protection of these transportation systems. TSA is further charged with serving as the primary liaison for transportation security to the law enforcement and intelligence communities. See **Table 7** for account-level detail for all of the agencies in Title II, and **Table 10** for amounts specified for TSA budget activities.

⁵⁶ Ibid., p. 51. "Level 1" offenders include aliens convicted of an aggravated felony as defined in §101(a)(43) of the Immigration and Nationality Act, or of two or more crimes each punishable by more than one year (i.e., two or more felonies); see John Morton, *Memorandum on Civil Immigration Enforcement: Priorities for the Apprehension, Detention, and Removal of Aliens*, U.S. Immigration and Customs Enforcement, Washington, DC, March 2, 2011, <http://www.ice.gov/doclib/news/releases/2011/110302washingtondc.pdf>.

⁵⁷ For a fuller discussion of the §287(g) program see CRS Report R41423, *Authority of State and Local Police to Enforce Federal Immigration Law*, by Michael John Garcia and Kate M. Manuel.

⁵⁸ Prepared by Bart Elias, Specialist in Aviation Safety, Security, and Technology, Resources, Science, and Industry Division.

Senate-Reported H.R. 2017

The Senate-reported version of H.R. 2017 specified \$7,906 billion, \$292 million less than requested but \$83 million more than the House-passed amount. For aviation security, the Senate-reported bill specified \$5,294 million, \$108 million less than requested. The Senate-reported amount specified additional 275 whole-body scanners, as requested, but did not include the \$39 million requested to purchase 385 additional explosives trace detection units, noting that the TSA's full operating capability of 800 units was provided in FY2011 and prior appropriations. The accompanying committee report directed TSA to submit five-year budget estimates and strategic plans for passenger screening technologies to be included in future annual congressional budget justifications. The Senate-reported version also included an additional \$23 million for 12 additional multimodal Visible Intermodal Prevention and Response (VIPR) teams, 6 teams dedicated to aviation and 6 teams dedicated to surface transportation security; an additional \$6 million for 25 new canine teams; and an additional \$4 million for international air cargo initiatives. In addition an additional \$6 million was specified for additional international air cargo inspectors. The bill, however, provided \$50 million less than requested for procurement and installation of explosives detection systems for checked baggage. The Senate-reported bill concurred with the request of \$135 million for surface transportation security.

House-Passed H.R. 2017

The House-passed bill specified \$7,823 million, \$293 million below the FY2012 request for TSA. However, in addition to this reduction, H.Amdt. 406, offered by Representative Mica and passed by the House, limited TSA's expenditures for screener personnel, compensation, and benefits to \$2,761 million. This amount was \$269 million below the House Appropriations Committee-recommended amount of \$3,030 million for this purpose. However, as the amendment was a limitation, rather than a reduction in budget authority, that \$269 million difference is still available for screening operations.

The bill also included \$181 million for checkpoint support, \$73 million less than requested, and \$223 million for checked baggage explosives detection systems, \$50 million less than requested. The House also agreed to \$961 million for federal air marshals, \$30 million less than requested. The bill specified \$1,033 million for Transportation Security Support, \$81 million less than the amount requested. Relying on Congressional Budget Office estimates, the committee projected only \$2,030 million in offsetting aviation security user fees, \$682 million less than the estimate provided in the President's request. This lower revenue projection reflects an anticipated continuation of the downward trend in air travel. Also, the committee noted that its estimates do not reflect proposed increases in passenger security fees that have not yet been authorized. It sharply criticized inclusion of this "hypothetical revenue" in the President's request, and noted that these "unrealistic assumptions" compelled the committee to reduce or restrain spending on support functions in order to maintain funding for critical homeland security missions.⁵⁹

President's FY2012 Request

The President's request included a gross total of \$8,115 million for TSA, roughly a 6% increase over the FY2011 enacted level. The request specified \$5,401 million for aviation security and

⁵⁹ H.Rept. 112-91, p. 19.

\$991 million for the Federal Air Marshals Service (FAMS). Additionally, \$250 million in mandatory spending is designated for the Aviation Security Capital Fund to finance installation of checked baggage explosives detection equipment at airports. The request specified \$224 million for Transportation Threat Assessment and Credentialing (TTAC), a 37% increase over the FY2011 enacted level of \$163 million. The increase reflects additional funding requirements to support a multi-year project to modernize and integrate transportation threat assessment, vetting, and credentialing programs and systems. The request included \$135 million for Surface Transportation Security and \$1,114 million for Transportation Security Support.

Table 10. TSA Gross Budget Authority by Budget Activity

(budget authority in millions of dollars)

Budget Activity	FY2011 Enacted	FY2012 Request	FY2012 House-passed	FY2012 Senate-reported	FY2012 Enacted
Aviation Security	5,213	5,401	5,225	5,294	
Screening Partnership Program (SPP)	144	144	144	144	
Passenger & Baggage Screening (PC&B)	2,921	3,060	2,761 ^a	3,028	
Screener Training & Other	243	253	245	251	
Checkpoint Support	329	254	181	215	
EDS/ETD Purchase/Installation	291	273	223	223	
Screening Technology	316	332	332	332	
Operation Integration	21	0	0	0	
Aviation Regulation and Other Enforcement	318	373	354	383	
Airport Management, IT, and Support	489	572	568	571	
FFDO & Crew Training	25	25	25	25	
Air Cargo Security	115	115	121	121	
Federal Air Marshal Service	928	991	961	981	
Management and Administration	805	860	845	850	
Travel and Training	123	131	116	131	
Threat Assessment and Credentialing (TTAC)	204	224	224	204	
Secure Flight	84	92	92	92	
Other/TTAC Admin. & Ops.	78	92	92	72	
Credentialing Fees (subtotal)	41	40	40	40	
TWIC (Fee)	9	8	8	8	
HAZMAT CDL (Fee)	12	12	12	12	
Certified Cargo Screening Program (Fee)	5	5	5	5	

Budget Activity	FY2011 Enacted	FY2012 Request	FY2012 House-passed	FY2012 Senate-reported	FY2012 Enacted
Large Aircraft Security Plan (Fee)	1	1	1	1	
Security Identification Display Area Checks (Fee)	8	8	8	8	
Indirect Air Cargo (Fee)	1	1	1	1	
Alien Flight School (Fee – Transfer from DoJ)	4	4	4	4	
Surface Transportation Security	106	135	130	135	
Operations and Staffing	40	39	39	39	
Security Inspectors	66	96	91	96	
Transportation Security Support	987	1,114	1,033	1,042	
Intelligence	33	43	43	43	
HQ Administration	254	321	290	293	
Human Capital Services	234	264	250	253	
Information Technology	466	486	450	453	
Aviation Security Capital Fund (ASCF) (mandatory)	250	250	250	250	
TSA Gross Total	7,688	8,115	7,823	7,906	

Source: CRS Analysis of the DHS Expenditure Plan for FY 2011, FY2012 DHS Congressional Budget Justifications, the FY2012 DHS Budget in Brief, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding.

- a. The Mica amendment restricted the amount that could be spent from the Aviation Security appropriation on screener PC&B to \$2,761 million, but did not actually reduce the actual budget authority for screening operations.

Issues for Congress

Possible TSA issues may include proposed expansion of the screener workforce; the status of contract screening operations at airports seeking an alternative to TSA screening operations; acquisition and sustainment costs of screening technologies; modernization and integration of TTAC systems; and consideration of the President's proposal to raise the passenger security fee.

TSA Screener Workforce

The President's budget included funding to support expansion of the TSA screener workforce to just under 50,000 full time equivalent (FTE) positions. However, the FY2011 appropriations act (P.L. 112-10) included language capping the screener workforce at 46,000 FTEs, not including newly hired part-time screeners. The FY2012 justification specified a proposed increase of more than 2,000 FTE screeners plus an additional 175 FTEs trained as behavior detection officers. The GAO previously found that the TSA lacked adequate metrics to assess the effectiveness of the behavior detection program, and in FY2011, Senate Appropriations Committee language did not

support proposed expansion of the program without a complete assessment and validation of its effectiveness.⁶⁰ In addition to the continued concerns over the behavior detection program, the proposed expansion of the TSA screener workforce may be an issue of particular interest during FY2012 appropriations debate given TSA's considerable investments in technology and integration of screening equipment. An anticipated benefit of these investments has been a potential reduction in labor resource requirements and associated costs.

The House-passed bill, like the FY2011 continuing resolution, would limit the screener workforce to 46,000 FTEs, not including newly hired part-time screeners. The House committee rejected the request for an additional 510 screeners and supervisors for advanced imaging technology passenger screening noting that additional systems will not be fielded until automated target recognition capabilities are incorporated. It further noted that the eventual deployment of automated target recognition will permit a reduction in passenger screeners. The committee also rejected the request for additional behavior detection officers.

H.Amdt. 406, offered by Representative Mica, would cap FY2012 spending on screener personnel, compensation, and benefits at \$2,761 million, roughly in line with FY2010 totals, and \$160 million less than FY2011 totals. Opponents of the amendment argued at the amendment would require TSA to lay off some 5,000 screeners—10% of the total screener workforce. The amendment passed 219-204.

The Senate-reported bill did not include a cap on the number of TSA screeners. Rather, the committee report noted concern over the adequacy of screener staffing levels, particularly at large airports, and most especially at those airports with high numbers of security breaches. Report language raised questions as to whether existing screener levels at these specific airports are sufficient to prevent security breaches and keep passenger wait times at screening checkpoints below 10 minutes.

Contract Screening Operations

The President's budget specified \$144 million for the Screening Partnership Program (SPP), which funds private screening contractors at the 16 airports that have opted out of TSA screening. In January 2011, TSA announced that it was halting further expansion of the program, citing a lack of any clear advantage. The program, which was authorized under ATSA, requires that private screeners receive wages and benefits that are comparable to those of TSA screeners. Reviews of the program have not found demonstrable performance or cost differences between contract screening operations under SPP and TSA screening. However, some Members of Congress hold the program in high regard and prefer a model in which screening operations are carried out under contract, with TSA focusing on regulation and oversight of screening and other aviation security matters.⁶¹ Consequently, the future of SPP may be a specific issue of debate in the FY2012 appropriations process.

The House committee expressed concern over airports whose applications to participate in the SPP were denied without sufficient guidance or feedback on the criteria for participation or the rationale for the TSA decision. The committee recommended that TSA provide these airports with

⁶⁰ S.Rept. 111-222.

⁶¹ See, e.g., "TSA Halts Private Security Screener Program," Homeland Security Newswire, February 3, 2011, available at <http://www.homelandsecuritynewswire.com/tsa-halts-private-security-screener-program>

the reasons behind these decisions and allow airports to reapply. The Senate report language is silent on the issue. Both the House-passed and Senate-reported funding amounts for privatized screening specify the requested amount of \$144 million which is predicated on continued operation at the existing 16 participating airports with no expansion of the program. However, as in the past, privatized screening and TSA passenger and baggage screening appropriations can be reprogrammed if the SPP expands or contracts during the year.

Technology Acquisition and Sustainment Costs

Besides labor costs for its screening workforce, technology acquisition and sustainment costs to operate and maintain security technologies make up a considerable portion of TSA's aviation security budget. The FY2012 request included a request for 275 additional advanced imaging technology (AIT) whole-body imagers. With these additional units, TSA intends to have 1,275 fielded AIT units by the end of FY2012, and 1,800 by the end of FY2014. The machines, however, have generated considerable controversy regarding privacy and health safety. To allay some privacy concerns, the TSA wants to eventually replace remote viewing of AIT images by TSA screeners with automated threat recognition capabilities, but retrofitting deployed systems will likely add to system costs in future years.

Additionally, maintenance of existing screening technologies, including AIT as well as baggage explosives screening systems, metal detectors, and checkpoint x-ray machines for carry-on bags, has been a growing expense for TSA as these systems age. A large number of these systems deployed soon after 9/11 to meet statutory screening requirements are reaching their useful service limits. The TSA indicated that it will reduce costs for screening technology maintenance by \$18 million in FY2012 through renegotiated contracts. Nonetheless, the request specified \$332 million for screening technology maintenance, a \$15 million increase compared to the FY2010 amount. The continued escalation of screening technology maintenance and sustainment costs may be an issue of particular interest to appropriators. The House concurred with the FY2012 request, with the expectation that negotiations for two-year warranty contracts for advanced imaging technology equipment would yield savings in FY2013. The Senate committee also concurred with the requested amount.

Transportation Threat Assessment and Credentialing Modernization

The President's request included \$58 million for continued development of the TTAC Infrastructure Modernization (TIM) system. The system is considered a significant DHS information technology initiative with a forecast life cycle cost of \$571 million through 2018. The program represents an initiative to modernize and consolidate TSA's various vetting and credentialing functions into a unified system, with a uniform fee structure. While the objectives are to eliminate redundancies in existing processes, the cost and technical risk associated with integrating multiple systems may raise questions during the appropriations process. Appropriators may also examine the extent to which TIM is being coordinated with other similar systems within DHS, such as customs and immigration systems, and other criminal and terrorist databases, and how investments in and capabilities of these systems may be leveraged in developing TIM.

The House committee recommended funding the continued development of TIM as requested, but noted concerns over program delays. It directed the TSA to advise the committees of any impacts to project schedule or the regulatory process that might significantly delay achieving

initial operating capacity in 2013, incorporating universal fees, and becoming fully operational by 2015.

The Senate committee recommended \$28 million for TIM, \$30 million less than requested, noting that schedule delays have resulted in large unobligated balances for this project carrying over into FY2012. The committee concluded that with a \$28 million appropriation combined with carryover funding, about \$66 million would be available for this effort in FY2012. Report language would require TSA to brief the committee quarterly on its efforts to develop TIM.

Passenger Security Fees

The President's budget included a proposal to increase the passenger security fee. The current fee, established by ATSA, is set at \$2.50 per segment with a cap of \$5.00 per one-way flight. The proposal seeks to increase this fee to \$4.00 per segment, not to exceed \$8.00 per one-way flight or \$16.00 for a round trip ticket. The fee has not been raised since established by ATSA and airlines have expressed strong opposition to numerous fee increase proposals over the years. In addition to remitting passenger security fees, airlines pay an Aviation Security Infrastructure Fee (ASIF) based on the annual costs of pre-9/11 passenger screening and market share. While the GAO determined the industry-wide annual cost of pre-9/11 passenger screening to be between \$425 million and \$471 million, airlines won a June 2010 appellate court decision capping the industry total at \$420 million. Current law provides no mechanism to increase either the passenger security fee or the ASIF for inflation.

