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DHS Appropriations FY2016: Protection, Preparedness, Response, and Recovery

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Summary

This report is part of a suite of reports that discuss appropriations for the Department of Homeland Security (DHS) for FY2016. It specifically discusses appropriations for the components of DHS included in the third title of the homeland security appropriations bill—the National Protection and Programs Directorate (NPPD), the Office of Health Affairs (OHA), and the Federal Emergency Management Agency (FEMA). Collectively, Congress has labeled these components in the appropriations act in recent years as "Protection, Preparedness, Response, and Recovery."

The report provides an overview of the Administration's FY2016 request for Protection, Preparedness, Response, and Recovery, and the appropriations proposed by Congress in response, and those enacted thus far. Rather than limiting the scope of its review to the third title, the report includes information on provisions throughout the proposed bill and report that directly affect these functions.

Protection, Preparedness, Response, and Recovery is the second largest of the four titles that carry the bulk of the funding in the bill. The Administration requested $6,222 million for these components in FY2016, $267 million more than was provided for FY2015. These three components made up 15.0% of the Administration's $41.4 billion request for the department in net discretionary budget authority, and the proposed additional funding was 15.5% of the total net increase requested. Most of the proposed net discretionary increase was for NPPD ($157 million, or 10.5% more than last year) and its work in cybersecurity and communications.

The Administration also requested an additional $6.7 billion not reflected above for the Federal Emergency Management Agency (FEMA) in disaster relief funding, as defined by the Budget Control Act (BCA, P.L. 112-25).

Senate-reported S. 1619 would have provided the components included in this title $6,291 million in net discretionary budget authority. This would have been $69 million (1.1%) more than requested, and $336 million (5.6%) more than was provided in FY2015. The Senate-reported bill also included the requested disaster relief funding.

House-reported H.R. 3128 would have provided the components included in this title $6,122 million in net discretionary budget authority. This would have been $100 million (1.6%) less than requested, and $167 million (2.8%) more than was provided in FY2015. Like the Senate-reported bill, the House-reported bill also included the requested disaster relief funding.

On December 18, 2015, the President signed into law P.L. 114-113, the Consolidated Appropriations Act, 2016, Division F of which was the Department of Homeland Security Appropriations Act, 2016. The act included $6,353 million for these components in FY2016, $398 million (6.8%) more that was provided for FY2015, and $131 million (2.1%) more than was requested.

Additional information on the broader subject of FY2016 funding for the department can be found in CRS Report R44053, *Department of Homeland Security Appropriations: FY2016*, as well as links to analytical overviews and details regarding appropriations for other components.

This report will be updated if supplemental appropriations are provided for any of these components throughout the FY2016 appropriations process.

Contents

Figures

Tables

Contacts

Introduction

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The report provides an overview of the Administration's FY2016 request for Protection, Preparedness, Response, and Recovery, and the appropriations proposed by Congress in response, and those enacted thus far. Rather than limiting the scope of its review to the third title, the report includes information on provisions throughout the proposed bill and report that directly affect these functions.

The suite of CRS reports on homeland security appropriations tracks legislative action and congressional issues related to DHS appropriations, with particular attention paid to discretionary funding amounts. The reports do not provide in-depth analysis of specific issues related to mandatory funding—such as retirement pay—nor do they systematically follow other legislation related to the authorization or amending of DHS programs, activities, or fee revenues.

Discussion of appropriations legislation involves a variety of specialized budgetary concepts. The Appendix to CRS Report R44053, *Department of Homeland Security Appropriations: FY2016*, explains several of these concepts, including budget authority, obligations, outlays, discretionary and mandatory spending, offsetting collections, allocations, and adjustments to the discretionary spending caps under the Budget Control Act (P.L. 112-25). A more complete discussion of those terms and the appropriations process in general can be found in CRS Report R42388, *The Congressional Appropriations Process: An Introduction*, by Jessica Tollestrup, and the Government Accountability Office's *A Glossary of Terms Used in the Federal Budget Process*.[1]

Note on Data and Citations

Except in summary discussions and when discussing total amounts for the bill as a whole, all amounts contained in the suite of CRS reports on homeland security appropriations represent budget authority and are rounded to the nearest million. However, for precision in percentages and totals, all calculations were performed using unrounded data.

Data used in this report for FY2015 amounts are derived from the Department of Homeland Security Appropriations Act, 2015 (P.L. 114-4) and the explanatory statement that accompanied H.R. 240 as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322. Contextual information on the FY2016 request is generally from the *Budget of the United States Government, Fiscal Year 2016*, the FY2016 DHS congressional budget justifications, and the FY2016 DHS *Budget in Brief*.[2] However, most data used in CRS analyses in reports on DHS appropriations are drawn from congressional documentation to ensure consistent scoring whenever possible. Information on the FY2016 budget request and Senate-reported recommended

[1] U.S. Government Accountability Office, *A Glossary of Terms Used in the Federal Budget Process*, GAO-05-734SP, September 1, 2005, http://www.gao.gov/products/GAO-05-734SP.

[2] On April 14, 2015, the Administration submitted technical amendments to its budget request, but it presented no adjustments to its totals for the department. Therefore, modifications to authorization for Customs and Border Protection to use certain fee revenues are not reflected in this report.

funding levels is from S. 1619 and S.Rept. 114-68. Information on the House-reported recommended funding levels is from H.R. 3128 and H.Rept. 114-215. Data for FY2016 are derived from P.L. 114-113, the Omnibus Appropriations Act, 2016—Division F of which is the Homeland Security Appropriations Act, 2016—and the accompanying explanatory statement published in Books II and III of the *Congressional Record* for December 17, 2015.

Summary of DHS Appropriations

Generally, the homeland security appropriations bill includes all annual appropriations provided for DHS, allocating resources to every departmental component. Discretionary appropriations[3] provide roughly two-thirds to three-fourths of the annual funding for DHS operations, depending how one accounts for disaster relief spending and funding for overseas contingency operations. The remainder of the budget is a mix of fee revenues, trust funds, and mandatory spending.[4]

Appropriations measures for DHS typically have been organized into five titles.[5] The first four are thematic groupings of components: Departmental Management and Operations; Security, Enforcement, and Investigations; Protection, Preparedness, Response, and Recovery; and Research and Development, Training, and Services. A fifth title contains general provisions, the impact of which may reach across the entire department, impact multiple components, or focus on a single activity.

The following pie chart presents a visual comparison of the share of annual appropriations requested for the components funded in each of the first four titles, highlighting the components discussed in this report. As shown below, the components funded under Protection, Preparedness, Response, and Recovery would have received in total 27% of the discretionary budget authority requested for FY2016, roughly half of which is designated as disaster relief under the Budget Control Act.

