



Homeland Security Department: FY2012 Appropriations

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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 (later amended by a supplemental request to \$11,389 million); Science and Technology, \$1,176 million; and the Domestic Nuclear Detection Office, \$332 million.

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 ran 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 the response 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. Three other short term continuing resolutions were needed to keep the government operating until the FY2012 appropriations work was completed.

On December 23, 2011, the President signed into law P.L. 112-74, the Consolidated Appropriations Act, FY2012. Division D of the bill was designated the Department of Homeland Security Appropriations Act, 2012. That same day, he signed into law P.L. 112-77, the Disaster Relief Appropriations Act, 2012. The two Acts provide gross budget authority of \$47,698 million for DHS for FY2012. Together, they provide \$46,000 million in net budget authority, \$39,600 in the base appropriations bill and \$6,400 million in the disaster relief supplemental. Excluding the supplemental funding for disaster relief, this represents a \$3,976 million decrease as compared to the President's budget request for DHS, and a \$2,066 million decrease from the level provided in FY2011 under P.L. 112-10.

Contents

Most Recent Developments	1
P.L. 112-74 and P.L. 112-77	1
Continuing Resolutions and H.R. 2017	1
Senate-Reported H.R. 2017	1
House-Passed H.R. 2017	2
President’s FY2012 Budget Request Submitted	2
Background	3
Department of Homeland Security	3
Budget Authority, Obligations, and Outlays	4
Discretionary and Mandatory Spending	4
Offsetting Collections	5
302(a) and 302(b) Allocations	5
Appropriations for the Department of Homeland Security	7
DHS Appropriations Trends	7
Summary of DHS Appropriations	8
Title I: Departmental Management and Operations	13
Departmental Management	14
President’s FY2012 Request	21
St. Elizabeths and Headquarters Consolidation	25
Analysis and Operations	27
Office of the Inspector General	29
Title II: Security, Enforcement, and Investigations	30
Customs and Border Protection	34
Immigration and Customs Enforcement	40
Transportation Security Administration	45
United States Coast Guard	52
United States Secret Service	56
Title III: Protection, Preparedness, Response, and Recovery	59
National Protection and Programs Directorate	62
Infrastructure Protection and Information Security	64
Federal Protective Service	68
U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT)	70
Office of Health Affairs	72
Federal Emergency Management Agency	75
Title IV: Research and Development, Training, Assessments, and Services	85
U.S. Citizenship and Immigration Services	87
Federal Law Enforcement Training Center	90
Science and Technology	91
Domestic Nuclear Detection Office	94

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.....	9
Table 5. Title I: Departmental Management and Operations	13
Table 6. DHS Management Account Appropriations.....	14
Table 7. Office of the Chief Human Capital Officer Appropriations.....	22
Table 8. Title II: Security, Enforcement, and Investigations.....	31
Table 9. Customs and Border Protection Account Detail	36
Table 10. ICE Salaries and Expenses Account Detail.....	42
Table 11. TSA Gross Budget Authority by Budget Activity	47
Table 12. Coast Guard Operating (OE) and Acquisition (ACI) Sub-Account Detail	54
Table 13. FY2011 and FY2012 Budget Authority for the U.S. Secret Service	58
Table 14. Title III: Protection, Preparedness, Response, and Recovery	60
Table 15. FY2011-FY2012 Budget Activity for NPPD Management and Administration Appropriation.....	63
Table 16. Budget Authority for Infrastructure Protection and Information Security	67
Table 17. Budget Authority for Grants and Training	79
Table 18. Title IV: Research and Development, Training, Assessments, and Services	86
Table 19. USCIS Budget Account Detail.....	89
Table 20. Directorate of Science and Technology, Accounts and Activities.....	92
Table 21. Domestic Nuclear Detection Office, Accounts and Activities	95
Table A-1. Federal Homeland Security Funding by Agency, FY2002-FY2013	98

Appendixes

Appendix. DHS Appropriations in Context.....	97
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Contacts

Author Contact Information.....	101
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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, and the final conference report 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

P.L. 112-74 and P.L. 112-77

On December 23, 2011, President Obama signed into law H.R. 2055, the Consolidated Appropriations Act, 2012 (P.L. 112-74). Division D of the bill was designated the Department of Homeland Security Appropriations Act, 2012. The act includes \$39,600 million for DHS, a reduction of \$3,976 million from the President's base request and a reduction of \$2,067 million from FY2011 levels.

The same day, the President signed H.R. 3672, the Disaster Relief Appropriations Act, 2012 (P.L. 112-77) into law, which provides \$6,400 million in supplemental appropriations for the Federal Emergency Management Agency's (FEMA's) Disaster Relief Fund (DRF) that are accounted for by an adjustment to the discretionary budget authority cap set by the Budget Control Act (P.L. 112-25, hereinafter BCA).

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 BCA. The resolutions included \$2.65 billion to replenish the DRF which had been depleted through the response 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.

A third CR funded operations through December 16, 2011, at the current rate, and two more short term CRs kept the government functioning until H.R. 2055, the final appropriations package for FY2012, could be signed into law.

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 would have provided 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 have been paid for by adjustments to the discretionary cap under the BCA. With those exclusions, the Senate-reported bill would have provided \$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 carried 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 proposed above the committee-recommended level for DHS activities included \$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 over 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

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. 112-74
House	Senate					House	Senate	
5/13 (vv)	n/a	5/26 (27-20)	6/2 (231-188)	9/7 (28-2)	n/a	12/16 (296-121)	12/17 (67-32)	12/23

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.

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.

Note on Most Recent Data

Data used in this report for FY2010 revised amounts are from the President's Budget Documents. FY2011 enacted appropriation 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 for the contents of the final consolidated appropriations package and explanatory statement is drawn from P.L. 112-74 and H.Rept. 112-331. Data on the supplemental is from P.L. 112-77. 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.

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).

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.

- 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 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

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://fms.treas.gov/annualreport/cs2005/c18.pdf>.

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.

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.

⁷ P.L. 101-508, Title XIII.

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

The FY2012 appropriations bills are the first that are affected by the BCA, which established discretionary security and nonsecurity spending caps for FY2012 and FY2013, and overall caps that will govern the actions of appropriations committees in both houses, in lieu of annual concurrent resolutions on the budget. In FY2012, the BCA sets a separate cap of \$684 billion for security spending, defined to include the Departments of Defense and Veterans Affairs, Budget Function 150 for all international affairs programs, the National Nuclear Security Administration, and the Intelligence Community Management Account that funds the offices of the Director of National Intelligence. All other spending is capped at \$359 billion out of the total of \$1.043 trillion. In addition, the BCA allows for adjustments that would raise the statutory caps to cover funding for overseas contingency operations/Global War on Terror, emergency spending, and, to a limited extent, disaster relief and appropriations for continuing disability reviews and for controlling health care fraud and abuse.⁹

In FY2013, these initial discretionary caps would be superseded by new caps specified in Section 302 of the Budget Control Act that would set budget totals for National Defense, or budget function 050, and all other funding. If Congress does not enact funding that matches these caps, the Administration would implement a sequestration, or cancellation of budget authority, to meet the levels specified in the act on January 2, 2013.

This report does not reflect the scorekeeping adjustments that may bring the total budget authority provided in the appropriations proposals in line with the BCA caps and the 302(a) and 302(b) allocations.

Table 2 shows DHS's 302(b) allocations for FY2011 and FY2012.

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	39.600 ^c

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

Notes: Amounts may not total due to rounding.

- a. This amount represents the revised allocation approved by the Appropriations Committee by voice vote on June 14, 2011. The initial allocation was \$40,592 million.
- b. 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.
- c. This authority does not include the \$258 million for overseas contingency operations or the separately passed disaster relief of \$6,400 million covered through adjustments to the discretionary spending cap set by the Budget Control Act.

⁹ For more information on the Budget Control Act of 2011, see CRS Report R41965, *The Budget Control Act of 2011*, by Bill Heniff Jr., Elizabeth Rybicki, and Shannon M. Mahan.

Adjustments to the Caps under BCA

Three of the four justifications for adjusting the caps in discretionary budget authority have played a role in DHS's budget in the department's brief history. Two of these—emergency spending and overseas contingency operations/Global War on Terror—are not limited. At this printing, no adjustment has been made for emergencies for FY2012 for DHS, and \$258 million has been provided for Coast Guard overseas contingency operations.

The limitation on adjustments for disaster relief is determined by the Office of Management and Budget (OMB), using 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.

For FY2012, OMB determined the allowable adjustment for disaster relief to be \$11,252 million, and appropriations action thus far has exercised \$10,453 million of that adjustment.

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
29,069 ^a	30,175	30,642 ^b	31,679 ^c	35,311 ^d	38,817 ^e	41,205	49,891 ^f	43,405	47,698 ^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 enacted amount is from CRS analysis of H.Rept. 112-331 and P.L. 112-77.

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. Includes \$6,400 million in supplemental disaster relief spending (P.L. 112-77).

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
(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	677
Analysis and Operations	333	334			334	355	344	339	338
Office of the Inspector General	119	114			114	144	124	125	117
Subtotal: Title I	1,261	1,287			1,287	1,447	811	1,156	1,132
Title II: Security, Enforcement, and Investigations									
Customs and Border Protection	10,407	9,880			9,880	10,372	10,348	10,242	10,155
Immigration and Customs Enforcement	5,517	5,501			5,501	5,494	5,547	5,535	5,551
Transportation Security Administration	5,130	5,296			5,296	5,515	5,502	5,305	5,521
U.S. Coast Guard	8,900	8,593			8,593	8,677	8,381	8,653	8,634
U.S. Secret Service	1,490	1,515			1,515	1,699	1,673	1,676	1,667
Subtotal: Title II	31,444	30,785			30,785	31,756	31,452	31,410	31,527

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 III: Protection, Preparedness, Response and Recovery									
National Protection & Programs Directorate	1,314	1,216			1,216	1,268	1,231	1,254	1,246
Office of Health Affairs	137	139			139	161	166	159	167
Federal Emergency Management Administration	12,230	7,209			7,209	11,389 ^a	5,682	9,781 ^b	10,667 ^c
Subtotal: Title III	13,681	8,564			8,564	12,819^a	7,079	11,194^b	12,080^c
Title IV: Research and Development, Training, Assessments, and Services									
Citizenship and Immigration Services	246	146			146	369	132	121	102
Federal Law Enforcement Training Center	291	271			271	276	274	272	271
Science and Technology	1,006	828			828	1,176	539	800	668
Domestic Nuclear Detection Office	383	342			342	332	337	268	290
Net subtotal: Title IV	1,926	1,589			1,589	2,154	1,283	1,461	1,332

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 V: General Provisions									
National Special Security Event Reimbursement Fund	0	7			7	0	0	10	8
Data Center Migration								15	70
St. Elizabeths / Mission Support Consolidation								56	56
Reimbursement for Spills of National Significance								1	0
CG aircraft replacement (emergency)								18	0
Rescissions	-41	-557 ^d			-557	-42 ^e	-33	-103	-204
Rescissions (emergency funding)								-18	0
Subtotal: Title V	-41	-550			-550	-42	-33	-21	-71
Title VI: Disaster Assistance									
Subtotal: Title VI							1,000^f	0	n/a
Title VII: Spending Reduction Account									
Subtotal: Title VII							-1^g	0	n/a

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
Net DHS budget authority	49,523	41,661			41,661	48,176^a	40,591	45,200	39,600

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, H.R. 2017 as reported by the Senate, H.Rept. 112-331 and P.L. 112-77.

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. \$4,200 million for the DRF was “paid for” by an adjustment to the discretionary cap under the Budget Control Act. This is reflected in the total.
- c. \$6,400 million for the DRF was included in P.L. 112-77 and “paid for” by an adjustment to the discretionary cap under the Budget Control Act. This is reflected in the total.
- d. This total reflects the rescissions included in P.L. 112-10. An additional \$107 million rescission was included in P.L. 112-8.
- e. These rescissions are accounted for in other titles, but are shown here for comparison.
- f. This is emergency funding, offset with rescissions from other legislation – therefore it does not impact the total net budget authority.
- g. 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 Operations¹⁰

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, the Senate-reported amounts for FY2012, and the appropriations for FY2012.