The House committee noted that increases to passenger security fees were outside its jurisdiction and criticized the administration for predicating its budget on the assumption of obtaining authority for these increased revenues at the outset of FY2012. Furthermore, the House committee noted that "in the unlikely event such fee increases were enacted this year, the Congressional Budget Office estimates aviation security user fees would only increase by a net of \$210,000,000—not the \$590,000,000 assumed in the Department's budget submission."⁶²

Senate-reported H.R. 2017 included a provision (Sec. 558) that would temporarily increase passenger security fees in FY2012 to \$4.00 per enplanement, not to exceed \$8.00 per one-way trip. Report language noted that the appropriations committee did not approve the request to permanently change the fee structure as requested, but recommended that this be considered by the appropriate committee of jurisdiction. The bill also included language specifying that collected fees be made available only for aviation security, with an estimated total appropriation for aviation security derived from the general fund estimated at no more than \$2,984 million. This corresponds to total estimated fee collections of \$2,310 million, including both passenger fees and airline fees. The Senate bill language specifies that any fees collected in excess of this amount be made available for funding aviation security functions in FY2013. CBO estimates of FY2012 fee collections include \$2,140 million from passenger fees and \$420 million from air carriers, for a total of \$2,560 million.

⁶² H.Rept. 112-91, p. 19.

United States Coast Guard⁶³

The Coast Guard is the lead federal agency for the maritime component of homeland security. As such, it is the lead agency responsible for the security of U.S. ports, coastal and inland waterways, and territorial waters. The Coast Guard also performs missions that are not related to homeland security, such as maritime search and rescue, marine environmental protection, fisheries enforcement, and aids to navigation. The Coast Guard was transferred from the Department of Transportation to DHS on March 1, 2003.

Senate-Reported H.R. 2017

The Senate Appropriations Committee recommended a total of \$10,351 million for the Coast Guard, \$234 million more than the President requested. This total includes \$7,078 million for operating expenses and \$1,392 million for the capital (ACI) account. See **Table 11** below for further detail on these two accounts.

House-Passed H.R. 2017

The House Appropriations Committee recommended a total of \$10,080 million for the Coast Guard, \$185 million less than last year and \$37 million less than the President requested.⁶⁴ This total includes \$7,071 million for operating expenses and \$1,152 million for the capital (ACI) account. The House concurred in these recommendations. See **Table 11** below for further detail on these two accounts.

President's FY2012 Request

The President's requested amount for major accounts compared with last year's enacted level is shown in **Table 7**. As the table indicates, the President requested \$6,820 million in operating expenses (a decrease of about 1% from last year) and \$1,422 million for the capital (ACI) account (a decrease of about 6% from last year). These two accounts are shown in further detail in **Table 11** below. The President requested no funds for the Bridge Alteration account (consistent with prior Administration budget requests), requested \$5 million less for research and development, and \$4 million more for environmental compliance and restoration. The other requested discretionary amounts are nearly the same as last year's enacted level.

⁶³ Prepared by John Frittelli, Specialist in Transportation Policy, Resources, Science and Industry Division.

⁶⁴ Both the Administration and the House and Senate committees provided \$258 million for the Coast Guard's overseas operations related to the global war on terrorism, but the President requested this amount under the Navy's budget while the House and Senate committees provided this under the Coast Guard's budget.

Table 11. Coast Guard Operating (OE) and Acquisition (ACI) Sub-Account Detail
(budget authority in millions of dollars)

	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Operating Expenses	6,894	6,820	7,071	7,078	
Military pay and allowances	3,345	3,448	3,435	3,434	
Civilian pay and benefits	738	781	775	784	
Training and recruiting	204	213	213	213	
Operating funds and unit level maintenance	1,138	1,109	1,109	1,109	
Centrally managed accounts	345	351	343	343	
Intermediate and depot level maintenance	869	917	937	936	
Global war on terror (Overseas Contingency Operations)	254	—	258	258	
Acquisition, Construction, and Improvements	1,517	1,422	1,152	1,392	
Vessels	1,051	642	428	642	
Aircraft	101	290	329	265	
Other Equipment	190	166	171	161	
Shore Facilities and ATON	67	194	116	194	
Military Housing	2	20	0	20	
Personnel & Related Support	106	110	108	110	

Source: CRS Analysis of the DHS Expenditure Plan for FY 2011, FY2012 DHS Congressional Budget Justifications, the FY2012 DHS Budget in Brief, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding. Funding for Coast Guard Overseas Contingency Operations has traditionally been requested in the budget request Department of Defense, but Congress has funded it directly in the DHS appropriations bill. In recent years, it has not counted against the discretionary budget cap, and under the Budget Control Act, the discretionary cap may be adjusted upward to accommodate it.

Issues for Congress

Increased duties in the maritime realm related to maritime security have added to the Coast Guard's obligations and increased the complexity of the issues it faces. Some Members of Congress have expressed concern with how the agency is operationally responding to these demands, including the Coast Guard's plan to replace many of its aging vessels and aircraft and its ability to perform its non-security related missions. However, the House made no changes to the committee recommendations described below.

Vessels and Aircraft

The Coast Guard's effort to replace or modernize its Deepwater fleet of vessels and aircraft has been a major issue for Congress.⁶⁵ The President requested \$642 million for new vessels and \$290 million for aircraft for FY2012. This includes \$358 million to construct six more Fast Response Cutters and \$130 million to construct two more Maritime Patrol Aircraft. The House committee rejected the amount for a National Security Cutter, and substantially reduced the amounts for Fast Response Cutters and Medium Response Boats. The House committee increased the amount for HH-65 aircraft by \$37 million. The Senate committee largely agreed with the President's requested amount but reduced the amount for Maritime Patrol Aircraft by \$25 million for related electronic equipment.

The budget requested \$39 million for polar icebreaker vessels. The Coast Guard put the *Polar Sea*, one of its two remaining heavy icebreakers, in inactive status on October 14, 2011, and plans to transfer to the Maritime Administration National Defense Reserve Fleet for dismantling. The budget request included funds to transition that icebreaker's crew to the icebreaker *Polar Star* which will be reactivated.⁶⁶ The House and Senate Appropriations Committees agreed with the Administration's request. A reduction in the extent of sea ice in the Arctic during the summer has led to increased vessel activity (related to resource exploration and tourism) in the region.

Shore Facilities

The President's request included a substantial increase (180%) over the FY2011 enacted level for shore facilities. The \$194 million request, among other things, is for replacing a pier at Cape May, NJ, renovating a barracks at the Coast Guard Academy, replacing a burned down boathouse at Chilmark, MA, and modifying a maritime patrol aircraft hangar at Corpus Christi, TX. The House reduced the President's request by \$78 million in the committee report, citing a lack of adequate justification. The Senate committee agreed with the President's request but also requested a more detailed justification.

Marine Safety Mission

The oil spill from the *Deepwater Horizon* drilling rig in the Gulf of Mexico in April 2010 has focused attention on the Coast Guard's role in marine safety and environmental protection. The Coast Guard oversees the safety of the non-drilling aspects of offshore oil platforms, rescues crews when in danger, and is the lead agency in responding to oil spills. One issue that has been raised with respect to the Coast Guard's role in overseeing the safety of oil rigs is its ability to keep pace with changing technology in the offshore industry. For instance, it has been noted that some areas of the Coast Guard regulations covering the safety requirements of "Mobile Offshore Drilling Units," such as the *Deepwater Horizon*, date back to 1978 when rigs were much closer to shore and in shallower water.⁶⁷ The Coast Guard's pace in issuing rulemakings and its overall

⁶⁵ These issues are discussed in CRS Report RL33753, *Coast Guard Deepwater Acquisition Programs: Background, Oversight Issues, and Options for Congress*, by Ronald O'Rourke.

⁶⁶ For more on icebreaker vessels, see CRS Report RL34391, *Coast Guard Polar Icebreaker Modernization: Background, Issues, and Options for Congress*, by Ronald O'Rourke.

⁶⁷ A Coast Guard internal review that is critical of its response to the Deepwater Horizon spill was released in March 2011, <http://www.uscg.mil/foia/docs/DWH/BPDWH.pdf>.

competence in carrying out its marine safety mission was also an issue raised in the aftermath of the *Cosco Busan* oil spill in San Francisco Bay in November 2007.⁶⁸

New requirements intended to increase the safety of towing and fishing vessels will increase the demand on the Coast Guard's safety resources.

The President's request included \$11 million to bolster the Coast Guard's marine safety mission by adding 105 personnel, to include safety inspectors, investigators, and fishing vessel safety examiners. The request also included \$12 million and 87 personnel to enhance marine environmental response by creating a new Incident Management and Assist Team (IMAT). The House committee agreed with the \$11 million request for marine safety but reduced the request for environmental response by \$5 million due to insufficient detail in the request. The Senate committee concurred with the \$11 million requested for marine safety and provided an additional \$4 million for marine environmental response.

Rescue-21

Congress has been concerned with the Coast Guard's management of the Rescue 21 program, the Coast Guard's new coastal zone communications network that is key to its search and rescue mission and replaces its National Distress and Response System. In FY2012, the Coast Guard plans to complete deployment of Rescue-21 at sectors Lake Michigan, Los Angeles/Long Beach, San Juan, Honolulu, Guam, and Buffalo, with a request of \$65 million. As of December 2010, the Coast Guard reports that Rescue-21 is operational on the East Coast, Gulf Coast, and West Coast except for Los Angeles/Long Beach, covering a total of 36,985 miles of coastline. The House and Senate committees agreed with the President's request.

United States Secret Service⁶⁹

The U.S. Secret Service (USSS)⁷⁰ has two broad missions, criminal investigations and protection. Criminal investigation activities encompass financial crimes, identity theft, counterfeiting, computer fraud, and computer-based attacks on the nation's financial, banking, and telecommunications infrastructure, among other areas. The protection mission is the most prominent, covering the President, Vice President, their families, and candidates for those offices, along with the White House and Vice President's residence, through the Service's Uniformed Division. Protective duties also extend to foreign missions in the District of Columbia and to designated individuals, such as the DHS Secretary and visiting foreign dignitaries. Aside from these specific mandated assignments, USSS is responsible for security activities at National Special Security Events (NSSE),⁷¹ which include the major party quadrennial national conventions as well as international conferences and events held in the United States. The NSSE designation by the President gives the USSS authority to organize and coordinate security

⁶⁸ For an overview of the Coast Guard's environmental protection mission, see CRS Report RS22145, *Environmental Activities of the U.S. Coast Guard*, by Jonathan L. Ramseur.

⁶⁹ Prepared by Shawn Reese, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division.

⁷⁰ For more information, see CRS Report RL34603, *The U.S. Secret Service: An Examination and Analysis of Its Evolving Missions*, by Shawn Reese.

⁷¹ For more information, see CRS Report RS22754, *National Special Security Events*, by Shawn Reese.

arrangements involving various law enforcement units from other federal agencies and state and local governments, as well as from the National Guard.

Senate-Reported H.R. 2017

For FY2012, the Senate-reported version of the DHS appropriations bill recommended an appropriation of \$1,676 million, \$23 million less than the President requested, but \$3 million above the House-passed funding level. Although the Senate recommendation includes 87% of the President's requested increase for the USSS, the Senate made a \$46 million (19%) reduction in the request for Management and Administration, as well as a \$6 million reduction from the request for White House mail screening. This would reduce both of these accounts below the FY2010 level. The Senate also cut \$16 million (2%) in funding for protection of persons and facilities from the requested level, but provided \$62 million of the requested increase. Overall, the Senate provided \$161 million more than was appropriated for the USSS in FY2011.

House-Passed H.R. 2017

For FY2012, the House-passed version of the DHS appropriations bill recommended an appropriation of \$1,673 million.⁷² This amount reflects a decrease of \$25 million in the Headquarters Management and Administration activity from the \$247 million requested by the Administration. Even with this reduction, overall, the House-passed versions of the bill provide \$158 million more than was appropriated for the USSS in FY2011.

President's FY2012 Request

For FY2012, the Administration requested an appropriation of \$1,699 million for the USSS.⁷³ The Administration's request is \$183 million more than was appropriated for the USSS in FY2011. More than half of this increase is for Secret Service protection for Presidential candidates.

⁷² U.S. Congress, House Committee on Appropriations, Subcommittee on Homeland Security, *Department of Homeland Security Appropriations, Fiscal Year 2012*, report to accompany H.R. 2017, 112th Cong., 1st sess., May 26, 2011, H.Rept. 112-91 (Washington: GPO, 2011), p. 86.

⁷³ Ibid.

Table 12. FY2010 and FY2011 Enacted and FY2012 Budget Authority for the U.S. Secret Service

(Amounts in millions of dollars)

Programs and Activities	FY2011 Enacted	FY2011 Budget Request	FY2012 House-passed	FY2012 Senate-reported	FY2012 Enacted
Salaries and Expenses	1,511	1,692	1,666	1,670	
Protection	879	1,073	1,066	1,051	
<i>Protection of persons and facilities</i>	770	848	848	832	
<i>Protective intelligence activities</i>	68	68	68	68	
<i>National Special Security Events</i>	1	19	12	19	
<i>Candidate nominee protection</i>	18	113	113	113	
<i>White House mail screening</i>	22	24	24	18	
Investigations	352	316	316	318	
<i>Domestic field operations</i>	257	224	224	224	
<i>International field operations</i>	31	31	31	33	
<i>Electronic crimes program</i>	56	53	53	53	
<i>Forensic support to the National Center for Missing and Exploited Children</i>	8	8	8	8	
Management and administration	226	247	228	201	
Rowley Training Center	54	56	56	56	
Information integration and technology transformation				44	
Acquisition, construction, and improvements	4	7	7	5	
Total	1,515	1,699	1,673	1,676	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not add due to rounding.

Issue for Congress

One issue of potential interest to Congress concerning the FY2012 appropriations for the USSS is the balancing of the investigative and protective missions of the Service.

Protection Mission Funding and Activities

USSS's protection mission, as opposed to its investigative mission, employs the majority of the Service's agents and receives a larger share of the agency's resources. Additionally, the majority of congressional action concerning USSS has been related to its protection mission.⁷⁴ While

⁷⁴ U.S. Congress, House Committee on Homeland Security, Subcommittee on Counterterrorism and Intelligence, *The* (continued...)

Congress has maintained the Service's role in investigating financial crimes, such as combating counterfeiting, congressional action primarily addressed, and continues to address, the Service's protection mission. One could argue that potential terrorist attacks and potential threats to the President have resulted in an increase in the need for the Service's protection activities. Advocates for expansion of the investigation mission, however, may contend that protection is enhanced through better threat investigation efforts.