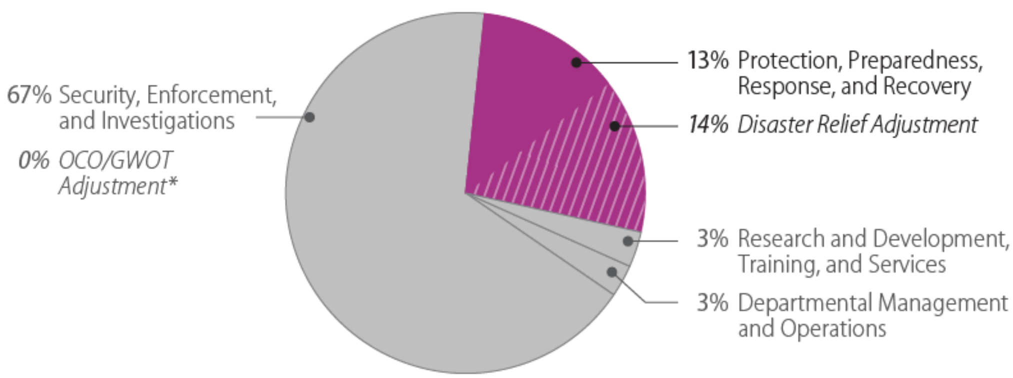
[3] Generally speaking, those provided through annual legislation.

[4] A detailed analysis of this breakdown between discretionary appropriations and other funding is available in CRS Report R44052, *DHS Budget v. DHS Appropriations: Fact Sheet*, by William L. Painter.

[5] Although the House and Senate generally produce symmetrically structured bills, this is not always the case. Additional titles are sometimes added by one of the chambers to address special issues. For example, the FY2012 House full committee markup added a sixth title to carry a $1 billion emergency appropriation for the Disaster Relief Fund (DRF). The Senate version carried no additional titles beyond the five described above. For FY2015, the House- and Senate-reported versions of the DHS appropriations bill were generally symmetrical.

Figure 1. Proportion of Requested DHS Discretionary Budget Authority by Title

(funding in general provisions distributed to recipient components)



Source: CRS analysis of data from U.S. Department of Homeland Security, *FY2016 Budget in Brief.*

Notes: *—The Administration requested $160 million to be transferred to DHS under the Overseas Contingency Operations/Global War on Terror (OCO/GWOT) allowable adjustment under the Budget Control Act. This amount rounds to zero for this calculation, and thus does not appear in the chart. Titles in italics and patterned wedges represent funding covered under adjustments to discretionary spending limits under the Budget Control Act.

Protection, Preparedness, Response, and Recovery

As noted above, the Protection, Preparedness, Response, and Recovery title (Title III) of the DHS appropriations bill is the second-largest title in the bill in terms of net discretionary budget authority: NPPD, OHA, and FEMA are funded in this title. Some provisions in Title V, General Provisions, may affect the funding available for some of these components. The Administration requested $6,222 million in FY2016 net discretionary budget authority for components included in this title, as part of a total budget for these components of $19,020 million for FY2016.[6] The appropriations request was $267 million (4.5%) more than was provided for FY2015.

The Administration also requested an additional $6,713 billion not reflected in the above totals for the Federal Emergency Management Agency (FEMA) in disaster relief funding, as defined by the Budget Control Act (BCA, P.L. 112-25). This amount is covered by an adjustment under the Budget Control Act (BCA), and does not add to the total adjusted net discretionary budget authority in the bill. Senate-reported S. 1619 would have provided the components included in this title $6,291 million in net discretionary budget authority—$69 million (1.1%) more than requested, and $336 million (5.6%) more than was provided in FY2015—while House-reported H.R. 3128 would have provided $6,122 million—$100 million (1.6%) less than requested, and $167 million (2.8%) more than was provided in FY2015. Both Senate- and House-reported bills included the requested disaster relief funding.

[6] In addition to the appropriations provided in Title III, under the request, the Disaster Relief Fund would receive $6,713 million in budget authority that is accounted for by an adjustment to the discretionary spending limits set by the Budget Control Act (P.L. 112-25). Another $1,443 million is provided through offsetting collections to the Federal Protective Service—neither of these is included in the net discretionary budget total. Other resources that contribute to the budget for these components include mandatory spending, fee revenues, and trust funds, including the National Flood Insurance Fund.

On December 18, 2015, the President signed into law P.L. 114-113, the Consolidated Appropriations Act, 2016, Division F of which was the Department of Homeland Security Appropriations Act, 2016. The act included $6,353 million for these components in FY2016, $398 million (6.8%) more than was provided for FY2015, and $131 million (2.1%) more than was requested. It also included the requested disaster relief funding.

Table 1 lists the enacted funding level for the individual components funded under Protection, Preparedness, Response, and Recovery for FY2015, the amounts requested for these accounts by the Administration for FY2016 by the Administration, proposed by the Senate- and House-reported bills, and provided by the enacted annual appropriation for FY2016. The table includes information on funding under Title III as well as other provisions in the bill.

Table 1. Budgetary Resources for Protection, Preparedness, Response, and Recovery, FY2015 and FY2016

(budget authority in millions of dollars)

	FY2015	FY2016			
Component/Appropriation	**Enacted**	**Request**	**Senate-reported S. 1619**	**House-reported H.R. 3128**	**Div. F, P.L. 114-113**
National Protection and Programs Directorate					
Management and Administration	62	64	58	56	62
Infrastructure Protection and Information Security	1,189	1,312	1,297	1,245	1,291
Federal Protective Service[a]	[1,343]	[1,443]	[1,443]	[1,443]	[1,443]
Office of Biometric Identity Management	252	284	283	283	282
Appropriation	**1,502**	**1,659**	**1,638**	**1,585**	**1,636**
Fees, Mandatory Spending, and Trust Funds	1,343	1,443	1,443	1,443	1,443
Total Budgetary Resources	2,845	3,103	3,082	3,028	3,079
Office of Health Affairs					
Appropriation	**129**	**124**	**123**	**125**	**125**
Fees, Mandatory Spending, and Trust Funds	0	0	0	0	0
Total Budgetary Resources	129	124	123	125	125
Federal Emergency Management Agency					
Salaries and Expenses	934	949	929	956	961
Grants and Training	2,530	2,231	2,530	2,530	2,540
Radiological Emergency Preparedness	-2	*	*	*	*
U.S. Fire Administration	44	42	44	44	44
Disaster Relief Fund	596	662	662	662	662
Major Disasters Adjustment	[6,438]	[6,713]	[6,713]	[6,713]	[6,713]
Transfer to Office of Inspector General	[-24]	[-24]	[-24]	[-24]	[-24]

Component/Appropriation	FY2015 Enacted	FY2016 Request	FY2016 Senate-reported S. 1619	FY2016 House-reported H.R. 3128	FY2016 Div. F, P.L. 114-113
Subtotal: Net Total Disaster Relief Funding[b]	[7,009]	[7,351]	[7,351]	[7,351]	[7,351]
Flood Hazard Mapping and Risk Analysis	100	279	190	100	190
National Flood Insurance Fund[a]	[179]	[181]	[181]	[181]	[181]
Pre-disaster Mitigation Fund	25	200	100	25	100
Emergency Food and Shelter	120	100	100	120	120
Appropriation[c]	**4,347**	**4,462**	**4,554**	**4,437**	**4,616**
Fees, Mandatory Spending, and Trust Funds	4,538	4,666	4,666	4,666	4,666
Total Budgetary Resources	15,299	15,817	15,909	15,791	15,971
Net Discretionary Budget Authority: Title III[c]	**5,979**	**6,246**	**6,315**	**6,146**	**6,377**
Net Discretionary Budget Authority: Total for Protection, Preparedness, Response and Recovery Components	**5,955**	**6,222**	**6,291**	**6,122**	**6,353**
Total Gross Budgetary Resources for Protection, Preparedness, Response and Recovery Components	**18,250**	**19,020**	**19,090**	**18,920**	**19,151**

Source: CRS analysis of P.L. 114-4 and its explanatory statement as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322, the FY2016 DHS *Budget-in-Brief,* S. 1619, S.Rept. 114-68, H.R. 3128, H.Rept. 114-215, and Division F of P.L. 114-113 and its explanatory statement as printed in the *Congressional Record* of December 17, 2015, pp. H10161-H10210.