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

Operational Component	FY2010 Total (Revised + Supplementals)	FY2011 Enacted	FY2012 Appropriation			
			FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
Office of the Secretary and Executive Management	148	137	143	62	135	133
Office of the Under Secretary for Management	254	239	249	107	237	236
Office of the Chief Financial Officer	61	53	62	51	51	51
Office of the Chief Information Officer	345	333	278	122	268	257
Analysis and Operations	333	334	355	344	339	338
Office of the Federal Coordinator for Gulf Coast Rebuilding	2	0	0	0	0	0
DHS Headquarters Consolidation	-	77	215	0	0 ^a	0 ^b
Office of the Inspector General	119 ^c	114 ^c	144	124 ^c	125 ^c	1175 ^d
Net Budget Authority: Title I	1,261	1,287	1,447	811	1,156	1,132

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, S.Rept. 112-74, and P.L. 112-74.

Notes: Amounts may not total due to rounding.

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

¹⁰ Prepared by Barbara L. Schwemle, Analyst in American National Government, Government and Finance Division.

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 increases 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. The Senate provided \$56 million for DHS headquarters consolidation in Title V of their bill.
- b. P.L. 112-74 provided \$56 million for DHS headquarters consolidation in Title V of Division D.
- c. Does not include a \$16 million transfer of funds from FEMA's Disaster Relief Account.
- d. Does not include a \$24 million transfer of funds from FEMA's Disaster Relief Account.

Departmental Management

FY2012 Enacted

P.L. 112-74 provides these appropriations, as compared with the President's request: OSEM, \$133 million (\$10 million or 7.0% less); USM, \$236 million (\$13 million or 5.2% less); OCFO, \$51 million (\$11 million or 17.7% less); and OCIO, \$257 million (\$21 million or 7.5% less). The total funding provided by the law for departmental management in Title I is \$677 million. This represents a decrease of \$54 million or 7.4% from the President's request, not including the Administration's request for \$215 million for headquarters consolidation, which is handled in Title V of the bill, but discussed later in this part of the Title I discussion.

The conference report allocates the funding within the management accounts under Title I as follows (amounts are rounded):

Table 6. DHS Management Account Appropriations
(budget authority in millions of dollars)

Accounts and Subaccounts	FY2012 Request	FY2012 Enacted
Office of the Secretary and Executive Management	143	133
Immediate Office of the Secretary	5	5
Immediate Office of the Deputy Secretary	2	2
Office of the Chief of Staff	3	2
Office of Counternarcotics Enforcement	4	2
Executive Secretary	8	8
Office of Policy	42	40
Office of Public Affairs	6	6

Accounts and Subaccounts	FY2012 Request	FY2012 Enacted
Office of Legislative Affairs	6	6
Office of Intergovernmental Affairs	3	3
Office of General Counsel	22	22
Office for Civil Rights and Civil Liberties	25	23
Citizenship and Immigration Services Ombudsman	6	6
Privacy Officer	9	8
Office of the Under Secretary for Management	249	236
Immediate office of the Under Secretary for Management	8	3
Office of Security	71	70
Office of the Chief Procurement Officer (OCPO)	79	78
Office of the Chief Human Capital Officer	45	39
Office of Chief Administrative Officer	47	46
Office of the Chief Financial Officer	62	51
Office of the Chief Information Officer	278	257
Salaries and Expenses	106	106
Information Technology Services	39	39
Infrastructure and Security Activities	90	69
Homeland Secure Data Network	44	44

Source: S.Rept. 112-74 and H.Rept. 112-331.

Among the provisions and directives included in P.L. 112-74 are:

- Funds are withheld from the Office of the Secretary until a plan for implementing biometric exit, including cost data, is submitted to Congress.
- The Office of Counternarcotics Enforcement (CNE) is only funded to continue operations during its termination. The bill states these funds may be transferred to the Office of Policy, which is expected to assume the CNE's policy development and coordination responsibilities, and to be available until September 30, 2012.

The conference report states:

The termination of CNE reflects the need to streamline Executive Branch efforts to carry out the counternarcotics enforcement mission. Allowing the funds to be transferred to the Office of Policy will ensure the Department can integrate the existing CNE policy planning and coordination activities within the broader Department enforcement and security missions and make optimum use of the existing planning and operations elements of its key law enforcement agencies.¹¹

- The appropriation for the Chief Administrative Officer includes \$5 million, to be available until September 30, 2016, to support alteration and facilities

¹¹ H.Rept. 112-331, p. 946.

improvements and relocation costs to consolidate part of the DHS headquarters at the Nebraska Avenue Complex.

The conference report provides further direction to management components:

- Expenditure plans for FY2012 for agencies under OSEM must be submitted to the House and Senate Committees on Appropriations by March 30, 2012. The conference report notes, as it has in previous years, the lack of timeliness on a number of expenditure plans required by the appropriations committees. According to the conference report:

The Department has failed to deliver a number of statutorily required fiscal year 2011 expenditure plans, or has delivered them unacceptably late. The Department is expected to comply with Congressional direction and demonstrate the priority it places on these programs and submit required expenditure plans as directed and in accordance with the specified deadlines. The Department should already have these expenditure plans as part of its routine management activities....¹²

- In addition, the department must submit quarterly reports to the House and Senate Committees on Appropriations listing the purpose and dollar amount for all reception and representation expenses. DHS is to review the allowance levels for agencies and components for alignment with missions and responsibilities and propose any changes in the FY2013 budget request.
- Within 30 days after the act's enactment, the Privacy Officer must report to the House and Senate Committees on Appropriations "to implement the OIG's recommendations to fix problems identified with the Department's Freedom of Information (FOIA) activities (OIG-11-67), including whether and how recent adjustments to DHS FOIA policies and procedures have improved the processing of inquiries, such as decreasing wait times for approval of significant requests."¹³
- The appropriation for the OCPO includes \$3.4 million to be used to enhance the department's acquisition capabilities. The conference report states that in those instances in which requests related to the Acquisition Workforce Initiative were not funded at the requested amount, "components should use existing appropriations and fee authority to hire and train highly qualified acquisition personnel for which there are clearly defined requirements."¹⁴
- The conference report provides direction for the content of the FY 2013 budget justifications including a Future Years Homeland Security Program budget that will reflect anticipated spending for FY2013 through FY2017, and be accessible to the general public. Echoing language from the House and Senate reports, it indicates that the \$11 million reduction to the OCFO is a result of the cancellation of the Transformation and Systems Consolidation (TASC) effort, and is directed to keep the House and Senate Committees on Appropriations "fully informed" on the department's financial management improvement plans, "including any centralized or decentralized solutions that would fulfill the objectives originally set for the TASC project and any plans for integrating the

¹² Ibid., p. 946.

¹³ Ibid., p. 948.

¹⁴ Ibid., p. 951.

Department's remaining management systems for acquisitions and assets." Finally, the conference report directs the OCFO's Office of Program Analysis and Evaluation to evaluate the department's approach to acquiring technology and systems for its nuclear detection mission and analyze alternative approaches.¹⁵

General provisions in P.L. 112-74 related to departmental management and operations include the following:

- Section 514 requires the CFO to submit reports on budget execution and staffing, including the number of contract employees, by DHS office, to the House and Senate Committees on Appropriations within 45 days after the end of each month.
- Section 556 provides an appropriation of \$70 million for data center migration. The CIO is directed to notify the House and Senate Committees on Appropriations within 45 days after enactment on the initial allocation of the above funding and to continue to provide quarterly briefings on development and migration. With 15 days prior notice to the committees, the Secretary is authorized to transfer funds made available for migration, as necessary, among components based on revised schedules and priorities.

Senate-Reported H.R. 2017

H.R. 2017, as reported by the Senate Committee on Appropriations, would have provided the following 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); and OCIO, \$268 million (\$10 million or 3.6% less). No funding was recommended for DHS Headquarters Consolidation under Title I, although \$56 million was provided in Title V. The total funding provided by the Senate-reported bill for departmental management in Title I was \$692 million. This would have represented a decrease of \$40 million, or 5.5%, from the President's request, not including the funding for DHS headquarters consolidation at St. Elizabeths.

The Senate-reported bill would have provided 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.¹⁶

For the OCPO, funding was 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 report directs the office to brief the committee within 60 days after enactment on the acquisition workforce, including the risks of not filling acquisition positions and the long-term strategy to fill gaps in competencies.¹⁷

¹⁵ Ibid., p. 954.

¹⁶ S.Rept. 112-74, p. 12.

¹⁷ Ibid., p. 18.

Under the OCAO, \$5 million was provided for continued maintenance and upgrade of the department's Nebraska Avenue Complex facilities, which would have allowed for completion of the project on the perimeter fence and for other mechanical, electrical, and building improvements. The Chief Administrative Officer is directed by the report 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 OCIO, the recommended 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.¹⁸

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.¹⁹
- 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 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.²⁰
- 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 enactment and updates on a quarterly basis thereafter.²¹
- 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.²²
- 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,

¹⁸ Ibid., pp. 23-24

¹⁹ Ibid., p. 10.

²⁰ Ibid., p. 11.

²¹ Ibid., p. 12.

²² Ibid., p. 14.

and establishment of critical relationships across agencies with responsibilities for cybersecurity.²³

House-Passed H.R. 2017

H.R. 2017, as passed by the House, would have provided the following 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); and OCIO, \$122 million (\$156 million or 56.1% less). No funding was recommended for DHS headquarters consolidation. The total funding provided by the House-passed bill for management activities under Title I was \$342 million. This would have represented a decrease of \$380 million, or 52%, from the President's request, not including the handling of the DHS Headquarters project.

House-Reported H.R. 2017

The House Appropriations committee-approved version of H.R. 2017 recommended \$330 million more than the house finally approved. Funding would have been distributed across the management accounts as follows, 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). Even with this higher level of funding, no funding was recommended for DHS Headquarters Consolidation. The total funding recommended by the House Appropriations committee for management activities under Title I was \$674 million. This represented a decrease of \$58 million, or 7.9%, from the President's request, not including the handling of the DHS Headquarters project.

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.²⁴ H.R. 2017 as reported and passed by the House provided that \$63 million of the appropriation could not be obligated until the committees received the two submissions and the Secretary's determination on implementation of biometric air exit. This was \$1 million more than remained 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 have been 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 would have been available until September 30, 2014, for the Human Resources Information Technology program.

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 emphasized that

²³ Ibid., p. 15.

²⁴ The National Preparedness Goal was released October 7, 2011.

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.²⁵

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 to be raised through TSA is "hypothetical," as the fee increases have not been authorized. Furthermore, the Committee indicated that 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.²⁶

Under the CIO appropriation, \$72.3 million would have been available until September 30, 2014, for development and acquisition of information technology equipment, software services, and related activities. Under provisions carried in the House version of the bill, which were carried in P.L. 112-74, not later than 60 days after enactment the CIO would have been required to submit an expenditure plan for all information technology acquisition projects funded under the Office of the CIO or by multiple components of the department. 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.

Among 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."²⁷

²⁵ H.Rept. 112-91, p. 18.

²⁶ Ibid., p. 19.

²⁷ Ibid., p. 10.

- 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.²⁸
- 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.”²⁹
- 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.”³⁰

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%); and OCIO, \$278 million, a decrease of \$55 million (-16.5%). The total request for departmental management activities in Title I for FY2012 was \$732 million, not including the consolidation of DHS headquarters on the campus of St. Elizabeths, an effort discussed elsewhere in the report.

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.³¹

²⁸ Ibid., p. 17.

²⁹ Ibid., p. 20.

³⁰ Ibid., p. 22.

³¹ 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.

The OCFO requested \$62 million and 232 total FTEs. According to the OCFO justification, a planned accomplishment in FY2012 was 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.³²

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.³³ 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.³⁴

Table 7, below, shows the funding for the OCHCO for FY2011, the President’s request for FY2012, the House-passed amounts for FY2012, the Senate-reported amounts for FY2012, and the appropriations 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 7. 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	25
Human Resources Information Technology	17	17	16	14	14
Total	42	45	41	39	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, S.Rept. 112-74, and H.Rept. 112-331.

Note: Amounts may not total due to rounding.

³² 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.

³³ FY2011 DHS Justifications, Departmental Management and Operations, Under Secretary for Management, pp. USM-4 and USM-49.

³⁴ Ibid., p. USM-15.