Title III: Protection, Preparedness, Response, and Recovery

Title III includes appropriations for the Federal Emergency Management Agency (FEMA), the National Protection and Programs Directorate (NPPD), and the Office of Health Affairs (OHA). Congress expanded FEMA's authorities and responsibilities in the Post-Katrina Emergency Reform Act (P.L. 109-295) and explicitly kept certain DHS functions out of the "new FEMA."⁷⁵ In response to these statutory exclusions, DHS officials created the NPPD to house functions not transferred to FEMA, and the OHA was established for the Office of the Chief Medical Officer. **Table 13** provides account-level appropriations detail for Title III.

(...continued)

United States Secret Service: Examining Protective and Investigative Missions and Challenges in 2012, 112th Cong., 1st sess., August 4, 2011.

⁷⁵ P.L. 109-295, 120 Stat. 1400.

Table 13. Title III: Protection, Preparedness, Response, and Recovery

(budget authority in millions of dollars)

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
National Protection and Programs Directorate									
Management and Administration	41	43			43	55	43	38	
Infrastructure Protection and Information Security	899	839			839	936	891	918	
US-VISIT	374	333			333	277a	297	297	
Federal Protective Service (FPS)	1,115	1,115			1,115	1,262	1,262	1,262	
Gross Total	2,429	2,331			2,331	2,555	2,493	2,515	
Net total (gross less fees, trust funds and mandatory)	1,314	1,216			1,216	1,268	1,231	1,253	
Office of Health Affairs									
Net Total	137	139			139	161	166	159	
Federal Emergency Management Agency									
Management and Administration	804	786			786	815	707	905	
Grants and Training	4,165b	3,380			3,380	3,845	2,020	2,577	
U.S. Fire Administration	46	45			45	43	43	45	
Disaster relief	6,695d	2,645			2,645	1,800	2,650e	1,800	
Disaster relief (BCA cap adjustment)									[4,200]f
Flood hazard mapping and risk analysis	220	182			182	103	103	93	
National flood insurance fund (NFIF)g	[146]	[169]			[169]	[171]	[171]	[171]	

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
National flood mitigation ^h	[3,085]	[3,066]			[3,066]	[3,103]			
Pre-disaster mitigation fund	100	50			50	85	40	43	
Emergency food and shelter	200	120			120	100	120	120	
Disaster assistance direct loan account	0	0			0	0	0	0	
Radiological Emergency Preparedness ⁱ	0	0			0	0	0	0	
Total (does not include trust funds)	12,230 ^d	7,209			7,209	6,789	5,682	5,581	
Net budget authority: Title III	13,681	8,564			8,564	8,219	7,079	6,994	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding. The FY2010 supplemental appropriations column and the FY2010 rescission column are placeholders. Supplemental appropriations and rescissions have occurred on numerous occasions for past DHS appropriations.

- a. Net amount—includes a \$26 million rescission.
- b. Includes State and Local Grants, Emergency Performance Management Grants (EMPG), and Assistance to Firefighters grants.
- c. This amount does not reflect transfers from the DRF made by Congress to support FEMA management and OIG activities.
- d. Includes \$5,100 million in supplemental disaster funding.
- e. \$1,000 million in emergency funding was added to this account by an amendment in full committee markup. However, as it is carried in a separate title, it is not included in this entry or this table.
- f. \$4,200 million in additional funding for the Disaster Relief Fund was included in the bill, along with legislative language designating it as disaster relief for the purpose of a discretionary spending cap adjustment under the BCA. However, as this will not score against the original allocation for the bill, it is not included in the totals for this table.
- g. NFIF funding is derived from premium payments or transfers from the U.S. Treasury, not appropriations. This account is offset.
- h. Funds for the National Flood Insurance Fund (NFIF) are derived from transfers, not appropriations. This account is mandatory spending.
- i. Radiological Emergency Preparedness funds are provided through reimbursements and are not actually appropriated funds.

National Protection and Programs Directorate⁷⁶

The National Protection and Programs Directorate (NPPD) was formed by the Secretary for Homeland Security in response to the Post-Katrina Emergency Management Reform Act of 2006. The Directorate includes the Office of the Under Secretary and accompanying administrative support functions (budget, communications, etc.), the Office of Risk Management and Analysis, the Office of Infrastructure Protection, the Office of Cybersecurity and Communications, the U.S. Visitor and Immigrant Status Indicator Technology Program (US-VISIT), and the Federal Protective Service. The activities of the Office of the Under Secretary and the other administrative functions and the Office of Risk Management and Analysis (RMA) are supported by the Management and Administration Program. The activities of the Office of Infrastructure Protection and the Office of Cybersecurity and Communications are supported by the Infrastructure Protection and Information Security Program (IPIS). US-VISIT and the Federal Protective Service each have their own programs.

Management and Administration

The Management and Administration Program supports the basic administrative functions of the directorate through the Directorate Administration Program/Project Activity (PPA). It also supports the activities of the Office of Risk Management and Analysis (through the Risk Management and Analysis PPA). The Office of Risk Management and Analysis is responsible for developing and implementing a common risk management framework and to leverage risk management expertise throughout the department. Among its projects are the development of the Risk Assessment Process for Informed Decision-making (RAPID) and support for the Homeland Security National Risk Assessment (HSNRA). RAPID is being developed to inform the department's budgeting and programming efforts to help it prioritize the allocation of resources. HSNRA is used to support the DHS Quadrennial Homeland Security Review.

Senate-Reported H.R. 2017

The Senate Appropriations Committee recommended \$38 million for NPPD Management and Administration, \$34 million for Directorate Management and \$4 million for the Office of Risk Management and Assessment (RMA). Citing concerns expressed by the National Research Council (see below), the committee recommended terminating the RMA and transferring its capabilities to other Directorate functions.

House-Passed H.R. 2017

The House Appropriations Committee recommended \$43 million for NPPD Management and Administration for FY2012. This included less than what was requested for data center migration in the Directorate Management account. RMA was funded at the FY2011 level.

⁷⁶ Prepared by John Moteff, Specialist in Science and Technology Policy, Resources, Science and Industry Division.

The committee also noted that the National Academy of Sciences (NAS) in a recent report⁷⁷ cited several shortcomings in the department’s risk assessment framework developed by RMA. Among those were the impracticability of aggregating terrorist threats and natural disasters, and that a wider range of social, health, and economic factors should also be considered when calculating risk. The Academy report recommended that the DHS framework integrate a more sophisticated analysis of threat probabilities that take into account an intelligent adversary. The Academy report also recommended that DHS develop a strategic plan to improve risk analysis skills of its employees. The committee required DHS to brief it on its plans to implement the Academy’s recommendations within 90 days of enactment of the DHS appropriation bill.

No changes were made to the NPPD provisions through House floor action.

President’s FY2012 Request

The President’s budget requested \$55 million for the NPPD Management and Administration. It requested \$46 million for Directorate Administration and \$10 million (rounded) for the Office of Risk Management and Analysis. The request for Directorate Administration included a \$12 million programmatic increase to continue supporting the Directorate’s migration of data bases to DHS Data Centers. The request for the RMA maintained current level of service.

Table 14. FY2010-FY2012 Budget Activity for NPPD Management and Administration Appropriation
(budget authority in millions of dollars)

Program Project Activity	FY2011 Enacted	FY2012 Request	FY2012 House-passed	FY2012 Senate	FY2012 Enacted
Directorate Administration	35	46	34	34	
Risk Management and Analysis	9	10	9	4	
Total	43	55	43	38	

Sources: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Note: Amounts may not total due to rounding.

Issues for Congress

RMA is responsible for developing RAPID, Risk Assessment Process for Informed Decision-making, to support the department’s budget setting process. RAPID is in its third round of development. Congress might decide to continue its oversight of the development and use of this methodology and how it has affected and/or changed the budget making process, especially in light of the recommendations made by the NAS noted above.

The NAS report calls into question the drive over the last few years to address critical infrastructure in an all-hazard manner. The motivation for considering all-hazards approach was to ensure that DHS did not focus too exclusively on the terrorist threat. However, the NAS report

⁷⁷ National Academy of Science, *Review the Department of Homeland Security’s Approach to Risk Analysis*. 2010.

suggests that aggregating terrorist threats with natural events to make a single risk determination is not practical. While not necessarily mutually exclusive, Congress might consider how to balance these two policy objectives.

Infrastructure Protection and Information Security⁷⁸

The Infrastructure Protection and Information Security Program (IPIS) supports the activities of the Office of Infrastructure Protection (OIP) and the Office of Cybersecurity and Communications. The latter includes the National Cyber Security Division (NCSD), the National Communication System (NCS), and the Office of Emergency Communications (OEC). OIP coordinates the national effort to reduce the risks associated with the loss or damage to the nation's critical infrastructure due to terrorist attack or natural events. This effort is a cooperative one between the federal government, state, local and tribal governments, and the private sector, to identify critical elements of the nation's infrastructure, their vulnerabilities, the potential consequences of their loss or damage, and ways to mitigate those losses. The NCSD performs a similar function, but specifically focuses on the nation's information networks. The NCS also performs a similar function, but specifically focuses on the nation's communication systems, in particular the communications systems and programs that ensure the President can communicate with selected federal agencies, state, local, and tribal governments, and certain private sector entities during times of national emergencies. The OEC is responsible for promoting the ability of state, local, and federal emergency response providers to communicate with each other during an emergency through the development and distribution of interoperable communication equipment.

The IPIS budget includes a number of Program/Project Activities (PPAs) under each of the major organizations or accounts: IP, NCSD, NCS, OEC. The structure of these PPAs and the activities they support have changed a number of times over the years. The table below represents the PPA structure proposed by the Administration for FY2012.

Senate-Reported H.R. 2017

The Senate Appropriations Committee recommended allocating \$918 million for the IPIS program, \$18 million less than requested, but \$27 million more than approved by the House. For the most part, the committee recommended funding levels between the House and the Administration across the PPAs. The committee's largest reduction, nearly \$6 million less than the budget request, was in the Federal Network Security PPA. The committee also recommended reducing the budget request for the Next Generation Networks (\$4 million), Sector Management and Governance (\$3 million), and Infrastructure Analysis and Planning (\$2 million). The Senate report contained little discussion of the reasons for these cuts. It did offer explicit support for the National Infrastructure Simulation and Analysis Center (NISAC) (which past budgets have tried to reduce), continued infrastructure vulnerability assessments, and the cyber education initiative. The committee also expressed its concern that there are not yet enough inspection, enforcement, and compliance personnel hired to implement the regulation of chemical facilities. The Senate did approve the \$5 million for a stand-alone PPA for the Assistant Secretary of Cybersecurity and Communications. These last items point to possible disagreements between the House and Senate that may be addressed in conference.

⁷⁸ Prepared by John Moteff, Specialist in Science and Technology Policy, Resources, Science and Industry Division.

House-Passed H.R. 2017

The House Appropriations Committee recommended \$891 million for the IPIS program. This is \$45 million below the President's request. The committee provided \$20 million less for the Infrastructure Protection (IP) Program/Project Activity (PPA), and \$20 million less for the National Cyber Security Division (NCSD). The reductions mostly reflected the committee's concern about the slow rate of obligating funds in these programs. The largest reduction was made to the Compliance and Assurance effort (a reduction of \$12 million) within the NCSD Federal Network Security PPA. The Compliance and Assurance effort enforces compliance by federal agencies of Federal Information Security and Management Act (FISMA) requirements. The committee also reduced the request for Infrastructure Security Compliance in the IP PPA by approximately \$8 million. This compliance program enforces regulations required of facilities making, using, or storing certain high risk chemicals and ammonium nitrate. The reduction apparently reflects the committee's concern that DHS has not yet finalized the regulations governing the sale and transfer of ammonium nitrate.

In three other actions, the committee denied the department's request to transfer the National Computer Forensic Institute to the Federal Law Enforcement Training Center. The committee also required a multi-year investment and management plan covering the proposed acquisition, deployment and operation, and sustainment plans for the EINSTEIN program. The committee also did not support funding (less than \$1 million) for the Acquisition Workforce Initiative, part of a larger government-wide effort by the Administration to increase acquisition capacity. Nor does it appear that the House approved the \$5 million requested for the Office of the Assistant Secretary for Cybersecurity and Communications as a stand-alone PPA.

The committee provided the requested amounts for the National Communication Systems and the Office of Emergency Communications.

No changes were made to these provisions through House floor action.

President's FY2012 Request

The President's budget request proposed restructuring much of the IPIS program. This included renaming a number of Program/Project Activities (PPAs) with some restructuring of specific projects within the renamed PPAs. It also included some reallocation of positions within the newly named PPAs. Most notably, it included a consolidation of the cybersecurity-related PPAs into a single PPA called Cybersecurity. It also included a new PPA for the Assistant Secretary for Cybersecurity and Communications. The funding would transfer support for strategy planning and policy, external affairs, budgeting, etc. to the Office of the Assistant Secretary and from the NCSD and NCS.

The President's total budget request for IPIS for FY2012 was \$936 million. This represents a \$37 million increase above the FY2010 budget and a \$98 million increase above that provided by the FY2011 continuing resolution (P.L. 112-10).

The FY2012 budget request for Infrastructure Protection (IP) was slightly less than was appropriated in FY2011. The FY2012 budget requested new funds to cover moving and build-out costs associated with consolidating IP personnel and activities in fewer physical locations around the National Capital Region. It also included increased funding to place additional Protective Security Advisors (PSAs) in state and local fusion centers, and to add personnel positions that

will support the Interagency Security Committee.⁷⁹ The increase in funding for the physical consolidation of facilities was offset by equal reductions in salaries and benefits, based on historical rates of filling IP positions. The increase in PSAs was offset by an equal reduction in program funds for Infrastructure Sector Analysis studies.

The FY2012 budget request for the National Cyber Security Division was \$97 million more than what was appropriated in FY2011. The request included additional funding to support analysis of the increased amount of data being generated by the current EINSTEIN program and to support continued expansion of that program. The request also included increases to support DHS's expanded role in monitoring and enforcing compliance by federal agencies with Federal Information Security and Management Act (FISMA) requirements. This increase would go toward increasing the number of validations (blue teaming) and vulnerability and risk assessments (red teaming) performed on agency networks. The request also included new funding to support DHS's role in executing the National Initiative in Cybersecurity Education. As in its FY2011 request, the Administration again proposed transferring the National Computer Forensic Institute to the Federal Law Enforcement Training Center.

The funding request for the National Communication System and the Office of Emergency Communications essentially maintained current operations.