Notes: * = rounds to zero. Table displays rounded numbers, but all operations were performed with unrounded data. Amounts, therefore, may not sum to totals. Fee revenues included in the "Fees, Mandatory Spending, and Trust Funds" lines are projections, and do not include budget authority provided through general provisions. Bracketed items represent funding that does not contribute to net discretionary budget authority.

a. This line is wholly offset by fees and, therefore, does not add to the total appropriation.

b. This line is a subtotal of the "Disaster Relief Fund" line and the "Disaster Relief Adjustment"—it represents the total resources provided to the DRF. The "Disaster Relief Fund" line is included in the "Appropriation" line, but the "Disaster Relief Adjustment" line is not.

c. For consistency across tables, this line does not include the $24 million transfer from the DRF—its impact is reflected in the budgetary resource totals below.

National Protection and Programs Directorate (NPPD)[7]

The National Protection and Programs Directorate (NPPD) was formed by the Secretary of Homeland Security in response to the Post-Katrina Emergency Management Reform Act of 2006. The Directorate includes the Office of the Under Secretary for NPPD and accompanying administrative support functions; the Office of Infrastructure Protection, the Office of Cybersecurity and Communications, and the Office of Cyber and Infrastructure Analysis, which

[7] Prepared by John D. Moteff, Specialist in Science and Technology Policy, Resources, Science, and Industry Division.

together manage the Infrastructure Protection and Information Security Program; the Federal Protective Service; and the Office of Biometric Identity Management.

NPPD Appropriations Overview

Overall, the Administration requested $1,659 million in net discretionary budget authority for NPPD. This is $157 million (10.4%) more than was provided in FY2015. The Senate-reported bill included $1,638 million for the directorate, $21 million (1.3%) less than requested, while the House-reported bill included $1,585 million, $75 million (4.5%) less than requested. The omnibus provided $1,636 million, $24 million (1.5%) below the request, but $133 million (8.8%) above what was enacted for FY2015.

Because of the diverse missions of NPPD, this report separately addresses appropriations in detail for three individual subcomponents of NPPD: Infrastructure Protection and Information Security; the Federal Protective Service; and the Office of Biometric Identity Management. Aside from those three subcomponents, a separate appropriation is provided for the directorate's management and administration function, which is reflected in **Table 1**.

Information Protection and Infrastructure Security

The Infrastructure Protection and Information Security Program (IPIS) supports the programmatic activities of the Office of Infrastructure Protection, the newly formed Office of Cyber and Infrastructure Analysis,[8] and the Office of Cybersecurity and Communications.

FY2016 Request

The Administration requested $1,312 million for the IPIS program for FY2016. This is $123 million above what Congress enacted for FY2015. The request would increase funds for Infrastructure Protection activities by $24 million, Cybersecurity activities by $65 million, and Communications activities by $34 million, above FY2015 enacted levels.

These increases reflect the net results of adjustments made to base funding (including realignments of funds between PPAs), programmatic increases, and programmatic decreases. Many of these changes take place below the level of detail reflected in the appropriations committee reports.

Note: the following discussion in this report of programmatic increases and decreases within the FY2016 request reflect comparisons between the FY2015 request and the FY2016 request as made in the budget justifications for IPIS. The final FY2015 DHS appropriation had not been finalized by the time the FY2016 budget justifications were released to Congress. Program changes could therefore not be measured against a FY2015 enacted level, so the new FY2016 justifications compared the proposal to the old FY2015 justification. Although FY2015 appropriations were enacted several weeks later, there is no authoritative assessment of proposed program-level changes in the request versus FY2015 allocations.

The FY2016 budget request included relatively large programmatic increases for Network Security Deployment ($96 million),[9] Continuous Diagnostics and Monitoring ($87 million in the

[8] The Office of Cyber and Infrastructure Analysis was established by DHS in 2014 in response to Presidential Policy Directive/PPD-21. Critical Infrastructure Security and Resilience, February 12, 2013 (see http://www.gpo.gov/fdsys/pkg/DCPD-201300092/pdf/DCPD-201300092.pdf), and Executive Order 13636, *Improving Critical Infrastructure Cybersecurity* (see *Federal Register*, vol. 78, no. 33, February 19, 2013, pp. 11739-11744).

[9] Department of Homeland Security, *National Protection & Programs Directorate, Infrastructure Protection and* (continued...)

Federal Network Security PPA),[10] and Next Generation Priority Telecommunication Services ($79 million).[11] It also included an increase ($16 million in the Infrastructure Security Compliance PPA) to support implementation of the Ammonium Nitrate Final Rule.[12] The budget request also included an increase of $10 million to assess the risk to critical infrastructures associated with climate change ($6 million in the Infrastructure Analysis and Planning PPA and $4 million in the Sector Management and Governance PPA).[13] Also of note, adjustments-to-the-base included pay adjustments related to cybersecurity pay reform (totally $16 million distributed across all but two of the PPAs).

These proposed increases were balanced to some extent by adjustments to the base level of spending (again, assessed using FY2015 as a baseline). For example, despite a program increase of $87 million for certain Continuous Diagnostics and Monitoring (CDM) activities,[14] the request included a relatively large drop in the request for the overall Federal Network Security PPA, the request for which is $40 million below the FY2015 request. This was because the PPA also included a negative adjustment-to-base of $126 million associated with non-recurring costs from the previous year related to other CDM activities.[15]

The budget request also included relatively smaller programmatic reductions, the largest being reduced support for the Multi-State Information Sharing and Analysis Center (-$4 million in the Critical Infrastructure Cyber Protection and Awareness PPA)[16] and reductions in support of the Chemical Security Assessment Tool (-$3 million in the Infrastructure Security Compliance PPA).[17]

Senate-Reported S. 1619

The Senate Appropriation Committee recommended $1,297 million for IPIS, $15 million below the Administration's request. The Senate Committee report expressed concern regarding the department's difficulties in meeting its hiring goals, and reduced personnel-related funds by $7 million.[18] The committee also recommended reducing the request for Infrastructure Security Compliance PPA by $5 million, noting the delay in issuing a final rule for regulating ammonium nitrate manufacture, sale, and transport.[19] The Senate Committee also disagreed with the Administration in several areas of the budget request associated with the Infrastructure Analysis and Planning PPA. The committee recommended no less than $17 million for the National Infrastructure and Analysis Center (NIAC)[20] (the Administration had planned to realign some funds from the NIAC to develop some low- and mid-level analytical capabilities within NPPD,

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(...continued)

Information Security, Fiscal Year 2016. Congressional Justification pp. 87-90.

[10] Ibid., p. 91.

[11] Ibid., p. 92.

[12] Ibid., p. 85.

[13] Ibid., p. 81.

[14] Ibid., p. 91.

[15] Ibid., p.35.

[16] Ibid., p. 95

[17] Ibid., p. 99.

[18] S.Rept. 114-68, p. 91.