Personnel and P.L. 112-74

The law provides an appropriation of \$39 million for the OCHCO—\$6 million less than the President’s request. This represents the same level as was recommended by the Senate Appropriations Committee, but \$2 million less than recommended by the House Appropriations Committee. Of the total, \$25 million is for salaries and expenses (S&E) and \$14 million is for human resources. The S&E appropriation includes \$688,000 “to enhance the Balanced Workforce Program office, workforce training, and leadership development.”³⁵ The conference agreement directs the USM and the CHCO to brief the House and Senate Committees on Appropriations by February 15, 2012, on the Secretary’s Efficiency Review and the Balanced Workforce Initiative. With regard to the review, the briefing should cover “efficiencies identified ... and progress in implementing them; components and specific procurements where additional oversight personnel are required and where they are being or are planned to be deployed; and how reforms in headquarters structure and function are improving support and management for Department field operations.” For the initiative, “the briefing should cover the status of the ongoing Balanced Workforce Initiative; provide the most current list of positions DHS plans to convert from contractor to Federal positions, and progress against that list; and discuss estimated savings from that effort and the methodology used to calculate those savings.” As the House report had directed, the conference report directs DHS “to arrange for an independent evaluation of its efficiency review,” and to submit the results to the House and Senate Committees on Appropriations within 30 days after the evaluation is completed.³⁶

Title V of Division D of P.L. 112-74 includes the following general provisions related to personnel:

- Section 523 prohibits the use of appropriated funds “to carry out reorganization authority,” but the provision “is not intended to prevent the Department from carrying out routine or small reallocations of personnel or functions within [DHS] components.”
- Section 530 prohibits the obligation of funds for the Office of the Secretary and Executive Management for new hires not verified through the E-Verify Program.
- Section 539 directs that any DHS official required to report or certify to the House and Senate Committees on Appropriations may not delegate any authority unless expressly authorized to do so in this act.
- Section 542 prohibits the use of appropriated funds for first-class travel.
- Section 543 prohibits the use of appropriated funds “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.”
- Section 554 permits “administrative law judges to be available temporarily to serve on an arbitration panel created under the American Recovery and Reinvestment Act for FEMA’s Public Assistance program for Hurricanes Katrina and Rita.”

³⁵ H.Rept. 112-331, p. 951.

³⁶ Ibid., p. 952.

All of these provisions were carried in both House and Senate versions of the legislation, with the exception of Section 554.

Personnel and the Senate-Reported Bill

The Senate report has standing to provide direction to DHS beyond the conference report if the two are not in conflict. Among the directions provided that remain in effect are:

- Direction to OCHCO and the Federal Law Enforcement Training Center (FLETC) 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 FY2012.³⁷
- Direction for DHS to review the current limitations on overtime for its law enforcement personnel and propose any necessary adjustments in the FY2013 budget.³⁸

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.³⁹ 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 FY2012.⁴⁰

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.⁴¹ 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.⁴²

³⁷ S.Rept. 112-74, p. 20.

³⁸ Ibid., p. 14.

³⁹ FY2012 DHS Justifications, Departmental Management and Operations, Under Secretary for Management, pp. USM-9 and USM-12.

⁴⁰ Ibid., pp. USM- 9 and USM-12.

⁴¹ 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.

⁴² 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.

St. Elizabeths and Headquarters Consolidation⁴³

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 budget, and \$2 billion through the GSA.⁴⁴ 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.

FY2012 Enacted

P.L. 112-74 provides \$56 million for headquarters consolidation at St. Elizabeths, and no funding for mission support consolidation initiative, which had been canceled earlier in the year. While DHS sources have indicated that the funding will be adequate to complete work on the Coast Guard headquarters building, questions still remain over whether the budget for the General Services Administration will be adequate to support the necessary infrastructure for the Coast Guard to occupy the building on the current schedule. Funding is provided in the general provisions of the DHS appropriations act (Title V), and carries direction prioritizing the completion of Phase 1 of the project, and requiring an expenditure plan by the end of March that outlines how the funds will be allocated, a revised schedule, and a new cost estimate for the overall headquarters consolidation initiative.

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

⁴³ Prepared by William L. Painter, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division, and .

⁴⁴ 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.

requested funding level.⁴⁵ 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.⁴⁶

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 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.⁴⁷

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. This represented the single largest programmatic increase in Title I of the Administration's proposal—\$138 million above last year's level. In other parts of the budget, the Administration 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.⁴⁸

⁴⁵ 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.

⁴⁶ H.Rept. 112-91, p. 16.

⁴⁷ Ibid., p. 202.

⁴⁸ For information on the General Services Administration budget, please consult CRS Report R42008, *Financial Services and General Government: FY2012 Appropriations*, coordinated by Garrett Hatch.

Analysis and Operations⁴⁹

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 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.⁵⁰

⁴⁹ Prepared by Jerome P. Bjelopera, Specialist in Organized Crime and Terrorism, Domestic Social Policy Division.

⁵⁰ 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 (continued...)"

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.

FY2012 Enacted

Congress enacted \$338 million for the Analysis and Operations (AOO) account. This is an increase of \$4 million (+1.2%) over the enacted FY2011 amount of \$334 million and a decrease of \$17 million (-4.7%) from the budget request. It is a decrease of \$1 million from the Senate-reported H.R. 2017. It is a decrease of \$9 million (-2.6%) below the House-passed version of H.R. 2017. The conference report reinforces the directions to DHS regarding an expenditure plan and state and local fusion centers noted below.

Senate-Reported H.R. 2017

The Senate Appropriations Committee recommended \$339 million for the Analysis and Operations (AOO) account. This was 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 was 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 initiative⁵¹ because of an insufficient justification, the need to support core DHS operations, and the lack of clarity surrounding future costs and requirements. The committee required the DHS Chief Intelligence Officer to submit an expenditure plan for FY2012 no later than 60 days after the date of enactment. 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 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.

(...continued)

of Homeland Security is the principal Federal official for domestic incident management.”

⁵¹ 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.

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.

Office of the Inspector General⁵²

FY2012 Enacted

The OIG receives \$117 million in appropriations, \$27 million, or 18.7%, less than the President's request. This is mitigated to an extent by a \$24 million transfer from the Federal Emergency Management Agency's Disaster Relief Fund.

This transfer is 50% larger than similar recent transfers, but is for the same stated purpose—for audits and investigations related to disasters. The conference report requires that a plan for the expenditure of funds be submitted within 30 days of enactment. The House and Senate Committees on Appropriations must be notified of all transfers from the DRF through the DHS CFO's monthly budget execution reports. The report goes on to state that the appropriation includes no less than \$4 million for integrity investigations, and that the IG must submit a plan for integrity oversight funds developed in coordination with CBP and ICE along with the OIG's overall expenditure plan.

Under the Senate-reported version of the bill, the OIG would have received \$125 million (\$19 million or 13.2% less than requested) in direct appropriations, plus a \$16 million transfer from the FEMA Disaster Relief Fund for its oversight of disaster assistance. In the House-passed version, the OIG would have received \$1 million less than in the Senate, with a similar same \$16 million transfer.

President's FY2012 Request

Other than the DHS headquarters consolidation initiative, the largest increase proposed by the Administration in Title I was for the OIG. The Administration requested a funding level of \$144 million and 676 FTE, an increase of \$30 million (+26.3%) over 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.⁵³ 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."⁵⁴

⁵² Prepared by Barbara L. Schwemle, Analyst in American National Government, Government and Finance Division.

⁵³ 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.

⁵⁴ U.S. Department of Homeland Security, Office of Inspector General, Congressional Justification, FY2012, pp. OIG-5, OIG-7, and OIG-10.

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 8** shows the FY2010 and FY2011 enacted, and FY2012 appropriation action for Title II.

Table 8. 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	8,680
Automation modernization	422	336			336	364	334	334	334
Border Security Fencing, Infrastructure, and Technology	814	573			573	528	510	400	400
Air and Marine Interdictions	552	515			515	471	500	507	504
Facilities Management (Construction)	326	259			259	284	234	239	237
Fee accounts ^b (offset)	1,432	1,418			1,418	1,468	1,413	1,413	1,496
Gross total	11,845	11,298			11,298	11,840	11,761	11,655	11,651
Net total (gross less fees, trust funds and mandatory)	10,407	9,880			9,880	10,372	10,348	10,242	10,155
Immigration & Customs Enforcement									
Salaries and expenses	5,422	5,427			5,427	5,497	5,523	5,513	5,529
Automation & infrastructure modernization	90	74			74	14	24	22	22
Construction	5	0			0	0	0	0	0
Rescission						-16			
Fee accounts ^c (offset)	305	305			305	312	312	312	312
Gross total	5,822	5,805			5,805	5,806	5,859	5,846	5,862
Net total (gross less fees, trust funds and mandatory)	5,517	5,501			5,501	5,494	5,547	5,535	5,551

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	5,254
Surface Transportation Security	111	106			106	135	130	135	135
Transportation Threat Assessment and Credentialing	220	204			204	224	224	204	204
Transportation Security Support	1,002	987			987	1,114	1,033	1,042	1,032
Federal Air Marshals	860	928			928	991	961	981	966
Aviation security capital fund (mandatory—does not reflect in net discretionary totals)	250	250			250	250	250	250	250
Gross total	7,656	7,688			7,688	8,115	7,823	7,906	7,841
Offsetting aviation security collections	-2,229	-2,100			-2,100	-2,310	-2,030	-2,310	-2,030
Credentialing/Fee accounts ^d (offset to TTAC)	-48	-41			-41	-40	-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	5,521
U.S. Coast Guard									
Operating expenses	6,909	6,894			6,894	6,820 ^f	7,071	7,078	7,051
Environmental compliance & restoration	13	13			13	17	10	17	14
Reserve training	134	133			133	137	132	134	134
Acquisition, construction, & improvements	1,552	1,517			1,517	1,422	1,152	1,392	1,404
Alteration of bridges	4	0			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	28
Retired pay (mandatory— does not reflect in net discretionary total)	1,361	1,401			1,401	1,440	1,440	1,440	1,440
Health care fund contribution	264	265			265	262	262	262	262
Gross Total	10,262	10,248			10,248	10,117	10,080	10,351	10,332
Net Total (gross less fees, trust funds and mandatory) ^g	8,900	8,593			8,593	8,677	8,381	8,653	8,634
U.S. Secret Service									
Salaries and expenses	1,486	1,511			1,511	1,692	1,666	1,670	1,661
Acquisition, construction, and improvements	4	4			4	7	7	5	5
Total	1,490	1,515			1,515	1,699	1,673	1,675	1,667
Net Budget Authority: Title II	31,444	30,785			30,785	31,756	31,452	31,410	31,527

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, H.R. 2017, as reported in the Senate, P.L. 112-74 and H.Rept. 112-331.

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. Net total includes a \$4 million rescission of prior year unobligated balances.
- f. FY2012 request for Coast Guard operating expenses does not include \$258 million request for overseas contingency operations, which is requested as a transfer from DOD.
- g. Net total does not include mandatory funding or overseas contingency operation funding, which does not count as discretionary budget authority.

Customs and Border Protection⁵⁵

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 8** for account-level detail for all of the agencies in Title II, and **Table 9** for subaccount-level detail for CBP appropriations and funding for FY2010-FY2012.

FY2012 Enacted

The Consolidated Appropriations Act (P.L. 112-74) provides \$10,155 million for CBP in FY2012, and estimates fee collections of \$1,496 million (total budget authority of \$11,651 million). The enacted funding level reflects the passage of the United States-Colombia Trade Promotion Agreement Implementation Act (P.L. 112-42), which removed the exemption from COBRA fees for certain travelers and is expected to generate \$83 million in additional revenue in FY2012. The FY2012 net funding level represents an increase of \$275 million (2.8%) over the FY2011 enacted amount and a decrease of \$217 million (2.1%) below the Administration's requested level.

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 \$130 million (1.3%) below the Administration's requested level.

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), which would have amounted 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.

⁵⁵ Prepared by Marc R. Rosenblum, Specialist in Immigration Policy, Domestic Social Policy Division.

President's FY2012 Request

The Administration requested an appropriation of \$11,840 million in gross budget authority for CBP for FY2012, which amounted 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 included 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;
- 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 9. 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	8,677
<i>Headquarters Management and Administration</i>	1,463	1,911	1,874	1,878	1,869
<i>Border Security Inspections and Trade Facilitation @ POE</i>	2,894	2,907	2,988	2,977	2,904
<i>Border Security and Control Between POE</i>	3,544	3,620	3,620	3,620	3,620
<i>Air and Marine Operations—Salaries</i>	296	288	288	288	288
<i>Harbor Maintenance Trust Fund (offset)</i>	(3)	(3)	(3)	(3)	(3)
Automation Modernization Subtotal	336	364	334	334	334
<i>Automated Commercial Environment</i>	148	168	140	140	140
<i>Current Operations Protection</i>	188	194	194	194	194
Border Security, Fencing, Infrastructure and Technology (BSFIT)	573	528	510	400	400
<i>Development and Deployment</i>	325	337	312	212	212
<i>Operations and Maintenance</i>	172	133	133	133	133
<i>Program Management</i>	76	57	54	54	54
Air and Marine	515	471	500	507	504
<i>Operations and Maintenance</i>	371	361	361	365	365
<i>Procurement</i>	144	110	139	141	139
Construction and Facilities Management	259	284	234	239	237
<i>Facility Construction and Sustainment</i>	233	227	180	185	183
<i>Program Oversight and Management</i>	36	57	54	54	54
CBP Total Appropriations	9,880	10,372	10,348	10,242	10,155
Estimated Fee Collections	1,365	1,468	1,413	1,413	1,496
CBP Total Budget Authority	11,245	11,840	11,761	11,655	11,651

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, H.R. 2017, as reported in the Senate, and H.Rept. 112-331 and P.L. 112-74.