Table 15. Budget Authority for Infrastructure Protection and Information Security
(budget authority in millions of dollars)

Program	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Infrastructure Protection	323	322	302	317	
<i>Identification Analysis and Planning</i>	73	75	72	73	
<i>Sector Management and Governance</i>	84	87	82	84	
<i>Regional Field Operations</i>	61	61	57	61	
<i>Infrastructure Security Compliance</i>	99	99	92	99	
National Cyber Security Division	363	459	439	450	
<i>Cybersecurity Coordination</i>	5	5	4	5	
<i>US-CERT Operations</i>	77	82	79	80	
<i>Federal Network Security</i>	20	41	29	35	
<i>Network Security Deployment</i>	176	234	229	232	
<i>Global Cybersecurity Management</i>	18	25	25	25	
<i>Critical Infrastructure Cyber Protection and Awareness</i>	53	61	61	61	
<i>Business Operations</i>	15	12	12	12	

⁷⁹ The Interagency Security Committee was formed by Executive Order 12977 to oversee the protection of civilian federal facilities in the United States.

Program	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
National Security / Emergency Preparedness Telecommunications	109	107	107	103	
<i>Priority Telecom Service</i>	56	57	57	57	
<i>Programs to Study and Enhance Telecom</i>	17	13	13	13	
<i>Critical Infrastructure Protection</i>	15	11	11	11	
<i>Next Generation Networks</i>	21	25	26	21	
Office of Emergency Communications	44	43	43	43	
Assistant Secretary for Cybersecurity and Communications	—	5	0	5	
Total	839	936	891	918	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding.

- a. Some FY2010 numbers are unavailable due to reorganization of accounts.

Issues for Congress

The House and Senate differ by \$27 million in regards to funding the IPIS program. Specific areas of disagreement between the House and the Senate include the House’s reduction in the IP’s Infrastructure Security Compliance PPA. The reduction reflects the House’s concern that regulations governing ammonium nitrate are not yet established, while the Senate has expressed concerns that not enough inspectors have been hired. The House and Senate also disagree on the NCS’s Next Generation Networks effort. The Senate cut \$5 million from the request, while the House provided the requested amount. The House and Senate also disagree on funding a separate PPA for the Office of the Assistant Secretary for Cybersecurity and Communications.

Both the House and Senate reduced by relatively large amounts the Administration’s request to expand the NCS’s Federal Network Security PPA which supports efforts to strengthen the implementation of the Federal Management Information Security Act (FISMA). The federal government has been criticized for some time by the information security community that its implementation of FISMA has been little more than a paper exercise.

Another potential issue for Congress is pending legislation (e.g., H.R. 174, S. 413, and proposals made by the White House) that would expand the role DHS plays in protecting the information networks within the federal government and the privately owned or operated critical infrastructure, in supporting the development of skilled cyber security professionals, and other cyber security areas. Support for these expanded responsibilities may fall within the IPIS budget. Congress will have to balance these additional responsibilities with its efforts to restrain federal spending.

Federal Protective Service⁸⁰

The Federal Protective Service (FPS), within the National Protection and Programs Directorate (NPPD),⁸¹ is responsible for the protection and security of federal property, personnel, and federally owned and leased buildings.⁸² In general, FPS operations focus on security and law enforcement activities that reduce vulnerability to criminal and terrorist threats.⁸³ FPS protection and security operations include all-hazards based risk assessments; emplacement of criminal and terrorist countermeasures, such as vehicle barriers and closed-circuit cameras; law enforcement response; assistance to federal agencies through Facility Security Committees; and emergency and safety education programs. FPS also assists other federal agencies, such as the U.S. Secret Service (USSS) at National Special Security Events (NSSE), with additional security.⁸⁴ FPS is the lead “Government Facilities Sector Agency” for the National Infrastructure Protection Plan (NIPP).⁸⁵ Currently, FPS employs approximately 1,225 law enforcement officers, investigators, and administrative personnel, and administers the services of approximately 13,000 contract security guards.

Senate-Reported H.R. 2017

The Senate committee recommended a total of \$1,115 million for FPS for FY2012. This is \$146 million less than House-passed H.R. 2017 and the President’s FY2012 request. Additionally, the committee expressed concern over adequate funding for FPS and recommends a 121 FTE increase in FY2012 – 25 fewer FTE than were requested.

House-Passed H.R. 2017

The House committee approved a total of \$1,261 million for FPS for FY2012. This is the same amount as the President’s FY2012 request. The House made no changes through floor action to these provisions.

President’s FY2012 Request

The President’s FY2012 request was 1,371 FTEs and \$1,261 million for FPS to be collected in security fees (which is not an appropriation, but an accounting of other agencies’ funding for security fees). Of the total requested, the estimated collection of security fees would be \$247 million for basic security operations,⁸⁶ \$501 million for building specific security operations,⁸⁷

⁸⁰ Prepared by Lorraine Tong, Analyst in American National Government, and Shawn Reese, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division.

⁸¹ FPS was transferred to NPPD from ICE following the enactment of the FY2010 DHS appropriations, P.L. 111-83.

⁸² 40 U.S.C. 1315.

⁸³ For more information on FPS, see CRS Report RS22706, *The Federal Protective Service and Contract Security Guards: A Statutory History and Current Status*, by Shawn Reese.

⁸⁴ For information on NSSEs, see CRS Report RS22754, *National Special Security Events*, by Shawn Reese.

⁸⁵ For information on the NIPP, see http://www.dhs.gov/xprevprot/programs/editorial_0827.shtm.

⁸⁶ Basic security operations include law enforcement services on federally controlled property, preliminary investigations of incidents, limited proactive activities to detect and deter attacks on high-risk facilities, and capture and detention of suspects.

⁸⁷ Building specific security operations include security countermeasure requirements specific to a particular building.

and \$513 million for Security Work Authorizations.⁸⁸ The request included a proposal to increase the basic security fee by \$0.08 per square foot (from \$0.66 to \$0.74 per square foot) to recover costs associated with the additional 146 FTEs requested for FY2012.⁸⁹

Issues for Congress

Congress continues to be concerned that FPS may not have the ability and necessary resources to perform its mission. Improving training of contract guards, federalizing contract guards, developing standards for checkpoint detection technologies for explosives and other dangerous items at federal facilities, and coordinating DHS efforts with the Interagency Security Committee for building security standards are among the issues Congress has been examining.⁹⁰ As a result, early in the 112th Congress, legislation was introduced in the House and Senate to improve federal building security and strengthen the ability of FPS to protect the buildings, the federal employees who work in them, and the visiting public. On January 5, 2011, H.R. 176, the Federal Protective Service Improvement and Accountability Act of 2011, was introduced in the House. On April 8, 2011, similar legislation, S. 772, the Supporting Employee Competency and Updating Readiness Enhancements for Facilities Act of 2011 (SECURE Facilities Act) was introduced in the Senate.⁹¹ On May 18, 2011, the Senate Committee on Homeland Security and Government Affairs reported S. 772 favorably, as amended, by voice vote.

U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT)⁹²

The US-VISIT program tracks the entry and exit of foreign visitors to and from the United States by collecting and storing biographic and biometric identification information about them. This information is shared with a wide range of federal, state and local government agencies to help them identify people who pose a risk to the United States. US-VISIT stores biographic data from travelers' I-94 forms in the Arrival and Departure Information System (ADIS) database; and it stores biometric data—10-print digital fingerprints and a photograph—collected from international travelers at U.S. visa-issuing posts and ports of entry and from aliens apprehended by U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement in the Automated Biometric Identification System (IDENT) database. This information helps immigration officers to apprehend or detain individuals for law enforcement actions as well as to determine whether individuals are eligible to receive a visa, enter the United States, or receive immigration benefits.

⁸⁸ Security Work Authorizations are agreements between FPS and customer agencies to procure security measures beyond those included with basic security operations and building specific security operations.

⁸⁹ U.S. Department of Homeland Security, National Protection & Programs Directorate, *Federal Protective Service: Fiscal Year 2012, Congressional Justification*, Washington, DC, February 2012, pp. FPS-2-5.

⁹⁰ For more information about federal building security and role of FPS, see CRS Report R41138, *Federal Building, Courthouse, and Facility Security*, by Lorraine H. Tong and Shawn Reese.

⁹¹ Both bills are similar to legislation introduced in September 2010 in the 111th Congress: H.R. 6122, Federal Protective Service Improvement and Accountability Act of 2010 and S. 3806, the SECURE Facilities Act. A third bill, H.R. 5053, the Federal Protective Service Reform and Enhancement Act of 2010, was also introduced. No further action was taken on the three bills before the 111th Congress adjourned. For details about H.R. 176 and S. 772, see CRS Report R41138, *Federal Building, Courthouse, and Facility Security*, by Lorraine H. Tong and Shawn Reese.

⁹² Prepared by Marc R. Rosenblum, Specialist in Immigration Policy, Domestic Social Policy Division.

Directorship of US-VISIT has changed several times since it was created. Until FY2006, US-VISIT was coordinated out of DHS' Directorate of Border and Transportation Security (BTS). A second stage review by Former DHS Secretary Chertoff eliminated BTS and proposed placing US-VISIT within a new Screening Coordination Office (SCO) that would have included several DHS screening programs⁹³ and reported directly to the Secretary. However, funding for the SCO was never appropriated, and US-VISIT became a stand-alone office within Title II of the DHS appropriation in FY2006.⁹⁴ In FY2008, DHS transferred US-VISIT into its new National Protection Programs Directorate "to support coordination for the program's protection mission and to strengthen DHS management oversight."⁹⁵

Senate-Reported H.R. 2017

The Senate Appropriations Committee Report recommended appropriating \$297 million for US-VISIT, \$5 million less than the Administration requested (excluding a proposed cancellation of \$26 million which the committee rejected), and \$37 million less than was appropriated in FY2011. In contrast with the House, Senate appropriators fully funded "US-VISIT 1.0" to improve interoperability among US-VISIT databases. The Senate also provided \$20 million to support a new collaboration between US-VISIT and ICE to identify and initiate removal proceedings against visa overstayers, with \$5 million of the funds to be transferred from ICE to US-VISIT.

House-Passed H.R. 2017

The House-passed H.R. 2017 proposes appropriating \$297 million for US-VISIT, \$5 million less than requested by the Administration and \$37 million less than what was appropriated in FY2011. Included in the \$297 million amount is \$108 million for Business Support Services; \$128 million for Operations and Maintenance; \$33 million for Identity Management and Screening Services; and \$29 million for Unique Identity/Interoperability. The House committee did not support funding the Acquisition Workforce Initiative or "US-VISIT 1.0." The committee concurred with the Administration's decision to reallocate \$25 million, originally designated for a biometric exit solution that would capture information on persons leaving the United States, to the elimination of a backlog of "unvetted" overstay records. But the committee urged the department to develop a plan to collect biometric exit data, and restricted funds within the Office of the Secretary and Executive Management until the department makes a decision on how to implement biometric data collection at air exits and briefs the committee on its decision.⁹⁶

No changes were made to the US-VISIT provisions through House floor action.

⁹³ Programs proposed for transfer to the Screening Coordination Office included the U.S. Visitor and Immigrant Status Indicator Project (US-VISIT); Free and Secure Trade (FAST) and NEXUS/Secure Electronic Network for Travelers Rapid Inspection (SENTRI), from CBP; and Secure Flight, Transportation Worker Identification Credential (TWIC), Registered Traveler, Hazardous Materials (HAZMAT) background checks, and the Alien Flight School background checks program from TSA.

⁹⁴ H.Rept. 109-241.

⁹⁵ U.S. Department of Homeland Security, letter from Secretary Michael Chertoff to the Honorable Joseph I. Lieberman, Chairman, Committee on Homeland Security and Government Affairs, U.S. Senate, Washington, DC, January 18, 2007, p. 8.

⁹⁶ U.S. Congress, House Committee on Appropriations, Subcommittee on Homeland Security, H.Rept. 112-91, p. 96.

President's FY2012 Request

The Administration requested \$302 million for US-VISIT in FY2012, a decrease of \$33 million from the FY2011 appropriated level of \$335 million. The Administration's request only counts as \$277 million in budget authority as it is partially offset by a proposal to re-allocate about \$26 million in unobligated balances from the exit component of US-VISIT to eliminate the backlog in visa overstay data analysis. Other program changes related to US-VISIT include identity management and screening, data center mirror and migration, unique identity, and US-VISIT 1.0. Cuts were assumed to derive from general administrative savings and technical adjustments.⁹⁷

Issues for Congress

The most prominent issue facing Congress for the US-VISIT system is the lack of a system to capture biometric data (i.e., fingerprints) from foreign visitors to confirm their exit when they leave the country.

Biometric Exit Component

Deployment of a biometric exit system has been of concern to Congress for several years, and US-VISIT has been heavily criticized for not implementing an exit system at ports of entry. Without verifying the identity of travelers who leave the United States, DHS has limited ability to identify individuals who overstay their visas and remain in the country illegally. Currently, DHS uses biographical information from confirmed arrivals of Traveler Enforcement Compliance System (TECS) officers, I-94 forms, and other traveler information to conduct biographic matching of entry data to exit data—a method with inherent inaccuracies. Two pilot projects on biometric exit systems in 2009 yielded no transition plan to deploy either system.⁹⁸ The FY2012 budget requests no funding for the implementation of a biometric exit capability, and in September 2011 DHS officials testified about their plans to implement enhanced collection of biographic exit data, apparently as an alternative to the collection of biometric exit data.⁹⁹ Alternatives to the exit system strategy may be an issue for Congress given its intense interest in the past.

Office of Health Affairs¹⁰⁰

The Office of Health Affairs (OHA) coordinates or consults on DHS programs that have a public health or medical component. These include several of the homeland security grant programs, and medical care provided at ICE detention facilities. OHA also administers several programs, including the BioWatch program, the National Biosurveillance Integration System (NBIC), and

⁹⁷ US-VISIT 1.0 addresses IDENT systems scalability issues and other re-architecting issues to the current system to improve efficiency and performance.

⁹⁸ U.S. Government Accountability Office, *Homeland Security: Key US-VISIT Components at Varying Stages of Completion, but Integrated and Reliable Schedule Needed*, GAO-10-13, November 19, 2009.

⁹⁹ Statement of John Cohen, Principal Deputy Director for Counterterrorism before the Homeland Security Committee, Subcommittee on Border and Maritime Security, House of Representatives, *Ten Years after 9/11: Can Terrorists Still Exploit Our Visa System*, 111th Cong., 1st Sess., Sept. 13, 2011.

¹⁰⁰ Prepared by Sarah A. Lister, Specialist in Public Health and Epidemiology, Domestic Social Policy Division.

the department's occupational health and safety programs.¹⁰¹ OHA received \$140 million in FY2011 appropriations.

Senate-Reported H.R. 2017

The Senate Appropriations Committee recommended \$159 million for OHA for FY2012, \$20 million (14%) more than for FY2011 and \$1 million (1%) less than the President's request.¹⁰² The committee recommended the amounts requested by the President (below) for the BioWatch program and for Planning and Coordination. The committee also recommended: half the requested amount for National Biosurveillance Integration Center (NBIC), citing concerns discussed below; more than double the requested amount for the Chemical Defense Program, to support additional pilot programs; and a small decrease from the requested amount for Salaries and Expenses.