[19] Ibid., p. 95. However, the committee did recommend spending $13 million on the Ammonium Nitrate Security Program.

[20] Ibid., p. 93.

although it did not state how much).[21] The committee also recommended that funds for vulnerability assessments be kept at last year's level[22] (the Administration had requested a $2 million increase),[23] while adding $2 million to fund the development of a strategic plan to help the Regional Resiliency Analysis Program engage in risk-informed budgeting.[24] The committee also did not agree with the Administration's reduction in cyber education activities within the Global Cybersecurity Management PPA and provided not less than $16 million for those activities.[25]

House-Reported H.R. 3128

The House Appropriations Committee recommended $1,245 million for IPIS, $67 million below the Administration's request. The committee also expressed concern that the department has not been able to meet its hiring objectives and, therefore, recommended that the full complement of positions asked for by the department not be funded. As a result, the budget request was reduced by $45 million, distributed across the PPAs.[26] In addition, the committee did not approve the $10 million requested for assessing the risks to critical infrastructure associated with climate change.[27] Also noting that the final rule on regulating ammonium nitrate manufacture, sale, and transport has not yet been approved, the committee recommended delaying the appropriation of $16 million that was requested for implementing the rule until next fiscal year.[28] Finally, the committee recommended that the department continue to support the Multi-State Information Sharing and Analysis Center at FY2015 levels.[29]

Table 2 outlines the funding levels enacted for FY2015, as well as the proposed and enacted FY2016 funding levels for each PPA within the IPIS program.

Omnibus (Division F of P.L. 114-113)

The omnibus provided $273 million for Infrastructure Protection, $22 million less than requested. The omnibus did not provide the requested $16 million program increase to support implementation of the ammonium nitrate regulations, which accounted for much of this reduction. The explanatory statement noted the delay in implementing a final rule as the reason for the reduction.[30] However, the omnibus did provide $4 million for DHS to help secure ammonium nitrate and other explosive precursors until the regulations are finalized. The omnibus did not provide the requested $10 million program increase to assess the potential impacts of

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[21] Department of Homeland Security, *National Protection & Programs Directorate, Infrastructure Protection and Information Security. Fiscal Year 2016. Congressional Justification,* p. 10. See "Modeling and Simulation."

[22] S.Rept. 114-68, p.93

[23] Department of Homeland Security, *National Protection & Programs Directorate, Infrastructure Protection and Information Security. Fiscal Year 2016. Congressional Justification,* p. 9. See tables.

[24] S.Rept. 114-68, p. 94.

[25] The FY2016 budget justification did not show a decrease in education activities because the FY2016 request was compared to the Administration's FY2015 request which did propose reduced spending. However, Congress did not agree to those cuts in the enacted FY2015 appropriation. Therefore, the flat spending proposed in FY2016 again represents a reduction in funds for DHS cybersecurity education-related activities, hence the committee's language here.

[26] H.Rept. 114-215, pp. 68-69.

[27] Ibid., pp. 70-71.

[28] Ibid., pp. 71-72.

[29] Ibid., p. 73.

[30] Congressional Record, vol. 161, no. 184, Book III, Thursday, December 17, 2015, p. H10173.

climate change on critical infrastructures.[31] The omnibus also appropriated $4 million less than the request for Regional Field Operations. This reduction is not explained in the explanatory statement. The omnibus provided $2 million for a three-year strategic plan that would guide future vulnerability assessments and the Regional Resiliency Assessment program.[32] It also appropriated an additional $4 million to expedite the development of a new critical infrastructure database (as part of the Sector Management and Governance PPA).[33]

The omnibus appropriated $819 million for cybersecurity programs, slightly more than what was requested. While the Administration's request included a reduction in DHS's cybersecurity education efforts, the omnibus supported those activities at FY2015 levels ($16 million).[34] The explanatory statement accompanying the omnibus also rejected a proposed $500,000 reduction to funding for the Multi-State Information Sharing and Analysis Center (MS-ISAC), and provided $500,000 to ensure current services to state, local, and tribal governments are maintained. The explanatory statement required DHS to provide a detailed accounting and justification for its obligation of funds to this activity.[35]

The omnibus appropriated $199 million for communication security programs, including fully funding the request for the Next Generations Network PPA.

Cutting across all of the PPAs, the omnibus fully supported NPPD's current hiring projections.[36]

Table 2. Budget Authority for Infrastructure Protection and Information Security, FY2015-FY2016

(budget authority in rounded millions of dollars)

	FY2015	FY2016			
Appropriation / Sub-Appropriation	**Enacted**	**Request**	**Senate-reported S. 1619**	**House-reported H.R. 3128**	**Div. F, P.L. 114-113**
Infrastructure Protection	271	295	280	252	273
Infrastructure Analysis and Planning	*64*	*76*	*70*	*64*	*75*
Sector Management and Governance	*65*	*71*	*68*	*62*	*71*
Regional Field Operations	*57*	*53*	*52*	*51*	*49*
Infrastructure Security Compliance	*85*	*95*	*90*	*75*	*78*
Cybersecurity	753	818	820	798	819
Cybersecurity Coordination	*4*	*4*	*4*	*4*	*4*

[31] Ibid., p. H10172.

[32] Ibid., p. H10172-10173.

[33] Ibid., p. H10173.

[34] Ibid., p. H10173.

[35] Ibid., p. H10173.

[36] Ibid., p. H10172.

	FY2015	FY2016			
Appropriation / Sub-Appropriation	**Enacted**	**Request**	**Senate-reported S. 1619**	**House-reported H.R. 3128**	**Div. F, P.L. 114-113**
US-CERT Operations	*99*	*99*	*98*	*92*	*94*
Federal Network Security	*171*	*131*	*131*	*128*	*136*
Network Security Deployment	*377*	*480*	*478*	*474*	*476*
Global Cybersecurity Management	*26*	*20*	*27*	*19*	*27*
Critical Infrastructure Cyber Protection and Awareness	*71*	*78*	*76*	*74*	*74*
Business Operations	*6*	*7*	*6*	*6*	*7*
Communications	164	198	198	195	199
Office of Emergency Communications	*37*	*33*	*33*	*32*	*34*
Priority Telecommunications Services	*53*	*64*	*64*	*63*	*63*
Next Generation Networks	*53*	*80*	*80*	*80*	*80*
Programs to Study and Enhance Telecommunications	*10*	*10*	*10*	*10*	*10*
Critical Infrastructure Protection	*10*	*11*	*11*	*10*	*11*
Total, Infrastructure Protection and Information Security	**1,189**	**1,312**	**1,297**	**1,245**	**1,291**

Source: CRS analysis of P.L. 114-4 and its explanatory statement as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322, the FY2016 DHS *Budget-in-Brief,* S. 1619, S.Rept. 114-68, H.R. 3128, H.Rept. 114-215, and Division F of P.L. 114-113 and its explanatory statement as printed in the *Congressional Record* of December 17, 2015, pp. H10161-H10210.

Note: Table displays rounded numbers, but all operations were performed with unrounded data: therefore, amounts may not sum to totals.

Issues for Congress

While both the House and Senate appropriations committees expressed concern about the Directorate's inability to meet its hiring goals, the House committee proposed a greater reduction in personnel-related expenses than did the Senate. Since, according to the House committee, the Directorate has typically redirected the unexecuted funds as the year goes along, the ability to do so this next fiscal year presumably would be restricted more under the House-reported version. Congress's decision will affect how much flexibility the Directorate will have in this next fiscal year. The omnibus fully supported DHS's projection for hiring.