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

Issues for Congress

Issues that Congress considered during the FY2012 appropriations cycle included 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.⁵⁶ The Administration's FY2012 budget request supported 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.⁵⁷ The request also included \$229 million to fully fund the increase in journeyman grade level for border 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.⁵⁸ The request also would have funded 10 new canine inspection teams, bringing the total number of such teams to 610, covering 331 ports of entry.⁵⁹

The House and Senate Appropriation Committee reports and the conference report recommended full funding for the the Administration's request for additional staffing levels for the Border Patrol and CBP officers at POEs, although the House committee expressed skepticism about the Administration's methodology for calculating CBP officer staffing demands, and recommended strategies for reducing staffing at POEs.⁶⁰ 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.⁶¹

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,

⁵⁶ See CRS Report R41189, *Homeland Security Department: FY2011 Appropriations*, coordinated by Jennifer E. Lake and William L. Painter; and CRS Report R42138, *Border Security: Immigration Enforcement Between Ports of Entry*, by Marc R. Rosenblum.

⁵⁷ U.S. Department of Homeland Security, Budget-in-Brief: Fiscal Year 2012, p. 9.

⁵⁸ U.S. Department of Homeland Security, Budget-in-Brief: Fiscal Year 2012, p. 32.

⁵⁹ U.S. Customs and Border Protection, *Congressional Budget Justifications* FY2012, p. CBP S&E 80-81.

⁶⁰ 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.

⁶¹ See, for example, *ibid.* pp. 32-33.

noting a high unobligated balance in the Border Security Fencing, Infrastructure, and Technology (BSFIT) account. The conference committee adopted the Senate's funding level of \$400 million for BSFIT in FY2012.

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,⁶² 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.”⁶³ 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; and in January 2011 DHS announced plans to end Boeing's contract and to develop a new border surveillance plan.⁶⁴

Under the department's new Alternative (Southwest) Border Technology program, DHS plans to deploy a mix of Remote Video Surveillance (RVS) systems, 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.⁶⁵ 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. Appropriators also expressed concern about the Administration's use of IFT systems, as well as what the Conference report described as a “prolonged delay” in the purchase and upgrade of RVS systems.⁶⁶

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 October 6, 2011.⁶⁷ 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

⁶² 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.

⁶³ For a fuller discussion of border surveillance technology, see CRS Report R42138, *Border Security: Immigration Enforcement Between Ports of Entry*, by Marc R. Rosenblum.

⁶⁴ Testimony of CBP Assistant Commissioner Mark Borkowski before the House Committee on Homeland Security, Subcommittee on Border and Maritime Security, *After SBInet – The Future of Technology on the Border*, 112th Cong., 1st sess., March 15, 2011.

⁶⁵ U.S. Government Accountability Office, *Border Security: Preliminary Observations of the Status of Key Southwest Border Technology Programs*, GAO-11-448T, March 15, 2011, p. 6, <http://www.gao.gov/new.items/d11448t.pdf>.

⁶⁶ U.S. Congress, House Committee on Appropriations, *Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2012*, Conference Report to Accompany H.R. 2055, 112th Cong., 1st sess., December 15, 2011, H.Rept. 112-331, p. 962.

⁶⁷ CBP Office of Congressional Affairs communication with CRS, October 6, 2011.

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.⁶⁸ 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, or changed in the final conference report.

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.⁶⁹ 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 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 (SFI) and Container Security Initiative (CSI), 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,

⁶⁸ 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.

⁶⁹ 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; also see CRS Report R41075, *Southwest Border Violence: Issues in Identifying and Measuring Spillover Violence*, coordinated by Kristin M. Finklea.

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 SFI and CSI programs in each of the last two funding cycles, including a 44% reduction for FY2012. The SFI program screens 100% of cargo at certain foreign ports through radiation portal monitors and nonintrusive inspection imaging systems located in the foreign ports, with data analyzed within the United States. SFI screening operated in two ports in 2011 (Qasim, Pakistan; and Salaalah, Oman), and the Administration planned to focus the program on a single port (Qasim) in 2012. 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.⁷⁰ 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 recommends \$79 million for SFI and 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 full House made no changes to these provisions. The Senate report also recommended increased spending on Automated Targeting Systems (\$36 million, \$5 million more than the Administration requested), as well as on the National Targeting Center (\$5 million more than the Administration requested). The Conference Committee report provided \$75 million for SFI and CSI, \$41 million for Automated Targeting Systems, and \$52 million for the National Targeting Center.

Immigration and Customs Enforcement⁷¹

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 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 8** for account-level detail for all of the agencies in Title II, and **Table 10** for sub-account-level detail for ICE appropriations and funding for FY2010, FY2011 and FY2012.

FY2012 Enacted

P.L. 112-74 provided \$5,551 million in net budget authority for FY2012 (total funding authority of \$5,862 million), a figure which represents an increase of \$1 million (0.02%) over the FY2011 enacted level and an increase of \$57 million (1%) over the Administration's request.

⁷⁰ Ibid., CBP-S&E-37.

⁷¹ Prepared by Marc R. Rosenblum, Specialist in Immigration Policy, Domestic Social Policy Division.

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 (0.6%) over the FY2011 enacted level and an increase of \$40 million (0.7%) 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 (0.8%) over the FY2011 enacted level and an increase of \$52 million (0.9%) over the Administration's request.⁷² 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 included 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.

⁷² The request appears lower in budget authority than it is due to a proposed \$16 million rescission from ICE.

Table 10. 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	417
Legal Proceedings	222	216	216	216	216
Investigations	1,851	1,858	1,861	1,892	1,874
<i>Investigations - Domestic</i>	1,702	1,714	1,714	1,739	1,725
<i>Investigations – International</i>	113	115	115	115	115
<i>Visa Security Program</i>	36	29	32	38	34
Intelligence	70	82	82	83	82
Detention and Removal Operations	2,571	2,725	2,751	2,724	2,751
<i>Custody Operations</i>	1,794	2,024	2,051	2,024	2,051
<i>Fugitive Operations</i>	230	155	155	155	155
<i>Criminal Alien Program</i>	193	197	197	197	197
<i>Alternatives to Detention</i>	72	72	72	72	72
<i>Transportation and Removal Program</i>	282	277	277	277	277
Comprehensive Identification and Removal of Criminal Aliens (Secure Communities)	200	184	194	184	189
Salaries and Expenses Total	5,427	5,497	5,523	5,513	5,529

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, H.R. 2017, as reported in the Senate, P.L. 112-74, and H.Rept. 112-331.

Notes: Amounts may not total due to rounding. FY2010 amounts include revisions and an unspecified \$80 million increase from FY2010 supplemental appropriations. House-passed 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.⁷³ 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.

⁷³ 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.⁷⁴ The proportion increased to 44% in FY2010.⁷⁵ 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.⁷⁶

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.⁷⁷ 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 noncriminal alien detainees, citing these programs as a lower cost option than detention and a more proportional treatment relative to the violation.⁷⁸

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 \$122.⁷⁹ 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. While the Senate did not endorse this expansion of bed space in its report, it was included in the final conference agreement. 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.⁸⁰

⁷⁴ 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*.

⁷⁵ U.S. Department of Homeland Security Office of Immigration Statistics, *Immigration Enforcement Actions: 2010*.

⁷⁶ 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.

⁷⁷ For more information on detention issues see CRS Report RL32369, *Immigration-Related Detention: Current Legislative Issues*, by 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.

⁷⁸ 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).

⁷⁹ DHS, *U.S. Immigration and Customs Enforcement Salaries and Expenses Congressional Budget Justifications FY2012*, p. 57.

⁸⁰ H.Rept. 112-331, p. 966.

Some Members of Congress have also raised questions about the accuracy and completeness of ICE's record keeping with respect to data on alien removals,⁸¹ echoing related concerns raised by some outside analysts.⁸² The Conference Committee report also raised concerns that ICE and DHS do not collect or report comprehensive statistics on all encounters with inadmissible and deportable aliens by source of the encounter or by case disposition. The report therefore directs ICE, along with CBP and U.S. Citizenship and Immigration Services (USCIS), to begin collecting and reporting such information on a quarterly basis for FY2013, including data on how such aliens are encountered and identified, the enforcement action taken by DHS, whether the alien is detained, and the processing outcome.

Immigration Enforcement in State and Local Jails

The Administration's request included \$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.⁸³

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.⁸⁴ 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. The conference report also provides an additional \$5 million above the Administration's request to fund the digitization of paper fingerprint records and their enrolment in DHS' Automated Biometric Identification System (IDENT) database, which ICE uses to identify removable aliens.

⁸¹ See for example Letter from the Honorable Lamar Smith to Janet Napolitano, Secretary of Homeland Security, December 8, 2011, <http://judiciary.house.gov/news/pdfs/12082011Letter%20to%20DHS.pdf>.

⁸² See for example National Research Council Committee on Estimating Costs of Immigration Enforcement in the Department of Justice, *Budgeting for Immigration Enforcement: A Path to Better Performance* (Washington, DC: National Academies Press, 2011).

⁸³ *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>.

⁸⁴ For a fuller discussion of Secure Communities and the §287(g) program see CRS Report R42057, *Interior Immigration Enforcement: Programs Targeting Criminal Aliens*, by Marc R. Rosenblum and William A. Kandel; and CRS Report R41423, *Authority of State and Local Police to Enforce Federal Immigration Law*, by Michael John Garcia and Kate M. Manuel.

Transportation Security Administration⁸⁵

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 nonaviation 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 8** for account-level detail for all of the agencies in Title II, and **Table 11** for amounts specified for TSA budget activities.

FY2012 Enacted

TSA gross total enacted appropriation for FY2012 is set at \$7,841 million, \$274 million less than the President's request. Aviation security appropriations total \$5,254 million and \$966 million is provided for the Federal Air Marshals Service (FAMS). The appropriations act also includes rescissions of about \$72 million from unobligated prior year aviation security and FAMS funding.

The subappropriation for checkpoint support, which includes funds for procuring new checkpoint screening technologies, is set at \$205 million, almost \$50 below the request and \$124 million less than the FY2011 amount. The act also specifies \$223 million for the purchase and installation of checked baggage explosives detection systems, \$50 million less than requested, and specifies that at least 10% of this amount be available for use at medium- and small-sized airports. Despite efforts in the House to cap spending on screener personnel costs, the enacted appropriation of \$3,026 million for passenger and baggage screening is roughly in line with the Senate-reported amount and is just \$34 million (roughly 1.1%) below the requested amount. P.L. 112-74 did, however, impose a cap on screener staffing at a level of 46,000 full-time equivalent (FTE) screeners. The act specified \$121 million for air cargo security, \$6 million above the requested amount for international security enhancements including stepped up inspections and oversight. Section 548 of Division D of P.L. 112-74 requires TSA to report every six months on the status of its compliance with the mandate for 100% screening of air cargo on passenger aircraft and how it plans to meet this requirement for inbound international shipments.

Finally, the act specifies \$135 million for surface transportation security, as requested, and the conference report recommends \$204 million for transportation threat assessment and credentialing (TTAC), \$20 million less than requested, reflecting schedule delays in modernization efforts.⁸⁶

⁸⁵ Prepared by Bart Elias, Specialist in Aviation Safety, Security, and Technology, Resources, Science, and Industry Division.

⁸⁶ H.Rept. 112-331, pp. 969-75.

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 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 recommended 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. 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 an actual reduction in budget authority, that \$269 million difference would have still been 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.⁸⁷

⁸⁷ H.Rept. 112-91, p. 19.