House-Passed H.R. 2017

The House Appropriations Committee recommended \$166 million for OHA for FY2012, \$26 million (19%) more than for FY2011 and \$5 million (3%) more than the President's request.¹⁰³ The committee recommended the amounts requested by the President (below) for the BioWatch program, Planning and Coordination, NBIC, and the Chemical Defense Program. As such, the additional \$5 million above the request would be for Salaries and Expenses. The House made no changes to these recommendations through floor action.

President's FY2012 Request

The President requested \$161 million for OHA for FY2012, \$21 million (15%) more than was provided for FY2011. The requested funding level would support 118 FTEs, 23 more than in FY2011, and be allocated as follows: \$115 million for the BioWatch program; \$30 million for Salaries and Expenses; \$6 million for Planning and Coordination (under which numerous leadership and coordination activities are implemented); \$7 million for NBIC; and \$2 million for the Chemical Defense Program.¹⁰⁴

Issues for Congress

BioWatch: Effectiveness and Deployment

The BioWatch program deploys sensors in more than 30 large U.S. cities to detect the possible aerosol release of a bioterrorism pathogen, in order that medications could be distributed before exposed individuals became ill. Operation of the BioWatch program accounts for the lion's share of OHA's budget. The program has sought for several years to deploy more sophisticated sensors (so-called "Generation-3" or "Gen-3" sensors) that could detect airborne pathogens in a few hours, rather than the day or more that is currently required. Some Members of Congress have

¹⁰¹ DHS, Office of Health Affairs, http://www.dhs.gov/xabout/structure/editorial_0880.shtm.

¹⁰² S.Rept. 112-74, pp. 115-117.

¹⁰³ H.Rept. 112-91, pp. 99-100.

¹⁰⁴ OHA, *Fiscal Year 2012 Congressional Justification*, Overview, p. OHA-1.

been and remain concerned about the program's approach to Gen-3 deployment, including whether the approach has been scientifically rigorous and cost-efficient.¹⁰⁵

National Biosurveillance and Integration Center (NBIC): Effectiveness

The National Biosurveillance and Integration Center (NBIC) was established in OHA to collaborate with federal, state, and local partners to collect, analyze, and share human, animal, plant, food, and environmental biosurveillance information from a number of monitoring systems.¹⁰⁶ NBIC is intended to provide biosurveillance situational awareness for DHS and its partners, but its effectiveness in meeting this aim has been questioned by some House and Senate appropriators, among others.¹⁰⁷ The Government Accountability Office (GAO) notes that NBIC has had difficulty obtaining data from other federal agencies due to “scant availability of such data throughout the federal government and concerns about trust and control over sensitive information....”¹⁰⁸ In discussing the FY2012 request for OHA, Assistant Secretary Garza commented that NBIC reporting systems are currently being piloted in four states, and that “there is still much more work to do in order to achieve a true national capability.”¹⁰⁹

Federal Emergency Management Agency¹¹⁰

The Federal Emergency Management Agency (FEMA) is responsible for leading and supporting the nation's preparedness through a risk-based and comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation. This comprehensive emergency management system is intended to reduce the loss of life and property, and protect the nation from all hazards. These hazards include natural and accidental man-made disasters, and acts of terrorism.¹¹¹

FEMA executes its mission through a number of activities such as providing assistance through its administration of the Disaster Relief Fund (DRF) and the Pre-Disaster Mitigation Fund.

¹⁰⁵ See “Office of Health Affairs,” CRS Report R41189, *Homeland Security Department: FY2011 Appropriations*, coordinated by Jennifer E. Lake and William L. Painter; and statement of Rep. Gus Bilirakis, U.S. Congress, House Committee on Homeland Security, Subcommittee on Emergency Preparedness, Response and Communications, hearing on *Ensuring Effective Preparedness, Response, and Recovery for Events Impacting Health Security*, 112th Cong., 1st sess., March 17, 2011.

¹⁰⁶ NBIC was established by Section 1101 of P.L. 110-53, the Implementing Recommendations of the 9/11 Commission Act of 2007, to “detect, as early as possible, a biological event of national concern that presents a risk to the United States....”

¹⁰⁷ H.Rept. 112-91, p. 99; S.Rept. 112-74, p. 116. See also statement of Rep. Gus Bilirakis, per footnote 105.

¹⁰⁸ U.S. Government Accountability Office, *Biosurveillance: Developing a Collaboration Strategy Is Essential to Fostering Interagency Data and Resource Sharing*, GAO-10-171, December 18, 2009, p. 10, <http://www.gao.gov>.

¹⁰⁹ Statement of Alexander Garza, Assistant Secretary for Health Affairs and Chief Medical Officer, DHS, U.S. Congress, House Committee on Homeland Security, Subcommittee on Emergency Preparedness, Response and Communications, hearing on *Ensuring Effective Preparedness, Response, and Recovery for Events Impacting Health Security*, 112th Cong., 1st sess., March 17, 2011.

¹¹⁰ This section was prepared by Bruce R. Lindsay, Analyst in Emergency Management Policy, Natalie Keegan, Analyst in American Federalism and Emergency Management Policy, Francis McCarthy, Analyst in Emergency Management Policy, Government and Finance Division, and Lennard G. Kruger, Specialist in Science and Technology Policy, Research, Science, and Industry Division.

¹¹¹ U.S. Department of Homeland Security, Federal Emergency Management Agency, *About FEMA: FEMA Mission*, Washington, DC, November 2008, at <http://www.fema.gov/about/index.shtm>.

Additionally, FEMA provides assistance to state, local, and tribal governments, and non-governmental entities through its management and administration of programs such as State and Local Programs, the Emergency Food and Shelter program, and the Radiological Emergency Preparedness program. **Table 13** provides information on the FY2010 and FY2011 appropriations and the FY2012 budget request for all of FEMA's activities.

Senate-Reported H.R. 2017

The Senate committee recommended \$1,038 million in total resources for FEMA's Management and Administration account (\$905 million through direct appropriations), an increase of 4% (\$38 million) above the Administration's request. In recent years, a significant amount of FEMA's management costs have been borne by transfers from programs within FEMA. The Senate recommends that only \$134 million be funded through these types of transfers from other FEMA accounts, \$51 million less than proposed by the Administration, and \$146 million less than recommended by the House. The Senate committee recommended \$6,000 million for the DRF, \$4,200 million more than requested, with the increase "paid for" by adjusting the discretionary spending limit set by the Budget Control Act upward by \$4,200 million, as provided for in that legislation. The bill would transfer \$16 million to the Office of the Inspector General for disaster relief oversight. The Senate committee proposed \$1,477 million for State and Local programs, a reduction of \$1,348 million from the Administration's request, and \$756 million from the FY2011 level. The Senate committee recommends level funding for the Emergency Food and Shelter (EFS) program at \$120 million, \$20 million above the administration's request.

House-Passed H.R. 2017

The House committee recommended \$983 million for FEMA's Management and Administration account, an increase of 21% (\$168 million) compared to the Administration's request of \$815 million. The House committee recommended \$2,650 million for the DRF, a 47% (\$850 million) increase compared to the Administration's request of \$1,800 million. However, the House committee recommended two transfers from the DRF to other accounts including \$16 million for the Office of Inspector General, and \$105 million to Management and Administration. The House committee proposed \$1,000 million for State and Local Programs, a reduction of \$2,845 million compared to the FY2012 requested funding level of \$3,845 million, and a \$2,380 million reduction compared to the FY2011 appropriations of \$3,380 million. The House Appropriations Committee recommended level-funding the EFS program as well.

In full committee markup, Title VI was added to the bill, providing an additional \$1,000 million in emergency funding for the DRF, offset by a rescission of \$1,500 from the Department of Energy. This brings the net total contribution by the House bill to the DRF to \$3,528 million, a 96% increase above the President's request and 40% above the net level set through P.L. 112-10, the FY2011 concurrent resolution.

H.Amdt. 349, adopted by a vote of 333-78, provided \$135 million for assistance to firefighter grants and \$185 million for SAFER grants, offset by cuts to the DHS management accounts. Furthermore, H.Amdt. 383, which was adopted by a vote of 264-157, broadened the eligibility for these program by eliminating a requirement that SAFER grants not be used to hire new personnel, and waives budgetary requirements imposed on fire departments seeking grants.

H.Amdt. 370, adopted by a vote of 273-150, struck a provision limiting the eligibility for Urban Area Security Initiative (UASI) grants to the 10 highest-risk urban areas.

President's FY2012 Request

For FY2012, the Administration proposed an appropriation of \$6,789 million for FEMA, which was a decrease of \$504 million compared to the FY2011 request and \$403 million less than what was provided through the FY2011 continuing resolution. The Administration requested \$815 million for FEMA's Management and Administration activities, which was \$77 million less than provided through appropriations and transfers in the FY2011 continuing resolution. The DRF was proposed an appropriation of \$1,800 million, which was a decrease of more than \$800 million compared to the FY2011 gross appropriated amount of \$2,645 million.

The Administration proposed \$3,845 million for State and Local Programs, which was a \$464 million increase from the FY2011 amount; \$103 million for the Flood Map Modernization Fund, which was a \$79 million reduction from the FY2011 appropriation; and \$100 million for Emergency Food and Shelter, which was a \$20 million reduction from the FY2011 enacted amount.

Issues for Congress

As noted above, there are several significant issues associated with the Administration's budget request. They include Disaster Relief Fund (DRF) appropriations, preparedness measures, consolidation of selected state and local programs, reduction in funding for the Assistance to Firefighters Program, and reductions in funding for the Emergency Food and Shelter Program and for Flood Map Modernization appropriations.

Disaster Relief Fund

The DRF is the main account used to fund a wide variety of programs, grants, and other forms of emergency and disaster assistance to states, local governments, certain nonprofit entities, and family and individuals affected by disasters.¹¹² The DRF is funded yearly through regular appropriations; however, the account often needs supplemental funds for continued disaster assistance. This is due in part to ongoing recovery efforts from the Gulf Coast hurricanes of 2005. Since August 2005, nine emergency supplemental appropriations have been enacted to provide disaster relief. The most recent supplemental appropriation (P.L. 111-212) in FY2010 provided an additional \$5,100 million of budget authority for the DRF.

In addition, the average monthly expenditures for the DRF are \$383 million (\$4,600 million annually). Yet the initial Administration request was \$1,800 million for the DRF and the House committee recommended \$2,650 million (with two transfers totaling \$121 million). The Senate recommended an amount of \$6,000 million for disaster relief.

¹¹² In most cases, funding from the DRF is released after the President has issued a declaration pursuant to the Robert T. Stafford Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). For further analysis on the DRF, see CRS Report R40708, *Disaster Relief Funding and Emergency Supplemental Appropriations*, by Bruce R. Lindsay and Justin Murray. For further analysis on declaration process, see CRS Report RL34146, *FEMA's Disaster Declaration Process: A Primer*, by Francis X. McCarthy.

On September 9, 2011, the Office of Management and Budget (OMB) submitted an amendment to the budget request that called for an additional \$500 million in FY2011 and an additional \$4,600 million in FY2012 for disaster relief – thereby increasing the original request of \$1,800 million for FY2012 for the DRF to \$6,400 million. According to OMB, \$3,600 million would be used for previous incidents including Hurricanes, Katrina, Rita, Wilma, Ike, Gustav, as well as the 2008 Midwest floods and the 2011 spring tornadoes. OMB stated that \$1,500 million would be used on the response to and recovery from Hurricane Irene.¹¹³ Some may argue that the amended request is more realistic than the House proposal given the damages caused by Hurricane Irene, and Tropical Storm Lee. On the other hand, in light of the national deficit, some may view the revised request as too large. Thus, they may suggest that an amount closer to the ones proposed by the House or the Senate might be more appropriate.

On September 30, 2011, the President signed into law a short-term continuing resolution (CR) to continue funding for government operations through October 4, 2011, and on October 5 a second CR that runs through November 18, 2011. Both resolutions funded operations at the FY2011 rate, less 1.503% in order to accommodate the budget caps implemented by the Budget Control Act (P.L. 112-25). These resolutions included \$2,650 million to partially replenish the Disaster Relief Fund (DRF), which had been depleted.

Measuring Preparedness

In response to the terrorist attacks of September 11, 2001, President Bush signed Homeland Security Presidential Directive-8 (HSPD-8) in 2003 to create a national preparedness goal that included actions to improve the nation's preparedness capabilities. Since the terrorist attacks, nearly \$3,800 million has been appropriated to improve the nation's ability to prevent and prepare for natural and man-made disasters through preparedness grants. Anecdotal evidence suggests these grants have improved the nation's preparedness capabilities; however, the federal government lacks a standardized system to measure preparedness capabilities and identify areas of weakness to direct funding. In March President Obama signed Presidential Policy Directive-8 (PPD-8) to replace HSPD-8. PPD-8 also directs the Secretary of DHS to establish a national preparedness goal that includes actions to improve the nation's preparedness capabilities, as well as develop a national preparedness system to measure preparedness capabilities among other preparedness-related activities. Some are skeptical, however, that the objectives of PPD-8 will be realized. On the one hand, should DHS fail to create a system for measuring and assessing preparedness capabilities, Congress may elect to limit or withhold preparedness grants. On the other hand, such action may put the nation at risk by eliminating funding that is needed to keep the nation prepared for natural and man-made disasters.

State and Local Programs¹¹⁴

FEMA's State and Local Programs assist state, local, and tribal governments—primarily first responder entities—to meet homeland security needs and enhance capabilities to prepare for, respond to, and recover from both man-made and natural disasters.

¹¹³ Jacob J. Lew, Office of Management and Budget, Washington, D.C., September 9, 2011, http://www.whitehouse.gov/sites/default/files/omb/assets/budget_amendments/supp_amendment_09092011.pdf.

¹¹⁴ Prepared by Natalie Keegan, Analyst in American Federalism and Emergency Management Policy, Government and Finance Division.

Table 16 provides information on the FY2010 and FY2011 appropriations and the Administration's FY2012 budget request for all State and Local Programs.