While the Senate committee was silent regarding funds for climate change-related risk assessments, it recommended $10 million less for the two PPAs that had funds budgeted for those assessments (equal to the amount the Administration proposed spending). Presumably, under the Senate's version, if the Directorate went ahead with these assessments, it would have to reduce expenditures in other Infrastructure Analysis and Planning and Sector Management and Governance activities. The House committee explicitly did not provide the extra $10 million requested for these assessments. The omnibus explicitly did not provide funds for these assessments.

Both committees did not fully support the Administration's request for an additional $16 million to implement ammonium nitrate rules that have not yet been made final. The House committee did not provide any extra funding. The Senate committee reduced the total funding for Infrastructure Security Compliance PPA by $5 million, but directed $13 million toward the Ammonium Nitrate Security Program. It is not clear the relative impact either recommendation may have, if any, on implementing compliance with the rules once they are made final. The omnibus explicitly stated that no funds were appropriated to implement these rules, but it did provide $5 million to allow DHS to take additional measures to secure ammonium nitrate and other explosive precursors.

The House and Senate committees also differed on how much to spend on DHS's cybersecurity education-related activities. The omnibus maintained funding for these activities at FY2015 levels ($16 million).

Finally, there were a number of bills introduced this session dealing with varying aspects of cybersecurity, including those focused on improving information sharing between the federal government and the private sector.[37] Agreed-upon legislation, entitled the Cybersecurity Act of 2015, was included in Division D of the omnibus. Analyzing the potential impact of these bills on this year's IPIS appropriations is beyond the scope of this report.

Federal Protective Service

The Federal Protective Service (FPS), within the National Protection and Programs Directorate (NPPD),[38] is responsible for the protection and security of federal property, personnel, and federally owned and leased buildings.[39] In general, FPS operations focus on security and law enforcement activities that reduce vulnerability to criminal and terrorist threats. 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.[40] FPS is the lead "Government Facilities Sector Agency" for the National Infrastructure Protection Plan

[37] For example, see CRS Report R44069, *Cybersecurity and Information Sharing: Comparison of H.R. 1560 (PCNA and NCPAA) and S. 754 (CISA)*, by Eric A. Fischer.

[38] FPS was transferred to NPPD from ICE following the enactment of the FY2010 DHS appropriations (P.L. 111-83).

[39] 40 U.S.C. 1315.

[40] For information on NSSEs, see CRS Report R43522, *National Special Security Events: Fact Sheet*, by Shawn Reese.

(NIPP).[41] FPS anticipates employing 1,386 FTEs in its base workforce, supplemented by approximately 13,000 contract security guards.[42]

Unlike other components of DHS, FPS is fully funded by offsetting collections rather than appropriations. Fees are charged to FPS's customers for security services, and the use of those fees is authorized by the appropriations legislation. Because the cost of FPS operations is offset in this way, the resources provided to FPS do not add to the net discretionary budget authority in the legislation, although they do appear in calculations of gross budgetary resources available to the department.

FY2016 Request

The Administration requested $1,443 million for FPS for FY2016, $101 million (7.5%) more than was provided in FY2015.

Senate-Reported S. 1619 and House-Reported H.R. 3128

Both Senate- and House-reported bills included the requested authorization to use fees collected to support FPS operations. The Senate-reported bill required the submission of a human capital resource plan,[43] while the House-reported bill did not. However, H.Rept. 114-215 required a certification from OMB that FPS operations would be fully funded by the collected fees. If the collected revenues proved inadequate, an expenditure plan would be required that described how security risks would be addressed.[44]

Division F of P.L. 114-113

Division F of P.L. 114-113 included the requested authorization to use fees collected to support FPS operations, and a requirement for submission of a strategic human capital plan. The explanatory statement did not contradict or amend the House report's requirement for the OMB certification that collected fees would fully fund FPS operations.

Office of Biometric Identity Management (OBIM)

The Office of Biometric Identity Management (OBIM) is responsible for collecting, maintaining, and sharing biometric data with the law enforcement and intelligence communities and strategic foreign partners. As part of this mission, it maintains the Automated Biometric Identification System (IDENT)—DHS's central repository for biometric data.

FY2016 Request

The Administration requested almost $284 million for OBIM, $31 million (12.5%) more than was provided in FY2015. The net increase was driven largely by an increase of almost $66 million for the first increment of the replacement for IDENT.

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[41] For information on the NIPP, see http://www.dhs.gov/national-infrastructure-protection-plan.

[42] Department of Homeland Security, *Congressional Budget Justification FY2016: National Protection and Programs Directorate, Federal Protective Service* (Washington, DC, 2015), p. 1.

[43] S.Rept. 114-68, p. 101.

[44] H.Rept. 114-215, p. 75.

Senate-Reported S. 1619

Senate-reported S. 1619 included $283 million for OBIM, less than $1 million below the requested funding level, and $31 million more than was provided in FY2015. Report language indicates the Senate Appropriations Committee expected the request for the first increment of IDENT replacement to be fully funded, and that OBIM provide semiannual briefings to the committee on its work and progress on specific projects, including coordination of biometric systems across government.[45]

House-Reported H.R. 3128

House-reported H.R. 3128 included $283 million for OBIM, less than $1 million less than requested, $31 million more than was provided in FY2015, and $208,000 more than was proposed by the Senate Appropriations Committee. Like the Senate committee report, the House Appropriations Committee report supported the requested level of funding for the first increment of IDENT replacement, and directed OBIM to continue its briefings on coordination of biometric systems.[46]

Division F of P.L. 114-113

Division F of P.L. 114-113 included $282 million for OBIM. The explanatory statement noted that almost $66 million was for the first increment of funding for the successor system to the IDENT automated biometric identification system. The explanatory statement further noted the current estimates for the next three follow-on increments, and directed OBIM to "find cost savings wherever possible and brief the Committees on any anticipated cost changes."[47]

Office of Health Affairs[48]

The Office of Health Affairs (OHA) coordinates or consults on DHS programs that have a public health or medical component.[49] These include FEMA operations, homeland security grant programs, and medical care provided at ICE detention facilities. OHA also has operational responsibility for several programs, including the BioWatch program, the National Biosurveillance Integration Center (NBIC), the department's occupational health and safety programs, and the department's implementation of Homeland Security Presidential Directive-9 (HSPD-9), "Defense of United States Agriculture and Food."

FY2016 Request

The Administration requested $124 million for OHA for FY2016, $5 million below the amount appropriated for FY2015. The proposed allocation among OHA's activities was $83 million for the BioWatch program; $8 million for NBIC; almost $1 million for the Chemical Defense Program; $5 million for Planning and Coordination (under which leadership and coordination activities are implemented); and $27 million for Salaries and Expenses.

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[45] S.Rept. 114-68, p. 102.

[46] H.Rept. 114-215, p. 78.

[47] *Congressional Record,* December 17, 2015, p. H10173.