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 \$991 million for the Federal Air Marshals Service (FAMS). Additionally, \$250 million in mandatory spending was 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 11. 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	5,254
Screening Partnership Program (SPP)	144	144	144	144	144
Passenger & Baggage Screening (PC&B)	2,921	3,060	3,030 ^a	3,028	3,026
Screener Training & Other	243	253	245	251	250
Checkpoint Support	329	254	181	215	205
EDS/ETD Purchase/Installation	291	273	223	223	223
Screening Technology	316	332	332	332	320
Operation Integration	21	0	0	0	0
Aviation Regulation and Other Enforcement	318	373	354	383	370
Airport Management, IT, and Support	489	572	568	571	570
FFDO & Crew Training	25	25	25	25	25
Air Cargo Security	115	115	121	121	121
Federal Air Marshal Service	928	991	961	981	966
Management and Administration	805	860	845	850	843
Travel and Training	123	131	116	131	124
Threat Assessment and Credentialing (TTAC)	204	224	224	204	204
Secure Flight	84	92	92	92	92
Other/TTAC Admin. & Ops.	78	92	92	72	72
Credentialing Fees (subtotal of fees below)	41	40	40	40	40

Budget Activity	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
TWIC (Fee)	[9]	[8]	[8]	[8]	[8]
HAZMAT CDL (Fee)	[12]	[12]	[12]	[12]	[12]
Certified Cargo Screening Program (Fee)	[5]	[5]	[5]	[5]	[5]
Large Aircraft Security Plan (Fee)	[1]	[1]	[1]	[1]	[1]
Security Identification Display Area Checks (Fee)	[8]	[8]	[8]	[8]	[8]
Indirect Air Cargo (Fee)	[1]	[1]	[1]	[1]	[1]
Alien Flight School (Fee – Transfer from DoJ)	[4]	[4]	[4]	[4]	[4]
Surface Transportation Security	106	135	130	135	135
Operations and Staffing	40	39	39	39	39
Security Inspectors	66	96	91	96	96
Transportation Security Support	987	1,114	1,033	1,042	1,032
Intelligence	33	43	43	43	43
HQ Administration	254	321	290	293	292
Human Capital Services	234	264	250	253	249
Information Technology	466	486	450	453	447
Aviation Security Capital Fund (ASCF) (mandatory)	250	250	250	250	250
TSA Gross Total	7,688	8,115	7,823	7,906	7,841

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

Notes: Amounts may not total due to rounding.

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

TSA issues considered in appropriations debate included 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.⁸⁸ In addition to the continued concerns over the behavior detection program, the proposed expansion of the TSA screener workforce was 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, sought to 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, sought to 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.

P.L. 112-74 capped the total number screeners at 46,000 FTEs. However, this limitation does not apply to screeners hired as part-time employees. Funding was provided to hire 145 new behavioral detection officers to spot suspicious individuals at checkpoints and airport terminals. The conference report requires TSA to brief congressional committees on its plans to address DHS S&T and GAO recommendations regarding behavioral detection training and program execution.⁸⁹

⁸⁸ S.Rept. 111-222, p. 59.

⁸⁹ H.Rept. 112-331, p. 971.

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.⁹⁰ Consequently, the future of SPP was a specific issue of debate during 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 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.

Conference report language states that TSA is to give full and fair consideration to airports applying to participate in the SPP that can demonstrate cost effectiveness compared to TSA at a comparable level of security, and fund the transition to private screening accordingly using funds appropriated for screening operations.⁹¹

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

⁹⁰ 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>

⁹¹ H.Rept. 112-331, p. 970.

service limits. The TSA indicated that it would 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.

P.L. 112-74 provided \$320 million for screening technology maintenance and utilities, \$12 million less than requested, reflecting lower cost estimates for maintenance warranties of fielded screening technologies.

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 and schedule delays raised questions during the appropriations process. Other factors for consideration included 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.

The conference report specified \$28 million for TIM, as recommended by the Senate, recognizing scheduling delays in the modernization effort.⁹²

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

⁹² Ibid., p. 973.

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.”⁹³

Senate-reported H.R. 2017 included a general 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, which includes an additional \$280 million derived from the proposed passenger fee increase.⁹⁴

P.L. 112-74 did not address passenger security fee rates, but estimated offsetting collections from aviation security fees to total \$2,030 million in FY2012 under the current rate schedule. It provides that any security fees collected in excess of this amount shall be made available for aviation security purposes in FY2013.⁹⁵

United States Coast Guard⁹⁶

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

⁹³ H.Rept. 112-91, p. 19.

⁹⁴ S.Rept. 112-74, p. 65.

⁹⁵ H.Rept. 112-91, p. 166.

⁹⁶ Prepared by John Frittelli, Specialist in Transportation Policy, Resources, Science and Industry Division.

enforcement, and aids to navigation. The Coast Guard was transferred from the Department of Transportation to DHS on March 1, 2003.

FY2012 Enacted

Congress provided a total of \$10,333 million for the Coast Guard in FY2012, which is \$85 million more than enacted for FY2011 and \$42 million less than the President requested. Congress enacted \$7,051 million in operating expenses which is \$157 million more than last year and \$1,404 million for acquisition and construction which is \$113 million less than last year.

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 included \$7,078 million for operating expenses and \$1,392 million for the capital (ACI) account. See **Table 12** 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.⁹⁷ This total included \$7,071 million for operating expenses and \$1,152 million for the capital (ACI) account. The House concurred in these recommendations. See **Table 12** 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 8**. 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 12** 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.

⁹⁷ 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 12. 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	7,051
Military pay and allowances	3,345	3,448	3,435	3,434	3,413
Civilian pay and benefits	738	781	775	784	784
Training and recruiting	204	213	213	213	213
Operating funds and unit level maintenance	1,138	1,109	1,109	1,109	1,110
Centrally managed accounts	345	351	343	343	337
Intermediate and depot level maintenance	869	917	937	936	936
Global war on terror (Overseas Contingency Operations)	254	—	258	258	258
Acquisition, Construction, and Improvements	1,517	1,422	1,152	1,392	1,404
Vessels	1,051	642	428	642	642
Aircraft	101	290	329	265	290
Other Equipment	190	166	171	161	161
Shore Facilities and ATON	67	194	116	194	181
Military Housing	2	20	0	20	20
Personnel & Related Support	106	110	108	110	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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

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. 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 nonsecurity related missions.

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.⁹⁸ The President requested \$642 million for new vessels and \$290 million for aircraft for FY2012. This included \$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 Appropriations Committee increased the amount for HH-65 aircraft by \$37 million. The Senate Appropriations 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 the vessel 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.⁹⁹ The House and Senate 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 polar regions.

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 Appropriations Committee reduced the President's request by \$78 million, citing in the report a lack of adequate justification. The Senate Appropriations Committee agreed with the President's request but also requested a more detailed justification. Congress enacted a total of \$181 million for shore facilities and aids to navigation.

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 nondrilling 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.¹⁰⁰ The Coast Guard's pace in issuing rulemakings and its overall

⁹⁸ These issues are discussed in CRS Report RL33753, *Coast Guard Deepwater Acquisition Programs: Background, Oversight Issues, and Options for Congress*, by Ronald O'Rourke.

⁹⁹ For more on icebreaker vessels, see CRS Report RL34391, *Coast Guard Polar Icebreaker Modernization: Background, Issues, and Options for Congress*, by Ronald O'Rourke.

¹⁰⁰ 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 2007.¹⁰¹

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). Congress agreed with both of these requests, and provided an additional \$4 million to annualize FY2011 costs for marine environmental response.¹⁰²

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 Service¹⁰³

The U.S. Secret Service (USSS)¹⁰⁴ 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),¹⁰⁵ 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

¹⁰¹ 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.

¹⁰² H.Rept. 112-331, pp. 975-976.

¹⁰³ Prepared by William Painter and Shawn Reese, Analysts in Emergency Management and Homeland Security Policy, Government and Finance Division.

¹⁰⁴ For more information, see CRS Report RL34603, *The U.S. Secret Service: An Examination and Analysis of Its Evolving Missions*, by Shawn Reese.

¹⁰⁵ 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.

FY2012 Enacted

P.L. 112-74 included an appropriation of \$1,667 million for the U.S. Secret Service, \$32 million (1.9%) below the Administration's request, but \$152 million (10%) more than was provided in FY2011.

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 \$6 million reduction from the request for White House mail screening. This would reduce the account 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.¹⁰⁶ 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.¹⁰⁷ 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.

¹⁰⁶ 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.

¹⁰⁷ Ibid.

Table 13. FY2011 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	1,661
Protection	879	1,073	1,066	1,051	1,052
<i>Protection of persons and facilities</i>	770	848	848	832	832
<i>Protective intelligence activities</i>	68	68	68	68	68
<i>National Special Security Events</i>	1	19	12	19	19
<i>Candidate nominee protection</i>	18	113	113	113	113
<i>White House mail screening</i>	22	24	24	18	18
Investigations	352	316	316	318	318
<i>Domestic field operations</i>	257	224	224	224	224
<i>International field operations</i>	31	31	31	33	33
<i>Electronic crimes program</i>	56	53	53	53	53
<i>Forensic support to the National Center for Missing and Exploited Children</i>	8	8	8	8	8
Management and administration	226	247	228	201	192
Rowley Training Center	54	56	56	56	56
Information integration and technology transformation				44	44
Acquisition, construction, and improvements	4	7	7	5	5
Total	1,515	1,699	1,673	1,676	1,667

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

Note: Amounts may not add due to rounding.

Issue for Congress

One issue of interest to Congress concerning the FY2012 appropriations for the USSS was 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.¹⁰⁸ While

¹⁰⁸ U.S. Congress, House Committee on Homeland Security, Subcommittee on Counterterrorism and Intelligence, *The United States Secret Service: Examining Protective and Investigative Missions and Challenges in 2012*, 112th Cong., 1st (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.

The conference report accompanying P.L. 112-331 reorganized the account structure for the USSS in an effort to improve the transparency of its activity, creating a separate line for information technology investments outside of its headquarters management and administration line, and directing the USSS to provide a budget that also breaks out protective infrastructure costs from the rest of the "Protection of Persons and Facilities" activity.¹⁰⁹

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."¹¹⁰ 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 14** provides account-level appropriations detail for Title III.

(...continued)

sess., August 4, 2011.

¹⁰⁹ H.Rept. 112-331, p.984.

¹¹⁰ P.L. 109-295, 120 Stat. 1400.

Table 14. 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	51
Infrastructure Protection and Information Security	899	839			839	936	891	918	888
US-VISIT	374	333			333	277 ^a	297	297	307
Federal Protective Service (FPS)	1,115	1,115			1,115	1,262	1,262	1,262	1,262
Gross Total	2,429	2,331			2,331	2,555	2,493	2,515	2,508
Net total (gross less fees, trust funds and mandatory)	1,314	1,216			1,216	1,268	1,231	1,253	1,246
Office of Health Affairs									
Net Total	137	139			139	161	166	159	167
Federal Emergency Management Agency									
Management and Administration	804	786			786	815	707	905	895
Grants and Training	4,165 ^b	3,380			3,380	3,845	2,020	2,577	2,375
U.S. Fire Administration	46	45			45	43	43	45	44
Disaster relief ^c	6,695 ^d	2,645			2,645	1,800	2,650 ^e	1,800	700
Disaster relief (BCA cap adjustment)						4,600 ^f		4,200 ^g	6,400 ^h
Flood hazard mapping and risk analysis	220	182			182	103	103	93	98
National flood insurance fund (NFIF) ⁱ	[146]	[169]			[169]	[171]	[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 ⁱ	[3,085]	[3,066]			[3,066]	[3,103]			
Pre-disaster mitigation fund	100	50			50	85	40	43	36
Emergency food and shelter	200	120			120	100	120	120	120
Disaster assistance direct loan account	0	0			0	0	0	0	0
Radiological Emergency Preparedness ^k	0	0			0	0	0	0	-1
Total (does not include trust funds)	12,230^d	7,209			7,209	11,389^f	5,682	9,781^g	10,667^h
Net budget authority: Title III	13,681	8,564			8,564	12,819^f	7,079	11,194^g	12,080^h

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

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. Grants and Training 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. FY2010 disaster relief 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. On September 9, 2011, the Administration requested an additional \$4.6 billion for the Disaster Relief Fund for FY2012, to be paid for by an adjustment to the discretionary cap under the BCA. This is reflected in the total.
- g. \$4,200 million for the DRF was “paid for” by an adjustment to the discretionary cap under the Budget Control Act. This is reflected in the total.
- h. \$6,400 million for the DRF was included in P.L. 112-77 and “paid for” by an adjustment to the discretionary cap under the Budget Control Act. This is reflected in the total.
- i. NFIF funding is derived from premium payments or transfers from the U.S. Treasury, not appropriations. This account is offset.
- j. Funds for the National Flood Insurance Fund (NFIF) are derived from transfers, not appropriations. This account is mandatory spending.
- k. Radiological Emergency Preparedness funds are provided through reimbursements and are not actually appropriated funds.