Table 16. Budget Authority for Grants and Training

(budget authority in millions of dollars)

Programs	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
State and Local Programs					
State and Local Programs	—	—	807 ^a	—	
State Homeland Security Grant Program	724	1,063	—	430	
<i>Operation Stonegarden</i> ^b	55	50	55	50	
<i>Citizen Corps Program</i> ^b	10	13	—	—	
<i>Metropolitan Medical Response System</i> ^c	35	0	—	—	
<i>Driver's License Security Grants Program (REAL ID)</i> ^b	45	0	—	—	
Urban Area Security Initiative	724	920	—	400 ^d	
Public Transportation Security Assistance and Railroad Security Assistance	250 ^e	300	—	200	
<i>Over-The-Road Bus Security Assistance</i>	5 ^e	0	—	0	
AMTRAK	20	—	—	20	
Port Security Grants	250	300	—	200	
Buffer Zone Protection Program Grants	0	50	—	0	
Emergency Operations Centers	15	0	0	15	
Training, Exercises, and Technical Assistance ^f	250	192	193	232	
<i>National Domestic Preparedness Consortium</i>	93	45	45	93	
<i>Center for Domestic Preparedness</i>	62	63	63	63	
<i>Center for Counterterrorism and Cyber Crime</i>	0	0	0	0	
<i>Rural Domestic Preparedness Consortium</i>	0	0	0	0	
<i>National Exercise Program</i>	40	40	40	34	
<i>Continuing and Emerging Training Grants</i>	29	21	26	26	
<i>Technical Assistance Program</i>	11	10	10	[10] ^h	
<i>Evaluation and National Assessment Program</i>	14	14	10	[10] ^h	
<i>Emergency Management Institute</i>	[9]	[9]	[9]	16 ⁱ	
Subtotal, State and Local Programs	3,380	2,825	1,000	1,477	
Regional Catastrophic Security Grants	15	0	0	0	
Interoperable Emergency Communications Grant Program	0	0	0	0	
Firefighter Assistance Grants ^g	808	670	670	750	
<i>Fire Grants</i>	404	265	335	375	

Programs	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
SAFER Act grants	404	405	335	375	
Emergency Management Performance Grants	340	350	350	350	
Total, Grants and Training	3,380	3,845	2,020	2,577	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding.

- a. The FY2012 House-reported bill provided \$807 million for most of the State and Local Programs account (National Level / Training, Exercises, and Technical Assistance programs excepted) without making specific allocations among the programs in the FY2012 request, except for \$55 million for Operation Stonegarden.
- b. The Administration requests Stonegarden funds as a separate item from SHSGP. The House treats it as a carveout under SHSGP. The chart reflects the House perspective.
- c. These grants were funded under SHSGP beginning with P.L. 112-10, the final FY2011 concurrent resolution.
- d. The Senate carved out \$10 million for non-profit entities under UASI. While no funds were specifically designated for non-profit entities under UASI in FY2011 appropriations, Congress appropriated \$19 million in FY2010 for the non-profit UASI program.
- e. The FY2011 enacted amount for the Over-the-Road Bus Security Assistance was included in the funding level for the Public Transportation Security Assistance and Railroad Security Assistance. The FY2010 enacted amount was not included in that overall funding level.
- f. Referred to in H.Rept. 112-91 as National Programs.
- g. Although the Administration has requested this as a part of its State and Regional Preparedness Program request, it is funded as a separate amount in the House-passed bill.
- h. The Senate chose to fund this line under FEMA Management and Administration.
- i. The Senate chose to fund this line here rather than under FEMA Management and Administration. House numbers are non-adds for comparison only. No FY2010 data was available when this report went to press.

For FY2012, the Administration proposed a total appropriation of \$3,845 million for State and Local Programs, which was \$465 million more than Congress appropriated in FY2011 and \$320 million less than FY2010 appropriations. The largest increase in the proposed FY2012 funding levels over FY2011 appropriations is for the State Homeland Security Grant Program (increased by \$275 million), and the Urban Area Security Initiative (increased by \$195 million). The largest reduction in the proposed FY2012 funding levels over FY2011 appropriations is a decrease in funding for the Firefighters Assistance Grants (decreased by \$140 million) and the Training, Exercises, and Technical Assistance programs (decreased by \$58 million). The proposed FY2012 funding levels also included elimination of funding for selected programs, such as the Metropolitan Medical Response System, REAL ID, Regional Catastrophic Security Grants, Over-the-Road Bus Security Assistance, Interoperable Emergency Communications Grant Program, and Emergency Operations Centers grant. The elimination of these programs could potentially lead to two scenarios:

- Grantees would attempt to continue funding all of their homeland security projects, including those that are eliminated but eligible under other programs, which might result in reduced funding for all homeland security projects;
- Grantees would not fund all of their needed homeland security projects.

The House committee mark for FY2012 seeks to reform the State and Local Programs by reducing appropriations, reorganizing the State and Local Programs by providing the DHS Secretary with discretion to prioritize the greatest needs and highest risks and making allocation decisions for the programs, mandating that the FEMA Administrator submit a plan to drawdown all unexpended balances by the end of the 2012 fiscal year, and withholding 50% of the funding for the Office of the Secretary and Executive Management until the submission of the National Preparedness Goal and National Preparedness System. The House concurred with this recommendation.

As detailed in **Table 16**, the House proposed \$1 billion for state and local programs, of which \$55 million was provided for Operation Stonegarden and \$192.6 million provided for training, exercises, and technical assistance. The remaining \$807 million was to be distributed among nine grant programs at the discretion of the DHS Secretary: The State Homeland Security Grant Program, Urban Area Security Initiative, Metropolitan Medical Response System, Citizen Corps Program, Public Transportation Security and Railroad Security Assistance, Over-the-Road Bus Security Assistance, Port Security Grants, Driver's License Security Grants Program, and Interoperable Emergency Communications Grant Program.

The Senate proposed \$430 million for the State Homeland Security Grant Program, of which \$50 million was designated for Operation Stonegarden. The Senate also authorized the DHS Secretary to fund activities previously funded under the Metropolitan Medical Response System, Citizen Corps, Driver's License Security Grant Program, Buffer Zone Protection Program, and Interoperable Communications Grant at the Secretary's discretion. The Senate also proposed \$400 million for the Urban Area Security Initiative, of which \$10 million was provided for non-profit entities, and authorized the DHS Secretary to fund activities previously funded under the Metropolitan Medical Response System, Citizen Corps, Buffer Zone Protection Program, and Interoperable Communications Grant at the Secretary's discretion.

Both the House and the Senate set specific time-frames for the distribution of grant funds. The House stipulated that the State Homeland Security Grant Program, Urban Area Security Initiative, Metropolitan Medical Response System, and Citizen Corps Program funds be made available not later than 25 days after enactment of the bill, that applications must be submitted no later than 90 days after the grant announcement, and that FEMA Administrator must act on the application within 90 days of receipt. The House also stipulated that funds for Public Transportation Security Assistance, Railroad Security Assistance, Over-the-Road Bus Security Assistance, Port Security Grants, Driver's License Security Grants, and Interoperable Communications Grant Program must be made available not later than 30 days after enactment of the bill, that applications must be submitted within 45 days of the grant announcement, and that the FEMA Administrator must take action on the application with 60 days of receipt. The Senate stipulated that FEMA must issue grant guidance within 25 days of the enactment of the bill, that applications must be received within 90 days of the issuance of the guidance, and that FEMA must act on the applications within 90 days of the application deadline.

Emergency Food and Shelter Program (EFS)¹¹⁵

The EFS Program is authorized by Title III of the McKinney-Vento Homeless Assistance Act. The program enables thousands of social service providers across the nation to provide

¹¹⁵ Prepared by Francis McCarthy, Analyst in Emergency Management Policy, Government and Finance Division.

emergency help (preventing evictions, utility cut-offs, supplementing shelters, soup kitchens, food banks, etc.) to families and individuals in need. FEMA chairs a national board consisting of representatives from the Salvation Army, Catholic Charities USA, the United Way, the American Red Cross, the Jewish Federations of North America, and the National Council of Churches. The unique part of the program is that after allocations are made at the national level, decisions on funding to specific provider organizations are made at the local level by an EFS Local Board similar in composition to the EFS National Board. The total administrative budget for the program is 3.5%, so almost all funds go to direct services.

The Administration's FY2012 budget suggests cutting the EFS program by \$20 million, from its current \$120 million to \$100 million. The Administration's justification notes that the reduction in EFS funding will permit a "refocus of agency-wide resources on FEMA's primary mission" of disaster response and recovery efforts.

While the EFS program is not a disaster program within FEMA's "primary mission", it has been hosted at FEMA for more than 25 years and has a significant role in communities during times of high unemployment. Also the program's national board is composed of agencies that are frequently FEMA's partner in disaster response and recovery work. The program has frequently been augmented during economic downturns, but the FY2012 budget request of \$100 million, represents another reduction to the program. However, until FY2011, reductions had previously been made during steep declines in the national unemployment rate.¹¹⁶ The suggested cut-backs are significant within the context of current hunger statistics that suggest increased need.¹¹⁷ The House mark for FY2012 is \$120 million. That keeps the program at the FY2011 level and is \$20 million above the Administration's request. The Senate concurred with this recommendation at the \$120 million level.

Pre-Disaster Mitigation¹¹⁸

The Pre-Disaster Mitigation (PDM) program provides federal grants to mitigate property damage and loss of life due to disasters. While funding is authorized under Section 203 of the Stafford Act, eligibility for the PDM program does not require a Stafford Act disaster declaration.¹¹⁹

Authorization for the PDM program was scheduled to expire on September 30, 2010. In the 111th Congress, Representative Oberstar and other sponsors introduced the Pre-Disaster Mitigation Act of 2010, which became P.L. 111-351. That act re-authorized the PDM program for an additional three years at \$180 million for FY2011 and \$200 million per year for the remaining two years.¹²⁰ The FY2011 appropriation, P.L. 112-10, provided \$50 million for the PDM program, matching the lowest level of funding for the program since FY2006.

¹¹⁶ For example, EFS program funds were reduced by \$30 million from \$130 million to \$100 million in FY1996.

¹¹⁷ Feeding America, *Hunger and Poverty Statistics*, <http://feedingamerica.org/faces-of-hunger/hunger-101/hunger-and-poverty-statistics.aspx>

¹¹⁸ Prepared by Natalie Keegan, Analyst in American Federalism and Emergency Management Policy, Government and Finance Division.

¹¹⁹ 42 U.S.C. 5133 §203. For additional information on the PDM program, see CRS Report RL34537, *FEMA's Pre-Disaster Mitigation Program: Overview and Issues*, by Francis X. McCarthy and Natalie Keegan.

¹²⁰ P.L. 111-351, 124 Stat. 3864. This reauthorization also increased the state minimum amount to \$575,000.

The FY2012 budget requests \$85 million, which is an increase of \$35 million over the FY2011 enacted amount. However, the House has funded the PDM program at \$40 million, which would be its lowest level since the program was authorized. The Senate Committee provides \$42.5 million for the program which, though above the House level, would still be the smallest amount provided for the program.¹²¹

Flood Hazard Mapping and Risk Analysis (Formerly Map Modernization)

The flood map modernization program includes re-mapping in many areas to update maps to current conditions but also includes their digitization and that of existing maps for easier access. Funding in this area has trended down as maps and related work have been completed. But there is great interest in the accuracy of the maps and the methodology employed by FEMA. For the program, which received more than \$181 million in FY2011, the Administration requested \$102 million for FY2012. The House has recommended \$103 million while the Senate recommended \$102 million. However, the Senate has requested reports from FEMA, working with the U.S. Army Corps of Engineers, on the accuracy of the maps and other information on the program and its work with local communities affected by the maps.

Assistance to Firefighters Grant Program (AFG)¹²²

The Administration's FY2012 budget proposed \$670 million for firefighter assistance, a 17% cut from the FY2011 level. Specifically, the Administration's FY2012 budget proposed \$250 million for AFG (a 38% decrease from the FY2011 level) and \$420 million for the Staffing for Adequate Fire and Emergency Response Program (SAFER) (a 4% increase).¹²³ The FY2012 request for AFG alone would be, if enacted, the lowest amount since FY2001, the initial year of the program. According to the budget proposal, the request would fund 2,200 firefighter positions and approximately 5,000 AFG grants. The FY2012 budget proposal stated that the firefighter assistance grant process "will give priority to applications that enhance capabilities for terrorism response and other major incidents."

The House mark proposed \$350 million for firefighter assistance, including \$200 million for AFG and \$150 million for SAFER. These FY2012 levels constitute a 51% cut for AFG and a 63% cut for SAFER compared to the FY2011 appropriation.

During floor action on June 1, 2011, an amendment was offered by Representative LaTourette to increase funding for AFG by \$135 million and SAFER by \$185 million, taking its \$320 million offset from departmental management accounts. The amendment passed by a vote of 333-87, bringing the combined accounts to the requested level of \$670 million, but divided evenly between AFG and SAFER, as opposed to the roughly 37:63 split proposed by the Administration.

¹²¹ The original pilot program, Project Impact, which was funded through Appropriations Acts, was funded for several years at the \$25 million level, prior to authorization. For more information on PDM funding levels, see CRS Report RL34537, *FEMA's Pre-Disaster Mitigation Program: Overview and Issues*, by Francis X. McCarthy and Natalie Keegan, p. 4.

¹²² Prepared by Lennard G. Kruger, Specialist in Science and Technology Policy, Resources, Science and Industry Division.

¹²³ For further information see CRS Report RL32341, *Assistance to Firefighters Program: Distribution of Fire Grant Funding*, by Lennard G. Kruger and CRS Report RL33375, *Staffing for Adequate Fire and Emergency Response: The SAFER Grant Program*, by Lennard G. Kruger.

The Senate mark proposed \$750 million for firefighter assistance, which is a 12% increase over both the House-passed level and the Administration budget proposal. The total includes \$375 million for AFG and \$375 million for SAFER.

Title IV: Research and Development, Training, Assessments, and Services

Title IV includes appropriations for U.S. Citizenship and Immigration Services (USCIS), the Federal Law Enforcement Training Center (FLETC), the Science and Technology Directorate (S&T), and the Domestic Nuclear Detection Office (DNDO). **Table 17** provides account-level details of Title IV appropriations.

Table 17. Title IV: Research and Development, Training, Assessments, and Services

(budget authority in millions of dollars)

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Appropriation				FY2012 Appropriation			
		FY2011 Enacted	FY2011 Supp.	FY2011 Resc.	FY2011 Total	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Citizenship and Immigration Services									
Gross budget authority	2,882	2,649			2,650	2,907	2,877	2,892	
Offsetting Fees	-2,636	-2,503			-2,503	-2,538	-2,744	-2,771	
Net subtotal (gross less fees, trust funds and mandatory)	246	146			146	369	132	121	
Federal Law Enforcement Training Center	291	271			271	276	274	272	
Science and Technology									
Management and Administration	143	141			141	149	141	143	
Research, Development, Acquisition, and Operations	863	687			687	1,027	398	657	
Net Subtotal	1,006	828			828	1,176	539	800	
Domestic Nuclear Detection Office									
Management and Administration	39	37			37	41	40	37	
Research, Development, and Operations	325	275			275	206	245	191	
Systems Acquisition	20	30			30	84	52	40	
Net Subtotal	383	342			342	332	337	268	
Gross budget authority: Title IV	4,562	4,092			4,092	4,691	4,027	4,232	
Net budget authority: Title IV	1,926	1,589			1,589	2,154	1,283	1,461	

Source: Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011, FY2012 DHS Congressional Budget Justifications, the FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding. The FY2011 supplemental appropriations column and the FY2011 rescission column are placeholders. Thus, while no such funding has yet been put forth for FY2011, these columns are included in anticipation that such actions may occur as the bill moves forward. Supplemental appropriations and rescissions have occurred on numerous occasions for past DHS appropriations.