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

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

Senate-Reported S. 1619

The Senate Appropriations Committee recommended $123 million for OHA for FY2016, $1 million below the amount requested and $6 million below the FY2015 level. The committee proposed the amount requested for all activities except Salaries and Expenses, as follows: $83 million for the BioWatch Program; $8 million for NBIC; almost $1 million for the Chemical Defense Program; $5 million for Planning and Coordination; and $26 million for Salaries and Expenses.[50]

House-Reported H.R. 3128

The House Appropriations Committee recommended $125 million for OHA for FY2016, $1 million above the amount requested and $4 million below the FY2015 level. The committee proposed $82 million for the BioWatch Program; $11 million for NBIC; almost $1 million for the Chemical Defense Program; $5 million for Planning and Coordination; and $27 million for Salaries and Expenses. The committee proposed sustaining the FY2015 level for NBIC to continue work to operationalize pilot programs.[51]

Division F of P.L. 114-113

Division F of P.L. 114-113 included $125 million for OHA for FY2016, slightly more than the level recommended by the House Appropriations Committee (0.1%), with the same distribution of resources recommended in the explanatory statement, except for a slight increase (0.6%) in Salaries and Expenses.

Table 3 presents the enacted funding amounts for OHA components for FY2015, the Administration's request for FY2016, and the Senate- and House-reported numbers for the same.

Table 3. Office of Health Affairs, FY2015-FY2016

(budget authority in rounded millions of dollars)

	FY2015	FY2016			
Sub-Appropriation	Enacted	Request	Senate-reported S. 1619	House-reported H.R. 3128	Div. F, P.L. 114-113
BioWatch	87	83	83	82	82
National Biosurveillance Integration Center	11	8	8	11	11
Chemical Defense	1	1	1	1	1
Planning and Coordination	5	5	5	5	5
Salaries and Expenses	26	27	26	27	27

[50] S.Rept. 114-68, p. 103.

[51] H.Rept. 114-215, p. 79. These programs include, among others, integration of Internet and social media data into NBIC's analyses. FY2016 DHS *Budget-in-Brief,* Office of Health Affairs, p. 7.

Sub-Appropriation	FY2015 Enacted	FY2016 Request	FY2016 Senate-reported S. 1619	FY2016 House-reported H.R. 3128	FY2016 Div. F, P.L. 114-113
Total OHA budget authority	**129**	**124**	**123**	**125**	**125**

Sources: CRS analysis of P.L. 114-4 and its explanatory statement as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322, the FY2016 DHS *Budget-in-Brief,* S. 1619 S.Rept. 114-68, H.R. 3128, H.Rept. 114-215, and Division F of P.L. 114-113 and its explanatory statement as printed in the *Congressional Record* of December 17, 2015, pp. H10161-H10210.

Notes: Table displays rounded numbers, but all operations were performed with unrounded data: therefore, amounts may not sum to totals.

Issues for Congress

BioWatch: Modernizing the System

The BioWatch program deploys sensors in more than 30 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 BioWatch accounts for most of OHA's budget. The program had sought for several years to deploy more sophisticated autonomous sensors that could detect airborne pathogens in a few hours, rather than the day or more that is currently required. However, after several years of unsuccessful efforts to procure a replacement for the existing system, DHS announced the termination of further procurement activities in April 2014.[52]

The Senate Committee recommended the requested amount for BioWatch for FY2016, to continue current operations, including routine replacement of equipment. However, the committee states that the "current gaps in timeliness and agent detection should be addressed," and directs that OHA and S&T brief the committee within 180 days of enactment regarding DHS plans for future BioWatch detection capabilities.[53]

The House Committee recommended $1 million less than the requested amount for BioWatch, saying that additional amounts provided for FY2015 funded equipment replacement costs sufficiently, so that the funding need for FY2016 was reduced. The committee also stated its continued support for efforts to improve the timeliness of detection, and recommended that OHA collaborate with DOD, among other partners, in this effort.[54]

The explanatory statement specified $1 million was for replacement and recapitalization of BioWatch equipment, and directed OHA to brief the Appropriations Committees on its response to a GAO report that found DHS lacked information about certain capabilities of the BioWatch system.[55]

[52] U.S. Government Accountability Office, *Biosurveillance: Observations on the Cancellation of BioWatch Gen-3 and Future Considerations for the Program*, GAO-14-267T, June 10, 2014, http://www.gao.gov/products/GAO-14-267T.

[53] S.Rept. 114-68, p. 103.

[54] H.Rept. 114-215, p. 79.

[55] *Congressional Record*, December 17, 2015, p. H10173.

Federal Emergency Management Agency (FEMA)

The primary mission of the Federal Emergency Management Agency (FEMA) is to reduce the loss of life and property, and protect the nation from all hazards. It is responsible for leading and supporting the nation's preparedness for manmade and natural disasters through a risk-based and comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.[56]

FEMA executes its mission through a number of activities. It provides incident response, recovery, and mitigation assistance to state and local governments, primarily appropriated through the Disaster Relief Fund (DRF) and the Pre-Disaster Mitigation Fund. It also supports disaster preparedness through a series of homeland security and emergency management grant programs.

FEMA Appropriations Overview

FY2016 Request

The Administration requested $4,462 million in net discretionary budget authority for FEMA overall, $115 million (2.6%) more than in FY2015. FEMA's budget includes two large elements that do not count towards the total net discretionary budget authority: funding for major disasters under the Stafford Act, which is paid for under an adjustment to the discretionary spending limits; and the National Flood Insurance Fund, which is considered mandatory spending.

Senate-Reported S. 1619

The Senate-reported bill included $4,554 million in net discretionary budget authority for FEMA for FY2016, $92 million (2.1%) more than requested and $207 million (4.8%) more than was provided in FY2015.

House-Reported H.R. 3128

The House-reported bill included $4,437 million in net discretionary budget authority for FEMA for FY2016, $26 million (0.6%) less than requested and $89 million (2.1%) more than was provided in FY2015.

Division F of P.L. 114-113

Division F of P.L. 114-113 included $4,616 million in net discretionary budget authority for FEMA for FY2016, $154 million (3.5%) more than requested and $269 million (6.2%) more than was provided in FY2015.

Details of select individual FEMA appropriations are provided below.

[56] For a full description of FEMA's mission and authorities, see 6 U.S.C. §§314-315, which are Sections 503 and 504 of the Homeland Security Act of 2002, as amended. See also the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288, as amended); Title V of the Homeland Security Act of 2002 (P.L. 107-296, 6 U.S.C. §§311-321, as amended); and the Post-Katrina Emergency Management Reform Act of 2006 (P.L. 109-295, 6 U.S.C. §§700-797).

DHS State and Local Preparedness Grants

State and local governments have primary responsibility for most domestic public safety functions. When facing difficult fiscal conditions, state and local governments may reduce resources allocated to public safety and, consequently, homeland security preparedness, due to increasing pressure to address tight budgetary constraints and fund competing priorities. Since state and local governments fund the largest percentage of public safety expenditures, this may have a significant impact on the national preparedness level.