National Protection and Programs Directorate¹¹¹

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.

FY2012 Enacted

Congress appropriated \$51 million for the Management and Administration Program through P.L. 112-74. Of this amount, \$7 million and \$5 million goes to support management, planning, and administration activities of the Office of the Assistant Secretary for Infrastructure Protection and the Office the Assistant Secretary for Cybersecurity and Communications, respectively. Another \$4 million is set aside to transfer the activities of the Office of Risk Management to the Office of Policy within the Office of the Secretary, which will take over the responsibility of overseeing the improvement of the Department's risk analysis and management efforts. The conference report also requires the Office of Policy to submit a funding plan and to report on how it would respond to the NAS study cited below.¹¹² Placing this function in the Office of Policy elevates it within the department, where some commentators have suggested it belongs, since the function is supposed to provide department-wide oversight.

¹¹¹ Prepared by John Moteff, Specialist in Science and Technology Policy, Resources, Science and Industry Division.

¹¹² H.Rept. 112-331, p. 985.

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.

The committee also noted that the National Academy of Sciences (NAS) in a recent report¹¹³ 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 15. FY2011-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	46
Risk Management and Analysis	9	10	9	4	4
Total	43	55	43	38	51

¹¹³ National Academy of Science, *Review the Department of Homeland Security's Approach to Risk Analysis*. 2010.

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

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 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. It is worth noting that the language in the conference report mandating a funding plan also requires the plan to justify "the specific risk modeling, analysis, and strategic planning functions of value and use to the Department and its individual components."¹¹⁴

Infrastructure Protection and Information Security¹¹⁵

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

¹¹⁴ H.Rept. 112-331, p. 985.

¹¹⁵ Prepared by John Moteff, Specialist in Science and Technology Policy, Resources, Science and Industry Division.

they support have changed a number of times over the years. The table below represents the PPA structure proposed by the Administration for FY2012.

FY2012 Enacted

Congress appropriated \$888 million for the IPIS program through P.L. 112-74, less than either the full House or Senate Appropriations Committee had approved. The biggest reduction from the President's request is in the Infrastructure Protection Sector Management and Governance PPA. Within the Critical Infrastructure Cyber Protection and Awareness PPA, the following amounts were specifically mentioned in the conference report: control systems security (\$29 million) and cybersecurity outreach (\$8 million), both above the President's request. Within the Global Cybersecurity Management PPA, cybersecurity education was funded at \$8 million, about \$6 million below the President's request.

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.

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 (NCSA). 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 NCSA 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.

The committee declined several Administration requests. It did not support the department's request to transfer the National Computer Forensic Institute to the Federal Law Enforcement

Training Center, the \$5 million requested for the Office of the Assistant Secretary for Cybersecurity and Communications as a stand-alone PPA, and any funding through NPPD for the Acquisition Workforce Initiative.¹¹⁶ 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 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.¹¹⁷ 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 it

¹¹⁶ For the conference committee position on the Acquisition Workforce Initiative, see p. 15 of this report.

¹¹⁷ The Interagency Security Committee was formed by Executive Order 12977 to oversee the protection of civilian federal facilities in the United States.

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 16. 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	295
<i>Identification Analysis and Planning</i>	80	75	72	73	71
<i>Sector Management and Governance</i>	82	87	82	84	74
<i>Regional Field Operations</i>	65	61	57	61	57
<i>Infrastructure Security Compliance</i>	96	99	92	99	93
National Cyber Security Division	363	459	439	450	443
<i>Cybersecurity Coordination</i>	5	5	4	5	5
<i>US-CERT Operations</i>	77	82	79	80	79
<i>Federal Network Security</i>	20	41	29	35	35
<i>Network Security Deployment</i>	176	234	229	232	229
<i>Global Cybersecurity Management</i>	18	25	25	25	24
<i>Critical Infrastructure Cyber Protection and Awareness</i>	53	61	61	61	60
<i>Business Operations</i>	15	12	12	12	12
National Security / Emergency Preparedness Telecommunications	109	107	107	103	106 ^a
<i>Priority Telecom Service</i>	56	57	57	57	56
<i>Programs to Study and Enhance Telecom</i>	17	13	13	13	13
<i>Critical Infrastructure Protection</i>	15	11	11	11	11
<i>Next Generation Networks</i>	21	25	26	21	25
Office of Emergency Communications	44	43	43	43	43
Assistant Secretary for Cybersecurity and Communications	—	5	0	5	0
Total	839	936	891	918	888

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-33.

Notes: Amounts may not total due to rounding.

- a. H.Rept. 112-331 renames this program “Communications,” and includes the Office of Emergency Communications in its total. For the sake of comparison this chart does not reflect that reorganization.

Issues for Congress

Both the House and Senate reduced by relatively large amounts the Administration's request to expand the NCSA'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 Service¹¹⁸

The Federal Protective Service (FPS), within the National Protection and Programs Directorate (NPPD),¹¹⁹ is responsible for the protection and security of federal property, personnel, and federally owned and leased buildings.¹²⁰ In general, FPS operations focus on security and law enforcement activities that reduce vulnerability to criminal and terrorist threats.¹²¹ 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.¹²² FPS is the lead "Government Facilities Sector Agency" for the National Infrastructure Protection Plan (NIPP).¹²³ Currently, FPS employs approximately 1,225 law enforcement officers, investigators, and administrative personnel, and administers the services of approximately 13,000 contract security guards.

FY2012 Enacted

P.L. 112-74 includes a total of \$1,262 million for FPS for FY2012,¹²⁴ equal to the amount that the President requested and the House proposed. However, this amount is \$146 million more than the Senate proposed (\$1,115 million). This \$1,261 million is fully offset by collection of security fees

¹¹⁸ Prepared by Lorraine Tong, Analyst in American National Government, and Shawn Reese, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division.

¹¹⁹ FPS was transferred to NPPD from ICE following the enactment of the FY2010 DHS appropriations, P.L. 111-83.

¹²⁰ 40 U.S.C. 1315.

¹²¹ 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.

¹²² For information on NSSEs, see CRS Report RS22754, *National Special Security Events*, by Shawn Reese.

¹²³ For information on the NIPP, see http://www.dhs.gov/xpcorevprot/programs/editorial_0827.shtm.

¹²⁴ P.L. 112-74, Div. D, Title III.

from federal entities that use their services.¹²⁵ The legislation requires that FPS maintain not fewer than 1,371 full-time equivalent staff and 1,007 full-time equivalent police officers, inspectors, area commanders, and special agents. Additionally, the legislation requires the FPS Director to include, in the President's FY2013 budget request, a strategic human capital plan that aligns security fee collections to personnel requirements based on a current threat assessment.¹²⁶

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,¹²⁷ \$501 million for building specific security operations,¹²⁸ and \$513 million for Security Work Authorizations.¹²⁹ 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 FY2012.¹³⁰

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.¹³¹ As a result,

¹²⁵ H.Rept. 112-331.

¹²⁶ P.L. 112-74, Div. D, Title III. Additionally, GAO is tasked to review this plan.

¹²⁷ 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.

¹²⁸ Building specific security operations include security countermeasure requirements specific to a particular building.

¹²⁹ 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.

¹³⁰ 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.

¹³¹ For more information about federal building security and role of FPS, see CRS Report R41138, *Federal Building*, (continued...)

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.

U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT)¹³²

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.

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 programs¹³³ 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 FY2006.¹³⁴ 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."¹³⁵

FY2012 Enacted

P.L. 112-74 provides \$307 million for US-VISIT, \$5 million more than the Administration requested. US-VISIT is directed to use the additional funds to prepare a comprehensive plan for implementation of a biometric air exit program as well as for improvement of biographic entry-

(...continued)

Courthouse, and Facility Security, by Lorraine H. Tong and Shawn Reese.

¹³² Prepared by Marc R. Rosenblum, Specialist in Immigration Policy, Domestic Social Policy Division.

¹³³ 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.

¹³⁴ H.Rept. 109-241.

¹³⁵ 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.

exit matching capabilities and to prevent future visa overstay backlogs. The conference report provides no funding for “US-VISIT 1.0,” which promotes improved interoperability among US-VISIT databases, instead directing US-VISIT to continue planning efforts for modernization of the IDENT database.

Senate-Reported H.R. 2017

The Senate-reported version of H.R. 2017 would have appropriated \$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 the Administration’s request for “US-VISIT 1.0.” 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 version of H.R. 2017 would have appropriated \$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.¹³⁶

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

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 counted as \$277 million in net 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.¹³⁷

¹³⁶ U.S. Congress, House Committee on Appropriations, Subcommittee on Homeland Security, H.Rept. 112-91, p. 96.

¹³⁷ US-VISIT 1.0 addresses IDENT systems scalability issues and other re-architecting issues to the current system to improve efficiency and performance.

Issues for Congress

The 1996 Illegal Immigration Reform and Immigrant Responsibility Act (P.L. 104-208, Div. C) as amended requires the Secretary of Homeland Security to develop and implement a comprehensive entry-exit data system that records the entry and exit of every alien arriving in and departing from the United States and to develop and certify a technology standard to verify the identity of all such persons.¹³⁸ The implementation of such an entry-exit system with the ability to use biometric data (i.e., fingerprints) to confirm when foreign visitors leave the country has faced multiple delays and has been a topic of concern to Congress for many years.

Biometric and Biographic Exit Systems

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.¹³⁹ 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.¹⁴⁰ Alternatives to the exit system strategy may be of interest to Congress given the limitations of existing technology and the current budget environment.

Office of Health Affairs¹⁴¹

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 (NBIS), and the department's occupational health and safety programs.¹⁴² OHA received \$140 million in FY2011 appropriations.

¹³⁸ For a more complete discussion of US-VISIT's entry-exit system requirements see CRS Report RL32234, *U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) Program*, by Lisa M. Seghetti and Stephen R. Vina.

¹³⁹ 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.

¹⁴⁰ 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.

¹⁴¹ Prepared by Sarah A. Lister, Specialist in Public Health and Epidemiology, Domestic Social Policy Division.

¹⁴² DHS, Office of Health Affairs, http://www.dhs.gov/xabout/structure/editorial_0880.shtm.

FY2012 Enacted

P.L. 112-74 provides \$167 million for OHA for FY2012, \$27 million (20%) more than for FY2011 and \$7 million (4%) more than the President's request.¹⁴³ This amount includes \$90 million for BioWatch operations, \$12 million for NBIS (both of which are discussed below), and \$30 million for salaries and expenses. Of the total, \$47 million may remain available until September 30, 2013, for specified activities, including BioWatch Generation 3 activities, but not including BioWatch operations. The Assistant Secretary for OHA must submit an expenditure plan for FY2012 to appropriations committees within 60 days of enactment.

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.¹⁴⁴ 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.¹⁴⁵ 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 approved these recommendations.

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.¹⁴⁶

¹⁴³ H.Rept. 112-331, pp. 174 and 988.

¹⁴⁴ S.Rept. 112-74, pp. 115-117.

¹⁴⁵ H.Rept. 112-91, pp. 99-100.

¹⁴⁶ OHA, *Fiscal Year 2012 Congressional Justification*, Overview, p. OHA-1.

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 expressed concerns about the Gen-3 development deployment process, however, including its cost and scientific rigor.¹⁴⁷

National Biosurveillance and Integration System (NBIS): Effectiveness

The National Biosurveillance and Integration System (NBIS), which includes 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.¹⁴⁸ 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.¹⁴⁹ 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...."¹⁵⁰ 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."¹⁵¹

¹⁴⁷ See for example "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. See also "As Phase I of BioWatch Winds Down, DHS Looks to Begin OT&E in Fall 2012," *Terror Response Technology Report*, vol. 7, issue 20, September 28, 2011.

¹⁴⁸ 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...."

¹⁴⁹ H.Rept. 112-91, p. 99; S.Rept. 112-74, p. 116. See also statement of Rep. Gus Bilirakis, per footnote 147.

¹⁵⁰ 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>.

¹⁵¹ 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.

Federal Emergency Management Agency¹⁵²

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.¹⁵³

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. Additionally, FEMA provides assistance to state, local, and tribal governments, and nongovernmental 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 14** provides information on the FY2010 and FY2011 appropriations and the FY2012 budget request for all of FEMA's activities.