U.S. Citizenship and Immigration Services¹²⁴

Three major activities dominate the work of the U.S. Citizenship and Immigration Services (USCIS): (1) adjudication of immigration petitions (including nonimmigrant change of status petitions, relative petitions, employment-based petitions, work authorizations, and travel documents); (2) adjudication of naturalization petitions for legal permanent residents to become citizens; and (3) consideration of refugee and asylum claims, and related humanitarian and international concerns.

USCIS funds the processing and adjudication of immigrant, nonimmigrant, refugee, asylum, and citizenship benefits largely through funds generated by the Examinations Fee Account.¹²⁵ As part of the former Immigration and Naturalization Service (INS), USCIS was directed to transform its revenue structure with the creation of the Examinations Fee Account.¹²⁶ Although the agency has received annual direct appropriations in the last decade, they have been largely directed towards specific projects such as backlog reduction initiatives. The agency receives most of its revenue from adjudication fees of immigration benefit applications and petitions.

Senate-Reported H.R. 2017

The Senate-reported H.R. 2017 proposes appropriating \$121 million for USCIS, \$267 million less than the Administration requested and \$14 million less than provided in FY2011. This amount is divided between \$102 million provided for E-Verify, \$11 million for the Data Development Center, and \$8 million for the Immigrant Integration Initiative. Funding for the latter two programs was reinstated from the House-passed bill, and funding levels are, respectively, \$2 million and \$3 million below what was requested in the budget. The Committee directs that no appropriations be used to operate the Office of Citizenship Services and that its operations continue to be fee-funded. The total decline of \$267 million from the requested amount stems from the committee's belief that the cost of processing asylum claims and refugee applications, as well as the Systematic Alien Verification for Entitlements (SAVE) program, should be paid for through fee revenue rather than appropriations. The committee expects USCIS to revise its fee structure to accommodate the costs of these programs. No funding is provided for military naturalizations which the Committee notes has been requested in the Department of Defense budget. The Committee notes that roughly \$91 million in the H and L Fund for fraud investigations was carried over into FY2011 and is available for these and other purposes.

¹²⁴ This section was prepared by William Kandel, Analyst in Immigration Policy, Domestic Social Policy Division.

¹²⁵ §286 of the Immigration and Nationality Act, 8 U.S.C. §1356.

¹²⁶ There are two other fee accounts at USCIS, known as the H-1B Nonimmigrant Petitioner Account and the Fraud Prevention and Detection Account. The revenues in these accounts are drawn from separate fees that are statutorily determined (P.L. 106-311 and P.L. 109-13, respectively). USCIS receives 5% of the H-1B Nonimmigrant Petitioner Account revenues and 33% of the Fraud Detection and Prevention Account revenues. In FY2007, the USCIS shares of revenues in these accounts were approximately \$13 million each, and the funds combined for a little less than 2% of the USCIS budget (U.S. Department of Homeland Security, U.S. Citizenship and Immigration Services, *Fiscal Year 2009 Congressional Budget Justifications*).

House-Passed H.R. 2017

The House-reported H.R. 2017 proposes appropriating \$132 million for USCIS, \$237 million less than the Administration requested and \$14 million less than provided in FY2011. This amount is divided between \$102 million provided for E-Verify and \$30 million provided for the Systematic Alien Verification for Entitlements (SAVE) program. The total decline of \$237 million from the requested amount stems from the committee's belief that the cost of processing asylum claims and refugee applications should be paid for through fee revenue rather than appropriations. No funding is provided for military naturalizations which the committee believes should be funded by the Department of Defense. From its fee revenue, the committee directs USCIS to spend at least \$29 million toward digital conversion of immigration records. It also stipulates that any grants for immigrant integration be paid from USCIS fee revenue and not from appropriations.

No changes were made to these funding levels through House floor action.

President's FY2012 Request

Table 18, which presents the budget account detail for USCIS, shows the requested gross budget authority for FY2012 at approximately \$2,907 million. This figure includes \$369 million from congressional appropriations and \$2,537 million from fee collections. The requested direct appropriation of \$369 million includes \$102 million for the E-Verify program, \$13 million for data center development, and \$20 million for the Immigrant Integration Initiative. Moreover, the agency requested \$30 million for the Systematic Alien Verification Entitlements (SAVE) Program to assist state, local, and federal agencies to determine individuals' eligibility for public benefits based on their immigration status. USCIS also proposed to fund asylum and refugee applications and military naturalizations—all which have no fees attached—with a direct appropriation of \$203 million.

The remaining \$2,537 million in gross budget authority requested was expected to be funded by fee collections. Of this FY2012 amount, \$2,103 million would fund the USCIS adjudication services, \$86 million for information and customer services, and \$348 million for administration.

Table 18. USCIS Budget Account Detail

(budget authority in millions of dollars)

Program / Project / Activity	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Total USCIS Funding	2,951	2,907	2,876	2,892	
Appropriations	146	369	132	121	
<i>REAL ID Act Implementation</i>	0	0	0	0	
<i>E-Verify</i>	103	102	102	102	
<i>Data Center Development</i>	2	13	0	11	
<i>Immigrant Integration Initiative</i>	11	20	0	8	
<i>Asylum, Refugees, & Military Naturalizations Processing</i>	30	203	0	0	
<i>SAVE</i>	0	30	30	0	
<i>Acquisition Workforce</i>	0	1	0	0	
Fee Collections (Mandatory)	2,806	2,537	2,744	2,771	
<i>Immigration Examination Fee Account</i>	2,754	2,486	2,693	2,693	
<i>H-1B Visa</i>	13	13	13	13	
<i>H-1B/L Fraud</i>	39	38	38	38	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017, as passed by the House, S.Rept. 112-74, and H.R. 2017, as reported in the Senate.

Notes: Amounts may not total due to rounding.

Issues for Congress

For the FY2012 budget cycle, potential issues for Congress continue to include declines in immigrant and nonimmigrant applications, the use of fee-generated funding, and the USCIS request for appropriations to process refugee, asylee, and military naturalization applications.

Application Declines and Fee-Generated Funding

Because USCIS supports itself primarily through fee revenue, it must accurately project the number of anticipated applications to avoid building backlogs or over-budgeting projects. USCIS was criticized for its alleged unpreparedness in the face of surging applications prior to the 2007 fee increases.¹²⁷ More recently, the global economic downturn raised concerns about declining application volume and agency revenue. Such declines would affect future projects and require additional Congressional appropriations. In response, USCIS has moved to more accurately project its application volume to better inform the budgeting process.¹²⁸ Although USCIS most

¹²⁷ For more information, see CRS Report RL34040, *U.S. Citizenship and Immigration Services' Immigration Fees and Adjudication Costs: Proposed Adjustments and Historical Context*, by William A. Kandel.

¹²⁸ Information is based upon CRS discussions with the USCIS Chief Financial Officer in 2009.

recently altered its fee structure in November 2010, it may need to repeat this process and increase some fees to accommodate the cost of programs whose budgets have declined, notably the SAVE program.

Appropriations for Waiver Applications

In its FY2012 presidential budget request, USCIS seeks direct appropriations of \$203 million to fund applications for refugees, asylum-seekers, and military naturalizations. Historically, USCIS has funded these no-fee applications through its general application fee revenue. Congress has considered providing USCIS with direct appropriations for such application processing and the fees. With P.L. 112-10, Congress allocated \$25 million for processing applications for refugees, asylum-seekers, and military naturalizations, a fraction of the president's original \$207 million request for FY2011. Likewise, the FY2012 presidential budget request also includes a \$30 million appropriation for the SAVE Program, currently funded through "surcharges" on immigration application fees. The House committee proposed that costs for processing applications for refugees and asylum seekers be paid through USCIS fee revenue, and that military naturalizations be paid for by the Department of Defense. The Senate concurred with this view and urged USCIS to enter into a memorandum of understanding with DOD that all future costs of military naturalizations will be borne by DOD.

Federal Law Enforcement Training Center¹²⁹

The Federal Law Enforcement Training Center (FLETC) provides law enforcement instruction, such as firearms training, high-speed vehicle pursuit, and defendant interview techniques, for 85 federal entities with law enforcement responsibilities. FLETC also provides training to state and local law enforcement entities and international law enforcement agencies. Training policies, programs, and standards developed by an interagency board of directors focus on providing training that develop the skills and knowledge needed to perform law enforcement activities. FLETC administers four training sites throughout the United States and employs approximately 1,000 personnel.

Senate-Reported H.R. 2017

The Senate-reported version of H.R. 2017 included \$272 million for FLETC. This is less than \$2 million more than was provided for FY2011, and \$4 million less than requested by the Administration. This reduction was taken from the appropriation for acquisitions, construction, improvements, and related expenses (AC&I). The Senate bill contains a provision as it has in the past requiring the director of the Center to ensure that all FLETC facilities are "operated at the highest capacity feasible" over the course of the fiscal year. Report language also expects the Center's facilities to be at or near capacity before entering into new leases with additional contractors or entering into partnership agreements with other organizations.

¹²⁹ Prepared by Jennifer E. Lake, Section Research Manager, and William L. Painter, Analyst in Emergency Management and Homeland Security, Government and Finance Division.

House-Passed H.R. 2017

House-introduced H.R. 2017 includes \$274 million for FLETC. This represents an increase of nearly \$4 million over the final FY2011 enacted amount, and a decrease of \$2 million (almost 1%) as compared with the FY2012 request. This cut was taken from the AC&I appropriation as it was in the Senate version, although the House recommended one of half the depth. No changes were made to these provisions through House floor action.

President's FY2012 Request

The Administration requested \$276 million for FLETC for FY2012. This represents an increase of \$5 million or nearly 2% over the final FY2011 enacted amount of \$271 million.

Science and Technology¹³⁰

The Directorate of Science and Technology (S&T) is the primary DHS organization for research and development (R&D). Headed by the Under Secretary for Science and Technology, it performs R&D in several laboratories of its own and funds R&D performed by the Department of Energy national laboratories, industry, universities, and others.¹³¹

Senate-Reported H.R. 2017

The Senate-reported bill provided \$800 million for the S&T Directorate (see **Table 19**). For Research, Development, and Innovation, it provided \$440 million, or 33% less than the Administration's request. It approved the Administration's proposal to transfer certain radiological and nuclear R&D activities to S&T from the Domestic Nuclear Detection Office (DNDO). In Laboratory Facilities, it did not provide the funding the Administration's requested to begin construction at the National Bio and Agro-Defense Facility (NBAF). The committee report described the amount requested for NBAF as "not a useable construction segment" and directed S&T to provide an updated cost schedule for the project.

House-Passed H.R. 2017

The House-passed bill provided \$539 million. For Research, Development, and Innovation, it provided \$106 million, or 84% less than the Administration's request. In Laboratory Facilities, it provided \$75 million, or half the request, for NBAF construction. It rejected the Administration's proposal to transfer radiological and nuclear R&D activities from DNDO. The committee report stated that "S&T must demonstrate how its R&D efforts are timely, with results relatively well-defined, and above all, make investment decisions based on clear and sensible priorities." It stated the committee's expectation that "the proposed funding levels will force S&T to make more focused, high-return investment decisions."

¹³⁰ Prepared by Daniel Morgan, Specialist in Science and Technology Policy, Resources, Science, and Industry Division.

¹³¹ For more information, see CRS Report RL34356, *The DHS Directorate of Science and Technology: Key Issues for Congress*, by Dana A. Shea and Daniel Morgan.

President's FY2012 Request

The Administration requested \$1,176 million. This was 42% more than the FY2011 appropriation of \$829 billion. The request included \$150 million to support the beginning of construction at NBAF and about \$109 million for nuclear and radiological activities currently conducted in DNDO.

Table 19. Directorate of Science and Technology, Accounts and Activities
(budget authority in millions of dollars)

	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Directorate of Science and Technology—Total	828	1,176	539	800	
Management and Administration	141	149	141	143	
R&D, Acquisition, and Operations	687	1,027	398	657	
<i>Laboratory Facilities</i>	140	276	202	127	
<i>University Programs</i>	40	37	37	37	
<i>Border and Maritime</i>	32	—	—	—	
<i>Chemical and Biological</i>	167	—	—	—	
<i>Command, Control, and Interoperability</i>	69	—	—	—	
<i>Explosives</i>	112	—	—	—	
<i>Human Factors / Behavioral Sciences</i>	11	—	—	—	
<i>Infrastructure and Geophysical</i>	25	—	—	—	
<i>Innovation</i>	31	—	—	—	
<i>Test and Evaluation, Standards</i>	18	—	—	—	
<i>Transition</i>	42	—	—	—	
<i>Research, Development, and Innovation^a</i>	—	660	107	440	
<i>Acquisition and Operations Support</i>	—	54	54	54	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017 as passed by the House, S.Rept. 112-74, and H.R. 2017 as reported in the Senate.

Notes: Amounts may not total due to rounding.

- a. The Administration's FY2012 request reorganized many of its RDA&O activities from research topics into "Research, Development and Innovation" and "Acquisition and Operations Support."

Issues for Congress

In late 2010, the S&T Directorate announced a reorganization and released a new strategic plan. The reorganization reduced the number of direct reports to the Under Secretary and was

accompanied by a change in budget structure, with most of the previous budget lines combined into two new categories: Research, Development, and Innovation and Acquisition and Operations Support. According to DHS, the new strategy and organization will result in more robust partnerships with other DHS components, a smaller number of larger projects, and more emphasis on transitioning technology into the field rather than long-term research. The House and Senate committee reports both objected to the new budget structure. The House report described the Research, Development, and Innovation budget category as “all-encompassing ... too large and vague.” The Senate report stated that the new structure “reduces transparency and accountability.”