Prior to 9/11, three federal grant programs were available to state and local governments to address homeland security: the State Domestic Preparedness Program administered by the Department of Justice, the Emergency Management Performance Grant (EMPG) administered by the Federal Emergency Management Agency (FEMA), and the Metropolitan Medical Response System (MMRS) administered by the Department of Health and Human Services. Since then, several additional homeland security grant programs were added to amplify state and local preparedness, including the State Homeland Security Grant Program (SHSGP), Citizen Corps Program (CCP), Urban Area Security Initiative (UASI), Driver's License Security Grants Program (REAL ID), Operation Stonegarden grant program (Stonegarden), Regional Catastrophic Preparedness Grant Program (RCPG), Public Transportation Security Assistance and Rail Security Assistance grant program (Transit Security Grants), Port Security Grants (Port Security), Over-the-Road Bus Security Assistance (Over-the-Road), Buffer Zone Protection Program (BZPP), Interoperable Emergency Communications Grant Program (IECGP), and Emergency Operations Center Grant Program (EOC). While some of these programs still receive explicit mention in appropriations reports, others have become allowable uses for funding provided under a larger umbrella grant program, without explicit congressional action.

FY2016 Request

The Administration requested $1,211 million for state and local grant programs and training in FY2016. This is $289 million less than was appropriated in FY2014 and FY2015 ($1,500 million). Additionally, the Administration proposed several structural changes, including a single block grant for preparedness grants—the National Preparedness Grant Program (NPGP).

Senate-Reported S. 1619 and House-Reported H.R. 3128

Senate-reported S. 1619 and House-reported H.R. 3128 included a total of $1,500 million for state and local grant programs and training for FY2016, the same level provided in FY2014 and FY2015. The Senate- and House-reported bill and report recommended maintaining the current structure of the grant programs, rejecting the proposed block grant.

Division F of P.L. 114-113

Division F of P.L. 114-113 included $1,500 million in net discretionary budget authority for state and local grant programs and training for FY2016. **Table 4** includes the distribution of those resources among programs as provided in the law and explanatory statement.

Table 4. State and Local Grant Programs and Training, FY2015-FY2016

(budget authority in rounded millions of dollars)

	FY2015	FY2016			
Appropriation / Sub-Appropriation	**Enacted**	**Request**	**Senate-Reported S. 1619**	**House-reported H.R. 3128**	**Div. F, P.L. 114-113**
State and Local Programs (grants)	**1,267**	**[1,043]**[a]	**1,267**	**1,267**	**1,267**
State Homeland Security Grant Program (SHSGP)	467	—	467	467	467
Operation Stonegarden (included in SHSGP)	*[55]*	—	*[55]*	*[55]*	*[55]*
Urban Area Security Initiative (UASI)	600	—	600	600	600
Non-Profit Security Grants (included in UASI)	*[13]*	—	*[25]*	*[13]*	*[20]*
Public Transportation Security Assistance, Railroad Security Assistance, Over-the-Road Bus Security Assistance	100	—	100	100	100
Amtrak Security (included in above security assistance programs)	*[10]*	—	*[10]*	*[10]*	*[10]*
Over-the-Road Bus Security (included in above security assistance programs)	*[3]*	—	—	*[3]*	*[3]*
Port Security	100	—	100	100	100
Education, Training, and Exercises	**233**	**168**	**233**	**233**	**233**
Emergency Management Institute (EMI)	*21*	*20*	*21*	*21*	*21*
Center for Domestic Preparedness (CDP)	*65*	*63*	*65*	*65*	*65*
National Domestic Preparedness Consortium	*98*	*42*	*98*	*98*	*98*
National Exercise Program (NEP)	*20*	*26*	*20*	*20*	*20*

Appropriation / Sub-Appropriation	FY2015 Enacted	FY2016 Request	FY2016 Senate-Reported S. 1619	FY2016 House-reported H.R. 3128	FY2016 Div. F, P.L. 114-113
Continuing Training	*30*	*18*	*30*	*30*	*30*
National Preparedness Grant Program	Congress did not accept the Administration's proposed reorganization of preparedness grants.	1,043[a]	The Appropriations Committees did not accept the Administration's proposed reorganization of preparedness grants.		
Total, State and Local Programs	**1,500**	**1,211**	**1,500**	**1,500**	**1,500**

Sources: CRS analysis of P.L. 114-4 and its explanatory statement as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322, the FY2016 DHS *Budget-in-Brief,* S. 1619, S.Rept. 114-68, H.R. 3128, H.Rept. 114-215, and Division F of P.L. 114-113 and its explanatory statement as printed in the *Congressional Record* of December 17, 2015, pp. H10161-H10210.

Notes: Table displays rounded numbers, but all operations were performed with unrounded data: therefore, amounts may not sum to totals.

a. The Administration proposed merging the individual preparedness grant programs into an overarching National Preparedness Grant Program, and bringing Emergency Management Performance Grants and Fire grants into the State and Local Grants Program.

Conditions

As has occurred in previous year, legislative language has been included in the annual appropriation for FEMA's state and local grant programs establishing timelines for applications, limiting the use of grant resources for administrative costs, and allowing for installation of communications towers.[57] Guidance included in the explanatory statement accompanying the act encouraged FEMA to consider applications "which will enhance physical security of large venues and for early warning systems."[58] FEMA is also directed to review its grant activities in coordination with the Department of Justice to determine how they can be best used to help address emergent and cross-cutting challenges at state and local levels.

Specific direction is provided in the explanatory statement in regards to the Urban Area Security Initiative (UASI). The explanatory statement notes that under P.L. 110-53,[59] FEMA is to conduct risk assessments for the 100 most populous metropolitan statistical areas. The statement notes that "it is expected that UASI funding will be limited to urban areas representing up to 85 percent of [cumulative national terrorism] risk and that resources will continue to be allocated in proportion to risk."[60]

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57 H.R. 2029 [enr], p. 265.

58 *Congressional Record,* December 17, 2015, p. H10174.

59 Implementing Recommendations of the 9/11 Commission Act of 2007.

60 *Congressional Record,* December 17, 2015, p. H10174.

Proposed Consolidation of State and Local Preparedness Grants

The Administration first proposed the National Preparedness Grant Program (NPGP) in its FY2013 budget request to Congress, and again in FY2014 and FY2015. Congress denied the request all three times. The Administration proposed the NPGP once again in FY2016. The Administration indicated that its latest proposal includes adjustments that responded to congressional and stakeholder concerns. The committee-reported bills and Division F of P.L. 114-113 continued to carry general provisions barring the establishment of the National Preparedness Grant Program or similar structures without explicit congressional authorization.[61]

Assistance to Firefighters Grant Program (AFG)[62]

The Administration's FY2016 budget proposed $670 million for firefighter assistance, including $335 million for AFG and $335 million for Staffing for Adequate Fire and Emergency Response (SAFER) grants, a 1.5% reduction from the FY2015 level. As in previous years, funding for management and administration of these grants would be drawn from a separate FEMA account (Salaries and Expenses). The Firefighter Assistance Grants would be categorized under First Responder Assistance Programs (FRAP), which is part of FEMA's State and Local Programs (SLP) appropriation. The Administration requested that all previous SAFER waivers again be enacted for FY2016.

The Senate Appropriations Committee bill provided $680 million in firefighter assistance, including $340 million for AFG and $340 million for SAFER. This matched the FY2015 level. The committee continued to fund firefighter assistance under its own account, and declined the Administration's request to place firefighter assistance under the State and Local Programs account. Section 552 of the reported bill continued to grant FEMA waiver authority from certain SAFER requirements. Since FY2009, waiver authority in annual appropriations bills has allowed SAFER grants to be used to retain firefighters, and has allowed DHS to waive cost-sharing and other requirements. In the accompanying report, the committee directed FEMA to work with stakeholders and present a recommendation to the committee no later than the submission of the FY2017 budget on the feasibility of removing these waivers in future appropriations. The committee also stated its expectation that funding for rural fire departments remain consistent with their previous five-year history, and directed FEMA to brief the committee if there is a fluctuation.