FY2012 Enacted

P.L. 112-74 provided \$895 million for FEMA's Salaries and Expenses (previously called Management and Administration), an increase of \$80 million (10%) above the Administration's request of \$815 million. Congress provided \$1,349 million for State and Local programs, which included a direct appropriation of \$50 million for Operation Stonegarden, and \$232 million for training, exercises, technical assistance, and other programs, of which \$155 million shall be for training State, local, and tribal emergency response providers. The Emergency Food and Shelter program received \$120 million, \$20 million above the Administration's request, while the Pre-Disaster Mitigation Grant program received \$35 million, \$50 million below the Administration's request. Congress provided \$350 million to the Emergency Management Performance Grants, which aligned with the Administration's request. The Assistance to Firefighters grants received 675 million, \$5 million above the Administration's request.

Congress provided \$700 million for the DRF, \$1,100 below the Administration's initial request. However, the Administration amended their request in a message to Congress on September 9, 2011, asking for an additional \$4,600 million for the DRF, plus \$500 million in supplemental appropriations for FY2011. Congress responded to that request by providing \$2,650 million in the continuing resolutions that kept the government open, and then providing \$6,400 million in a supplemental appropriations bill (P.L. 112-77) that moved parallel to P.L. 112-74. The \$6,400 million was designated as disaster relief under the Budget Control Act, which allowed the discretionary budget cap to be adjusted upward to make room for it.

¹⁵² 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.

¹⁵³ 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>.

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 recommended 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 brought 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 waived 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 course of the FY2012 appropriation process. 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.¹⁵⁴ 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.

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

¹⁵⁴ 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.

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.¹⁵⁵

A series of short-term continuing resolutions kept the government operating from the end of FY2011 until P.L. 112-74 was signed into law. Those CRs included \$2,650 million to partially replenish the Disaster Relief Fund (DRF), which had been depleted by the end of FY2011 and was facing significant additional demands.

DRF and the Budget Control Act (BCA)

Concerns over the federal budgetary costs of disaster relief to states and communities were a part of the debate over the BCA. The BCA provides a mechanism designed, arguably, to limit spending on major disasters declared under the Stafford Act. Essentially, the BCA tasks the Office of Budget and Management (OMB) with calculating an “allowable adjustment” to discretionary spending caps based on a 10-year average of disaster relief expenditures. Under the BCA, spending above the cap will trigger a sequestration. It is unclear how the allowable adjustments and potential sequestration will influence funding for disaster relief in the next decade. Some may argue it will reduce federal expenditures on disaster relief, as providing a separate method of treating disaster relief under the budget allows for more transparency, and setting an allowable adjustment to the discretionary caps for disaster relief implies a limitation on spending, even without an enforcement mechanism. Others may counter the threat of sequestration may prompt Members of Congress to either continue to provide disaster relief as emergency funding or to renegotiate the terms set forth under the BCA.

State and Local Programs¹⁵⁶

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.

Table 17 provides information on the FY2011 appropriations and the FY2012 budget process request for FEMA grants and training efforts.

¹⁵⁵ 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.

¹⁵⁶ Prepared by Natalie Keegan, Analyst in American Federalism and Emergency Management Policy, Government and Finance Division.

Table 17. 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	—	1,118 ^b
State Homeland Security Grant Program	724	1,063	—	430	—
<i>Operation Stonegarden^c</i>	55	50	55	50	50
<i>Citizen Corps Program^b</i>	10	13	—	—	—
<i>Metropolitan Medical Response System^d</i>	35	0	—	—	—
<i>Driver's License Security Grants Program (REAL ID)^b</i>	45	0	—	—	—
Urban Area Security Initiative	724	920	—	400 ^e	—
Public Transportation Security Assistance and Railroad Security Assistance	250 ^e	300	—	200	—
<i>Over-The-Road Bus Security Assistance</i>	5 ^f	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	— ^g
Training, Exercises, and Technical Assistance ^h	250	192	193	232	232
<i>National Domestic Preparedness Consortium</i>	93	45	45	93	93
<i>Center for Domestic Preparedness</i>	62	63	63	63	63
<i>Center for Counterterrorism and Cyber Crime</i>	0	0	0	0	0
<i>Rural Domestic Preparedness Consortium</i>	0	0	0	0	0
<i>National Exercise Program</i>	40	40	40	34	34
<i>Continuing and Emerging Training Grants</i>	29	21	26	26	26
<i>Technical Assistance Program</i>	11	10	10	[10] ⁱ	[10] ⁱ
<i>Evaluation and National Assessment Program</i>	14	14	10	[10] ⁱ	[10] ⁱ
<i>Emergency Management Institute</i>	[9]	[9]	[9]	16 ⁱ	16
Subtotal, State and Local Programs	3,380	2,825	1,000	1,477	1,350
Regional Catastrophic Security Grants	15	0	0	0	0
Interoperable Emergency Communications Grant Program	0	0	0	0	0
Firefighter Assistance Grants ^k	808	670	670	750	675
<i>Fire Grants</i>	404	265	335	375	338
<i>SAFER Act grants</i>	404	405	335	375	338
Emergency Management Performance Grants	340	350	350	350	350
Total, Grants and Training	3,380	3,845	2,020	2,577	2,375

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

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. P.L. 112-74 included \$1,118 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 \$50 million for Operation Stonegarden. Unlike the House-passed version, the conference report allows the Emergency Operations Center to be funded with these resources at the discretion of the Secretary.
- c. Generally speaking, 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.
- d. These grants were funded under SHSGP beginning with P.L. 112-10, the final FY2011 concurrent resolution.
- e. The Senate carved out \$10 million for nonprofit entities under UASI. While no funds were specifically designated for nonprofit entities under UASI in FY2011 appropriations, Congress appropriated \$19 million in FY2010 for the nonprofit UASI program.
- f. 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.
- g. The Emergency Operations Centers grant programming is eligible for funding at the Secretary's discretion under the lump sum provided for the State and Local Programs account.
- h. Referred to in H.Rept. 112-91 as National Programs. Referred to in H.Rept. 112-331 as Education, Training, and Exercises.
- i. The Senate and the conferees chose to fund this line under FEMA Salaries and Expenses for FY2012.
- j. The Senate and the conferees chose to fund this line here rather than under FEMA Management and Administration. House numbers are non-adds for comparison only.
- k. Although the Administration had requested this as a part of its State and Regional Preparedness Program request, it is funded as a separate amount.

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 sought 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 17**, 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 nonprofit 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.¹⁵⁷ 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.¹⁵⁸

P.L. 112-74, the Consolidated Appropriations Act, FY2012, provided \$1,118 million for State and Local Programs, of which \$50 million was provided to Operation Stonegarden. Congress also provided \$232 million for training, exercises, technical assistance, and other programs and

¹⁵⁷ H.R. 2017

¹⁵⁸ S.Rept. 112-74, p. 130.

directed that \$155 million of that amount be directed to training of state, local, and tribal emergency response providers. Similar to the House and Senate proposals, the enacted legislation established specific time-frames for the distribution of grant funds by directing the grant guidance to be issued within 60 days of enactment, grant applications to be received no later than 80 days after the grant announcement, the FEMA Administrator to act within 65 days after receipt of the grant application. Rather than making specific appropriations to state and local programs (except for \$50 million for Operation Stonegarden), Congress directed the DHS Secretary to make allocations to twelve activities at her discretion based on threat, vulnerability, and consequence. The twelve activities include the State Homeland Security Grant Program, Urban Area Security Initiative, Metropolitan Medical Response System, Citizen Corps program, Public Transportation Security Assistance and Railroad Security Assistance, Over-the-Road Bus Security Assistance, Port Security Grants, Driver's License Security Grants, Interoperable Emergency Communications Grant Program, Emergency Operations Centers grant, Buffer Zone Protection Program, and grants to eligible organizations designated as nonprofit organizations under 501(c)(3) of the Internal Revenue Code of 1986. P.L. 112-74 also capped the allowable administrative expenses of grantees at 5% of the grant award and established that installation of communication towers is not considered construction of a building or other physical facility under the State Homeland Security Grant Program and the Urban Area Security Initiative.

Emergency Food and Shelter Program (EFS)¹⁵⁹

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 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 suggested cutting the EFS program by \$20 million, from its current \$120 million to \$100 million. The Administration's justification noted that the reduction in EFS funding would 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, represented another reduction to the program. However, until FY2011, reductions had previously been made during steep declines in the national unemployment rate.¹⁶⁰ The suggested cut-backs are significant within the context of current hunger statistics that suggest increased need.¹⁶¹ The

¹⁵⁹ Prepared by Francis McCarthy, Analyst in Emergency Management Policy, Government and Finance Division.

¹⁶⁰ For example, EFS program funds were reduced by \$30 million from \$130 million to \$100 million in FY1996.

¹⁶¹ Feeding America, *Hunger and Poverty Statistics*, [http://feedingamerica.org/faces-of-hunger/hunger-101/hunger-and-\(continued...\)](http://feedingamerica.org/faces-of-hunger/hunger-101/hunger-and-(continued...))

House mark, Senate mark, and P.L. 112-74 funded the program at \$120 million, roughly the same level of funding as provided in FY2011.

Pre-Disaster Mitigation¹⁶²

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.¹⁶³

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.¹⁶⁴ 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.

The FY2012 budget requested \$85 million, which was an increase of \$35 million over the FY2011 enacted amount. However, the House-passed bill funded the PDM program at \$40 million, which would be its lowest level since the program was authorized. The Senate Appropriations Committee provided \$42.5 million for the program.¹⁶⁵ The conferees noted that the PDM program has more than \$173 million in unobligated funds from previous years. PDM funds are no-year funds and, similar to DRF funds, can stretch out over several years depending on the complexity of the projects. The large unobligated amounts are committed to existing projects that have not yet resolved environmental, cultural, or historic preservation issues.

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 recommended \$103 million while the Senate recommended \$102 million. However, the Senate 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.

(...continued)

[poverty-statistics.aspx](#)

¹⁶² Prepared by Natalie Keegan, Analyst in American Federalism and Emergency Management Policy, Government and Finance Division.

¹⁶³ 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.

¹⁶⁴ P.L. 111-351, 124 Stat. 3864. This reauthorization also increased the state minimum amount to \$575,000.

¹⁶⁵ 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 see CRS Report RL34537, *FEMA's Pre-Disaster Mitigation Program: Overview and Issues*, by Francis X. McCarthy and Natalie Keegan.

P.L. 112-74, the Consolidated Appropriations Act, FY2012, provided \$98 million for flood hazard mapping and risk analysis, \$5 million below the Administration's request. The conference report directed FEMA to provide not less than 20% of the appropriated amount for map updates and maintenance provided by Cooperating Technical Partners (CTPs) that provide at least a 25% match and have a strong record of working effectively with FEMA on floodplain mapping activities.

Assistance to Firefighters Grant Program (AFG)¹⁶⁶

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).¹⁶⁷ 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.

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.

P.L. 112-74, the Consolidated Appropriations Act, FY2012, provided \$675 million for firefighter assistance, including \$337.5 million for AFG and \$337.5 million for SAFER. The conference report directed FEMA to continue funding applications according to local priorities and those established by the USFA, to maintain an all hazards focus, and to continue the current grant application and review process as specified in the House report. P.L. 112-74 also included language permitting FY2012 SAFER grants to be used to rehire laid-off firefighters and fill positions eliminated through attrition.

¹⁶⁶ Prepared by Lennard G. Kruger, Specialist in Science and Technology Policy, Resources, Science and Industry Division.

¹⁶⁷ 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.

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 18** provides account-level details of Title IV appropriations.

Table 18. 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	3,078
Offsetting Fees	-2,636	-2,503			-2,503	-2,538	-2,744	-2,771	-2,976
Net subtotal (gross less fees, trust funds and mandatory)	246	146			146	369	132	121	102
Federal Law Enforcement Training Center	291	271			271	276	274	272	271
Science and Technology									
Management and Administration	143	141			141	149	141	143	135
Research, Development, Acquisition, and Operations	863	687			687	1,027	398	657	533
Net Subtotal	1,006	828			828	1,176	539	800	668
Domestic Nuclear Detection Office									
Management and Administration	39	37			37	41	40	37	38
Research, Development, and Operations	325	275			275	206	245	191	215
Systems Acquisition	20	30			30	84	52	40	37
Net Subtotal	383	342			342	332	337	268	290
Gross budget authority: Title IV	4,562	4,092			4,092	4,691	4,027	4,232	4,308
Net budget authority: Title IV	1,926	1,589			1,589	2,154	1,283	1,461	1,332

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

Note: Amounts may not total due to rounding.