The construction of NBAF will likely result in increased congressional oversight over the next several years. For construction of NBAF and decommissioning of the Plum Island Animal Disease Center (PIADC), which NBAF is intended to replace, DHS expects to need further appropriations of \$541 million between FY2013 and FY2017, in addition to the \$150 million requested for FY2012. In the appropriations acts for FY2009 through FY2011, Congress authorized DHS to use receipts from the sale of Plum Island, subject to appropriation, to offset NBAF construction and PIADC decommissioning costs.¹³² The House-passed and Senate-reported bills for FY2012 would continue this authorization. According to DHS, however, the likely value of such receipts “has been found to be considerably overestimated.”¹³³

Domestic Nuclear Detection Office¹³⁴

The Domestic Nuclear Detection Office (DNDO) is the primary DHS organization for combating the threat of nuclear attack. It is currently responsible for all DHS nuclear detection research, development, testing, evaluation, acquisition, and operational support. Under the Administration’s FY2012 budget, DNDO’s research role would be transferred to the Directorate of Science and Technology (S&T).

Senate-Reported H.R. 2017

The Senate-reported bill provided \$268 million for DNDO (see **Table 20**). It approved the Administration’s proposal to transfer the Transformational R&D program to the S&T Directorate. It provided \$40 million for Systems Acquisition, versus \$84 million in the Administration’s request. Within Systems Acquisition, it provided \$22 million for Securing the Cities, including \$2 million for expansion to a new city.

House-Passed H.R. 2017

The House-passed bill provided \$337 million. It rejected the transfer of Transformational R&D to the S&T Directorate, but provided only \$45 million for that program, versus \$96 million in

¹³² Department of Homeland Security Appropriations Act, 2009 (P.L. 110-329, Div. D, §540) and Department of Homeland Security Appropriations Act, 2010 (P.L. 111-83, §540). The FY2010 provision was continued for FY2011 under the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10).

¹³³ DHS FY2012 budget justification, p. S&T RDA&O 24. For more information on NBAF, see CRS Report RL34160, *The National Bio- and Agro-Defense Facility: Issues for Congress*, by Dana A. Shea, Jim Monke, and Frank Gottron.

¹³⁴ Prepared by Daniel Morgan, Specialist in Science and Technology Policy, Resources, Science, and Industry Division.

FY2011. It provided \$52 million for Systems Acquisition. Like the Senate-reported bill, it provided \$22 million for Securing the Cities, including \$2 million for expansion to a new city.

President's FY2012 Request

The Administration requested \$332 million. This was a 1% decrease from the FY2011 appropriation of \$342 million. The request of \$206 million for Research, Development, and Operations was \$69 million less than the FY2011 appropriation, largely because it included no funds for Transformational R&D. The request for Systems Acquisition was \$84 million, versus \$30 million in FY2011. The request included \$27 million for the Securing the Cities program, which was previously funded at congressional direction and limited to the New York region; the request proposed expanding it to an additional city in FY2012.

Table 20. Domestic Nuclear Detection Office, Accounts and Activities

(budget authority in millions of dollars)

	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Domestic Nuclear Detection Office Total	342	332	337	268	
Management and Administration	37	41	40	37	
Research, Development, and Operations	275	206	245	191	
<i>Systems Engineering and Architecture</i>	33	32	30	31	
<i>Systems Development</i>	53	70	69	60	
<i>Transformational Research and Development</i>	96	—	45	—	
<i>Assessments</i>	38	43	40	40	
<i>Operations Support</i>	33	37	36	35	
<i>National Technical Nuclear Forensics</i>	27	25	25	25	
Systems Acquisition	30	84	52	40	
<i>Radiation Portal Monitoring Program</i>		37	20	8	
<i>Securing the Cities</i>	20	27	22	22	
<i>Human Portable Radiation Detection Systems</i>	10	20	10	10	

Source: CRS Analysis of the *DHS Expenditure Plan for FY 2011*, *FY2012 DHS Congressional Budget Justifications*, the *FY2012 DHS Budget in Brief*, P.L. 111-83, P.L. 112-10, H.Rept. 112-91, H.R. 2017 as passed by the House, S.Rept. 112-74, and H.R. 2017 as reported in the Senate.

Notes: Amounts may not total due to rounding.

Issues for Congress

Congressional attention has focused in recent years on the testing and analysis DNDO has conducted to support its planned purchase and deployment of Advanced Spectroscopic Portals

(ASPs), a type of next-generation radiation portal monitor (RPM).¹³⁵ Congress included a requirement for secretarial certification before full-scale ASP procurement in each homeland security appropriations act from FY2007 through FY2010.¹³⁶ The House-passed and Senate-reported bills for FY2012 included a similar requirement. In February 2010, DHS decided that it would no longer pursue the use of ASPs for primary screening, although it will continue developing and testing them for use in secondary screening.¹³⁷ The FY2012 request included funds to purchase and deploy 44 ASPs for secondary screening. The House-passed and Senate-reported bills both provided less than the request for RPMs. The House report expressed an expectation that DNDO will not deploy ASPs prior to certification, even for secondary screening, but noted that RPM funding in the House-passed bill “is not restricted” to previous-generation systems. The Senate report stated that “the request to procure and deploy 44 [ASPs] is denied.”

The global nuclear detection architecture overseen by DNDO remains an issue of congressional interest. The Systems Engineering and Architecture activity includes a GNDA development program as well as programs to develop and assess GNDA activities in various mission areas.¹³⁸ The Senate-reported bill directed DNDO to prepare and submit “a strategic plan of investments necessary to implement the Department of Homeland Security’s responsibilities under the domestic component of the global nuclear detection architecture.” It identified specific items that should be included in the required plan.

The mission of DNDO, as established by Congress in the SAFE Port Act (P.L. 109-347, Title V), includes serving as the primary federal entity “to further develop, acquire, and support the deployment of an enhanced domestic system” for detection of nuclear and radiological devices and material (6 U.S.C. 592). The same act eliminated any explicit mention of radiological and nuclear countermeasures from the statutory duties and responsibilities of the Under Secretary for S&T. Congress may consider whether the proposed transfer of DNDO’s research activities to the S&T Directorate is consistent with its intent in the SAFE Port Act. Congress may also choose to consider the acquisition portion of DNDO’s mission. Most of DNDO’s funding for Systems Acquisition was eliminated in FY2010, and that year’s budget stated that “funding requests for radiation detection equipment will now be sought by the end users that will operate them.”¹³⁹ In contrast, the FY2012 request for Systems Acquisition included funding for ASPs that would be operated by Customs and Border Protection, as well as human-portable radiation detectors for the Coast Guard, Customs and Border Protection, and the Transportation Security Administration. The reasons for this apparent reversal of policy were not explained in either the FY2011 or the FY2012 DNDO budget justification.

¹³⁵ For more information, see CRS Report RL34750, *The Advanced Spectroscopic Portal Program: Background and Issues for Congress*, by Dana A. Shea, John D. Moteff, and Daniel Morgan.

¹³⁶ P.L. 112-10 continued this requirement for FY2011.

¹³⁷ Letter from Dr. William K. Hagan, Acting Director, DNDO, to Senator Lieberman, February 24, 2010, http://hsgac.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=11f7d1f0-c4fe-4105-94e6-bb4a0213f048.

¹³⁸ For more information, see CRS Report RL34574, *The Global Nuclear Detection Architecture: Issues for Congress*, by Dana A. Shea.

¹³⁹ Executive Office of the President, FY2010 Budget, Appendix, p. 560.

Appendix. DHS Appropriations in Context

Federal-Wide Homeland Security Funding

Since the terrorist attacks of September 11, 2001, there has been an increasing interest in the levels of funding available for homeland security efforts. The Office of Management and Budget, as originally directed by the FY1998 National Defense Authorization Act, has published an annual report to Congress on combating terrorism. Beginning with the June 24, 2002, edition of this report, homeland security was included as a part of the analysis. In subsequent years, this homeland security funding analysis has become more refined, as distinctions (and account lines) between homeland and non-homeland security activities have become more precise. This means that while **Table A-1** is presented in such a way as to allow year to year comparisons, they may in fact not be strictly comparable due to the increasing specificity of the analysis, as outlined above.

With regard to DHS funding, it is important to note that DHS funding does not comprise all federal spending on homeland security efforts. In fact, while the largest component of federal spending on homeland security is contained within DHS, the DHS homeland security request for FY2012 accounts for nearly 52% of total federal funding for homeland security. The Department of Defense comprises the next highest proportion at 25% of all federal spending on homeland security. The Department of Health and Human Services at 6%, the Department of Justice at nearly 6% and the Department of Energy at nearly 3% round out the top five agencies in spending on homeland security. These five agencies collectively account for approximately 92% of all federal spending on homeland security. It is also important to note that not all DHS funding is classified as pertaining to homeland security activities. The legacy agencies that became a part of DHS also conduct activities that are not homeland security related. Therefore, while the FY2012 request included total *homeland security* budget authority of \$37.0 billion for DHS, the requested *total budget authority* for DHS was \$50.3 billion. Moreover, the amounts shown in **Table A-1** will not be consistent with total amounts shown elsewhere in the report. This same inconsistency between homeland security budget authority and requested total budget authority is also true for the budgets of the other agencies listed in the table.

Table A-1. Federal Homeland Security Funding by Agency, FY2002-FY2012

(budget authority in millions of dollars)

Department	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011 CR Estimate ^a	FY2012 Request	FY2012 as % of Total
Department of Homeland Security (DHS)	17,381	23,063	22,923	24,549	26,571	29,554	32,486	38,988	33,236	35,985	37,046	51.7%
Department of Defense (DOD) ^b	16,126	8,442	7,024	17,188	17,510	16,538	18,032	19,483	19,054	17,626	18,102	25.3%
Department of Health and Human Services (HHS)	1,913	4,144	4,062	4,229	4,352	4,327	4,301	4,677	7,196	4,227	4,579	6.4%
Department of Justice (DOJ)	2,143	2,349	2,180	2,767	3,026	3,518	3,528	3,715	4,119	4,072	4,068	5.7%
Department of State (DOS)	477	634	696	824	1,108	1,242	1,719	1,809	2,016	2,131	2,327	3.2%
Department of Energy (DOE)	1,220	1,408	1,364	1,562	1,702	1,719	1,827	1,939	1,793	1,969	1,973	2.8%
Department of Agriculture (AG)	553	410	411	596	597	541	575	513	611	604	597	0.8%
General Services Administration	97	67	79	65	99	168	376	528	214	50	427	0.6%
National Science Foundation (NSF)	260	285	340	342	344	385	365	407	390	390	426	0.6%
Department of Veterans Affairs (VA)	49	154	271	249	298	260	309	310	427	421	375	0.5%
Other Agencies	3,769	1,490	1,482	2,011	1,511	1,582	1,582	1,703	1,603	1,594	1,719	2.4%
Total Federal Budget Authority	43,848	42,447	40,834	54,383	57,118	59,833	65,099	73,996	70,661	69,069	71,639	100%

Sources: CRS analysis of data contained in Section 3. “Homeland Security Funding Analysis,” and Appendix K of the Analytical Perspectives volume of the FY2012 President’s Budget (for FY2010-FY2012), Section 3. “Homeland Security Funding Analysis,” and Appendix K of the Analytical Perspectives volume of the FY2011 President’s Budget (for FY2009); Section 3. “Homeland Security Funding Analysis,” and Appendix K of the Analytical Perspectives volume of the FY2010 President’s Budget (for FY2008); Section 3. “Homeland Security Funding Analysis,” and Appendix K of the Analytical Perspectives volume of the FY2009 President’s Budget (for FY2007); Section 3. “Homeland Security Funding Analysis,” of Analytical Perspectives volume of the FY2008 President’s Budget (for FY2006); Section 3. “Homeland Security Funding Analysis,” of Analytical Perspectives volume of the FY2008 President’s Budget (for FY2005); Section 3. “Homeland Security Funding Analysis,” of Analytical Perspectives volume of the FY2006 President’s Budget (for FY2004); Section 3. “Homeland Security Funding Analysis,” of Analytical Perspectives volume of the FY2005 President’s Budget (for FY2003) and Office of Management and Budget, *2003 Report to Congress on Combating Terrorism*, Sept. 2003, p. 10; CRS analysis of FY2002-2006 re-estimates of DOD homeland security funding provided by OMB, March 17, 2005.

Notes: Amounts may not total due to rounding. FY totals shown in this table include enacted supplemental funding. Year to year comparisons using particularly FY2002 may not be directly comparable, because as time has gone on agencies have been able to distinguish homeland security and non-homeland security activities with greater specificity.

- a. Amounts for FY2011 are estimates from the FY2012 President's Budget request based upon the annualized levels contained within the continuing resolution in operation at the time of publication. At the time of the publication of the President's Budget request Congress had yet to enact appropriations for FY2011.
- b. Amounts for FY2002-FY2004 do not include re-estimates of DOD homeland security funding, for FY2007 DOD changed the manner in which they account for their homeland security activities. This new method has been applied for forward. Re-estimates of FY2002-FY2004 DOD funding using this new method were not available for inclusion.

Author Contact Information

William L. Painter, Coordinator
Analyst in Emergency Management and Homeland
Security Policy
wpainter@crs.loc.gov, 7-3335

Jennifer E. Lake, Coordinator
Section Research Manager
jlake@crs.loc.gov, 7-0620

Marc R. Rosenblum
Specialist in Immigration Policy
mrosenblum@crs.loc.gov, 7-7360

Barbara L. Schwemle
Analyst in American National Government
bschwemle@crs.loc.gov, 7-8655

Bart Elias
Specialist in Aviation Policy
belias@crs.loc.gov, 7-7771

John Frittelli
Specialist in Transportation Policy
jfrittelli@crs.loc.gov, 7-7033

Lennard G. Kruger
Specialist in Science and Technology Policy
lkruger@crs.loc.gov, 7-7070

Bruce R. Lindsay
Analyst in American National Government
blindsay@crs.loc.gov, 7-3752

Francis X. McCarthy
Analyst in Emergency Management Policy
fmccarthy@crs.loc.gov, 7-9533

Sarah A. Lister
Specialist in Public Health and Epidemiology
slister@crs.loc.gov, 7-7320

William A. Kandel
Analyst in Immigration Policy
wkandel@crs.loc.gov, 7-4703

John D. Moteff
Specialist in Science and Technology Policy
jmoteff@crs.loc.gov, 7-1435

Daniel Morgan
Specialist in Science and Technology Policy
dmorgan@crs.loc.gov, 7-5849

Natalie Keegan
Analyst in American Federalism and Emergency
Management Policy
nkeegan@crs.loc.gov, 7-9569

Lorraine H. Tong
Analyst in American National Government
ltong@crs.loc.gov, 7-5846

Frederick M. Kaiser
Specialist in American National Government
fkaiser@crs.loc.gov, 7-8682

Shawn Reese
Analyst in Emergency Management and Homeland
Security Policy
sreese@crs.loc.gov, 7-0635

Jerome P. Bjelopera
Specialist in Organized Crime and Terrorism
jbjelopera@crs.loc.gov, 7-0622