U.S. Citizenship and Immigration Services¹⁶⁸

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.¹⁶⁹ 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.¹⁷⁰ 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.

FY2012 Enacted

P.L. 112-74 appropriates \$102 million for USCIS, \$267 million less than the Administration requested and \$44 million less than provided in FY2011. The conference report stipulates that this entire amount should be used for E-Verify, and that all other programs should be funded through user fees. The report stipulates that USCIS use \$10 million to fund Immigrant Integration Grants and \$29 million to continue conversion of immigration records to digital format. According to the report, USCIS operations that have been funded through fee revenue should continue to be funded in that manner, including the processing of refugee and asylum claims, Systematic Alien Verification for Entitlements (SAVE), and immigrant integration activities. The report directs USCIS to include these costs in its revised fee schedule given that no additional appropriations will be available to cover them.

Senate-Reported H.R. 2017

The Senate-reported H.R. 2017 proposed appropriating \$121 million for USCIS, \$267 million less than the Administration requested and \$14 million less than provided in FY2011. This amount was 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 were, respectively, \$2 million and \$3 million below what was requested in the budget. The Committee

¹⁶⁸ This section was prepared by William Kandel, Analyst in Immigration Policy, Domestic Social Policy Division.

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

¹⁷⁰ 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*).

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 stemmed 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 expected USCIS to revise its fee structure to accommodate the costs of these programs. No funding was provided for military naturalizations which the committee notes has been requested in the Department of Defense budget. The committee noted 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.

House-Passed H.R. 2017

The House-reported H.R. 2017 proposed appropriating \$132 million for USCIS, \$237 million less than the Administration requested and \$14 million less than provided in FY2011. This amount was divided between \$102 million provided for E-Verify and \$30 million provided for the Systematic Alien Verification for Entitlements (SAVE) program. The total reduction of \$237 million from the requested amount stemmed 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 was provided for military naturalizations, which the committee believed should be funded by the Department of Defense. From its fee revenue, the committee directed USCIS to spend at least \$29 million toward digital conversion of immigration records. It also stipulated 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 19, 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 19. 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	3,078
Appropriations	146	369	132	121	102
<i>REAL ID Act Implementation</i>	0	0	0	0	0
<i>E-Verify</i>	103	102	102	102	102
<i>Data Center Development</i>	2	13	0	11	0
<i>Immigrant Integration Initiative</i>	11	20	0	8	0 ^a
<i>Asylum, Refugees, & Military Naturalizations Processing</i>	30	203	0	0	0 ^b
<i>SAVE</i>	0	30	30	0	0
<i>Acquisition Workforce</i>	0	1	0	0	0
Fee Collections (Mandatory)	2,806	2,537	2,744	2,771	2,976
<i>Immigration Examination Fee Account</i>	2,754	2,486	2,693	2,693	2,924
<i>H-1B Visa</i>	13	13	13	13	13
<i>H-1B/L Fraud</i>	39	38	38	38	39

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, H.R. 2017, as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

Notes: Amounts may not total due to rounding.

- a. \$10 million is provided through fee accounts for Immigrant Integration Grants.
- b. The asylum, refugee and international operations activity paid for through fee collections received \$109 million more than requested.

Issues for Congress

For the FY2012 budget cycle, potential issues for Congress included 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.¹⁷¹ More recently, the global economic downturn raised concerns about declining

¹⁷¹ 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.

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.¹⁷² Although USCIS most 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. Apart from military naturalizations, P.L. 112-74 appropriated no funds for USCIS activities apart from E-Verify, stipulating in the conference report that they be paid for with user fees.

Federal Law Enforcement Training Center¹⁷³

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.

FY2012 Enacted

P.L. 112-74 provided \$271 million for FLETC, \$5 million (1.8%) less than requested, but equal to the funding level for FY2011. As in the House and Senate versions, this reduction was taken wholly from the appropriation for acquisitions, construction, improvements, and related expenses (AC&I), where it reflects a 13% cut from the requested level of \$37 million.

¹⁷² Information is based upon CRS discussions with the USCIS Chief Financial Officer in 2009.

¹⁷³ Prepared by Jennifer E. Lake, Section Research Manager, and William L. Painter, Analyst in Emergency Management and Homeland Security, Government and Finance Division.

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.

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 Technology¹⁷⁴

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.¹⁷⁵

FY2012 Enacted

The final appropriation for the S&T Directorate was \$668 million, which was 43% less than the Administration had requested. The total included \$266 million for Research, Development, and Innovation. In Laboratory Facilities, the appropriation includes \$50 million to begin construction of the National Bio and Agro-Defense Facility (NBAF). Congress denied the Administration’s proposal to transfer certain radiological and nuclear R&D activities to S&T from the Domestic Nuclear Detection Office (DNDO). See **Table 20** for detailed funding levels.

¹⁷⁴ Prepared by Daniel Morgan, Specialist in Science and Technology Policy, Resources, Science, and Industry Division.

¹⁷⁵ 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.

Senate-Reported H.R. 2017

The Senate-reported bill provided \$800 million for the S&T Directorate. For Research, Development, and Innovation, it provided \$440 million or 33% less than the Administration's request. It approved the proposed transfer from DNDO. It provided no funding for NBAF construction. 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 for NBAF construction. It rejected the proposed transfer 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."

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 20. 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	668
Management and Administration	141	149	141	143	135
R&D, Acquisition, and Operations	687	1,027	398	657	533
<i>Laboratory Facilities</i>	140	276	202	127	177
<i>University Programs</i>	40	37	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	—	—	—	—

	FY2011 Enacted	FY2012 Request	FY2012 House- passed	FY2012 Senate- reported	FY2012 Enacted
<i>Test and Evaluation, Standards</i>	18	—	—	—	—
<i>Transition</i>	42	—	—	—	—
<i>Research, Development, and Innovation^a</i>	—	660	107	440	266
<i>Acquisition and Operations Support^a</i>	—	54	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, H.R. 2017 as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

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 conference report stated that the new RDI category "will enable S&T to more quickly shift resources ... between research activities" and "should ... partially offset the impact of an overall funding reduction," but it directed S&T to submit a quarterly "detailed breakout" of RDI projects "for accountability and visibility."

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, the FY2012 budget justification projected a need for \$691 million in total appropriations between FY2012 and FY2017. 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.¹⁷⁶ The House-passed, Senate-reported, and enacted bills for FY2012 all continued this authorization. According to DHS, however, the likely value of such receipts "has been found to be considerably overestimated."¹⁷⁷

¹⁷⁶ 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).

¹⁷⁷ DHS FY2012 budget justification, p. S&T RDA&O 24. For more information on NBAF, see CRS Report RL34160, (continued...)

Domestic Nuclear Detection Office¹⁷⁸

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.

FY2012 Enacted

P.L. 112-74 provides \$290 million for DNDO. Congress denied the Administration's proposal to transfer the Transformational R&D program to the S&T Directorate, but provided only \$40 million for that program, versus \$96 million in FY2011. Systems Acquisition received \$38 million, which was less than half the Administration's request, but more than the program received in FY2011. The Systems Acquisition funding included \$7 million for radiation portal monitors and \$22 million for the Securing the Cities program. The funds for Securing the Cities included \$2 million to expand the program to a new city. See **Table 21** for funding details.

Senate-Reported H.R. 2017

The Senate-reported bill provided \$268 million for DNDO. 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 for DNDO. It rejected the transfer of Transformational R&D to the S&T Directorate, but provided only \$45 million for that program. It provided \$52 million for Systems Acquisition. 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.

(...continued)

The National Bio- and Agro-Defense Facility: Issues for Congress, by Dana A. Shea, Jim Monke, and Frank Gottron.

¹⁷⁸ Prepared by Daniel Morgan, Specialist in Science and Technology Policy, Resources, Science, and Industry Division.

Table 21. 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	290
Management and Administration	37	41	40	37	38
Research, Development, and Operations	275	206	245	191	215
<i>Systems Engineering and Architecture</i>	33	32	30	31	30
<i>Systems Development</i>	53	70	69	60	51
<i>Transformational Research and Development</i>	96	—	45	—	40
<i>Assessments</i>	38	43	40	40	38
<i>Operations Support</i>	33	37	36	35	33
<i>National Technical Nuclear Forensics</i>	27	25	25	25	23
Systems Acquisition	30	84	52	40	37
<i>Radiation Portal Monitoring Program</i>	—	37	20	8	7
<i>Securing the Cities</i>	20	27	22	22	22
<i>Human Portable Radiation Detection Systems</i>	10	20	10	10	8

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, H.R. 2017 as reported in the Senate, Division D of P.L. 112-74, and H.Rept. 112-331.

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).¹⁷⁹ Congress included a requirement for secretarial certification before full-scale ASP procurement in each homeland security appropriations act from FY2007 through FY2011. 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.¹⁸⁰ Although the FY2012 request included funds to purchase and deploy 44 ASPs for secondary screening, the director of DNDO subsequently stated that DNDO will deploy 13 ASPs that it has already purchased but will “end

¹⁷⁹ 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.

¹⁸⁰ 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.

the ASP program as originally conceived.”¹⁸¹ The House committee report expressed an expectation that DNDO will not deploy ASPs prior to certification, even for secondary screening, but noted that radiation portal monitor 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.” Noting the cancellation decision, the conference report omitted the previous requirement for ASP certification. It directed DHS to notify the appropriations committees if a successor program is initiated.

The global nuclear detection architecture overseen by DNDO remains an issue of congressional interest.¹⁸² 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. 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 enacted bill included similar language.

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.”¹⁸³ 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.

¹⁸¹ Warren M. Stern, Director, Domestic Nuclear Detection Office, Department of Homeland Security, testimony before the House Committee on Homeland Security, Subcommittee on Cybersecurity, Infrastructure Protection, and Security Technologies, July 26, 2011, <http://homeland.house.gov/sites/homeland.house.gov/files/Testimony%20Stern.pdf>.

¹⁸² For more information, see CRS Report RL34574, *The Global Nuclear Detection Architecture: Issues for Congress*, by Dana A. Shea.

¹⁸³ 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 nonhomeland 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 budget for FY2012 accounts for nearly 52% of total federal funding for homeland security. The Department of Defense comprises the next highest proportion at nearly 26% 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 State at more than 3% round out the top five agencies in spending on homeland security. These five agencies collectively account for approximately 93% 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 enacted FY2012 budget bills and existing law included total *homeland security* budget authority of \$35.1 billion for DHS, the *total budget authority* for DHS is \$52.5 billion as of the date of publication.¹⁸⁴ 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.

¹⁸⁴ Includes appropriations, rescissions, fee funded programs, mandatory budget authority, disaster relief, and overseas contingency operations funding.

Table A-1. Federal Homeland Security Funding by Agency, FY2002-FY2013

(budget authority in millions of dollars)

Department	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013 Request	FY2013 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	34,901	35,125	35,534	51.6%
Department of Defense (DOD) ^b	16,126	8,442	7,024	17,188	17,510	16,538	18,032	19,483	19,054	16,994	17,358	17,995	26.1%
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	4,182	4,147	4,112	6.0%
Department of Justice (DOJ)	2,143	2,349	2,180	2,767	3,026	3,518	3,528	3,715	4,119	3,966	4,055	3,993	5.8%
Department of State (DOS)	477	634	696	824	1,108	1,242	1,719	1,809	2,016	1,949	2,283	2,354	3.4%
Department of Energy (DOE)	1,220	1,408	1,364	1,562	1,702	1,719	1,827	1,939	1,793	1,994	1,923	1,875	2.7%
Department of Agriculture (AG)	553	410	411	596	597	541	575	513	611	580	570	551	0.8%
National Science Foundation (NSF)	260	285	340	342	344	385	365	407	390	386	444	426	0.6%
Department of Veterans Affairs (VA)	49	154	271	249	298	260	309	310	427	413	396	384	0.6%
Department of Commerce	116	112	125	167	181	205	207	271	284	262	290	304	0.4%
Other Agencies	3,750	1,445	1,436	1,909	1,429	1,545	1,751	1,960	1,533	1,351	1,467	1,418	2.1%
Total Federal Budget Authority	43,848	42,447	40,834	54,383	57,118	59,833	65,099	72,201	70,661	66,983	67,989	68,905	100%

Sources: CRS analysis of data contained in Section 24. “Homeland Security Funding Analysis” of the Analytical Perspectives volume of the FY2013 President’s Budget (for FY2011-FY2013), Section 24. “Homeland Security Funding Analysis” of the Analytical Perspectives volume of the FY2012 President’s Budget (for FY2010), 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 nonhomeland 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.

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