The House Appropriations Committee bill provided $680 million in firefighter assistance, including $340 million for AFG and $340 million for SAFER. This matched the FY2015 level as well as the Senate Appropriations Committee level. As did the Senate-reported bill, the House-reported bill continued to fund firefighter assistance under its own separate account. However, unlike the Senate-reported bill and the Administration's budget proposal, the House bill did not provide for SAFER waiver authority in FY2016. Under current law (Fire Grant Reauthorization Act of 2012, Title XVIII of P.L. 112-239), FEMA has permanent authority to grant SAFER waivers, but only in cases of demonstrated economic hardship.

The Homeland Security Appropriations Act, 2016 provided $690 million for firefighter assistance in FY2016, including $345 million for AFG and $345 million for SAFER. Firefighter assistance

[61] H.R. 3128, §543; S. 1619, §545.

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

continued to be funded under its own separate appropriations account. Similar to the House bill, the omnibus did not include a SAFER waiver provision.

Disaster Relief Fund (DRF)[63]

The Disaster Relief Fund (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 families and individuals affected by disasters. The DRF is a no-year account—unused funds from the previous fiscal year are carried over to the next fiscal year. The Administration generally requests funding for the DRF based on what FEMA plans to spend on all past declared catastrophic events, plus the 10-year average for non-catastrophic events, and a reserve to prevent shortfalls.[64]

Funding currently provided to the DRF can be broken out into two categories. The first is funding for activities not directly tied to major disasters under the Stafford Act (including activities such as assistance provided to states for emergencies and fires). This category is sometimes referred to as the DRF's "base" funding. The second (and significantly larger) category is for disaster relief costs for major disasters under the Stafford Act. This structure reflects the impact of the Budget Control Act (P.L. 112-25, hereinafter referred to as the BCA), which allows these costs incurred by major disasters to be paid through an "allowable adjustment" to the discretionary spending caps, rather than having them count against the discretionary spending allocation for the bill (see insert below).

The Disaster Relief Fund, Disaster Relief, and the Budget Control Act (BCA)

It is important to note that "disaster relief" funding under the BCA and the Disaster Relief Fund are not the same. The BCA defines funding for "disaster relief" as funding for activities carried out pursuant to a major disaster declaration under the Stafford Act. This funding comes not only from FEMA, but from accounts across the federal government. While a portion of funding for the DRF is eligible for the allowable adjustment under the BCA, it is not wholly "disaster relief" by the BCA definition. For more detail on the allowable adjustment, see the appendix of CRS Report R44053, *Department of Homeland Security Appropriations: FY2016*, coordinated by William L. Painter, or CRS Report R42352, *An Examination of Federal Disaster Relief Under the Budget Control Act*, by Bruce R. Lindsay, William L. Painter, and Francis X. McCarthy.

The Administration's FY2016 budget proposed $7,375 million for the DRF—a 5% increase compared to the enacted level of $7,033 million from FY2015. $662 million was requested for the base, while $6,713 million was requested for the costs of major disasters. In addition, the Administration requested a $24 million transfer from the DRF to the DHS Office of Inspector General (DHS OIG) for oversight of disaster relief activities. Transfers from the DRF are a long-standing means of supporting the DHS OIG's annual budget for oversight of disaster relief, first occurring in FY2004, the first annual appropriations act for the department.[65] The Administration also requested a $250 million rescission from prior-year DRF appropriations not designated as emergency funding or disaster relief under the BCA.

The House- and Senate-reported bills included the amount requested by the Administration for the DRF ($662 million for the base, and $6,713 million for disaster relief) including the $24 million transfer to the DHS OIG. Both Senate- and House-reported bills included deeper

[63] Prepared by Bruce R. Lindsay, Analyst in American National Government, and William L. Painter, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division.

[64] The reserve requested for FY2016 was $1,000 million.

[65] P.L. 108-90.

rescissions than were requested by the Administration, with the Senate-reported bill rescinding $1,025 million and the House-reported bill rescinding $1,266 million from the DRF.[66]

Division F of P.L. 114-113, the Homeland Security Appropriations Act, 2016 provided $7,374 for the DRF, including transfer of $24 million for the DHS OIG. A general provision included in Title V of the omnibus rescinded almost $1,022 million in unobligated balances from the DRF—balances that were carried over from FY2015 and amounts recovered from previous disasters upon completion of recovery projects. After the rescission, the amount provided for the DRF was $6,713 million, the same amount initially requested by the Administration and recommended by the House- and Senate-reported bills. The amount provided by Division F of P.L. 114-113 was slightly more (4.3%) than what Congress appropriated for the DRF in FY2015.

Balances in the DRF

Prior to the enactment of the BCA, funds in the DRF often ran too low to meet federal disaster assistance needs before being replenished by annual appropriations. When the account neared depletion, Congress usually provided additional funding through supplemental appropriations.[67] In some fiscal years, Congress passed two or three supplemental appropriations to fund the DRF.

Since the passage of the BCA, an increase in the annual funding level for the DRF may have decreased the need for supplemental funding. As demonstrated in **Table 5**, annual appropriations for the DRF have been significantly larger since FY2011, the last year appropriations were provided for the DRF without benefit of the mechanisms of the BCA.

Table 5. Appropriations for the Disaster Relief Fund in Annual Appropriations Acts, FY2006-FY2015

In millions of nominal dollars

Fiscal Year	Annual Appropriation
2006	$1,770
2007	$1,487
2008	$1,324
2009	$1,278
2010	$1,600
2011	$2,645
2012	**$7,100**
2013	**$7,007**
2014	**$6,220**
2015	**$7,033**

Source: CRS Report R43537, *FEMA's Disaster Relief Fund: Overview and Selected Issues*, by Bruce R. Lindsay.

Notes: Table does not include transfers, rescissions, or supplemental appropriations for the DRF. Bolded text refers to appropriations after the enactment of the BCA.

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66 The rescissions included in both Senate- and House-reported bills were limited to the same non-emergency, non-designated funds as in the request.

67 For more information on supplemental funding for disaster assistance see CRS Report R43665, *Supplemental Appropriations for Disaster Assistance: Summary Data and Analysis*, by Bruce R. Lindsay and Justin Murray.

Only one disaster relief supplemental appropriations bill has passed Congress since the FY2012 appropriations cycle—P.L. 113-2, which provided relief in the wake of Hurricane Sandy. Even then, when Hurricane Sandy made landfall, the existing balance in the DRF helped fund the immediate assistance needs in the wake of the storm without a supplemental appropriation. The larger balance provided the Administration and Congress with more time to assess the need for federal assistance and target it rather than requiring immediate legislative action to fund the DRF.

Existing balances in the DRF are also attributable in part to FEMA's efforts to recover unused relief funds. Initial obligations of disaster relief funding are based, in part, on initial cost estimates. In some cases FEMA later determines the project will cost less than anticipated. FEMA then "deobligates" the excess funds, returning them to the DRF, and counting the deobligation as a recovery. Monthly FEMA reporting indicates that FEMA currently recovers an average of $67 million a month.[68]

This same reporting noted that for FY2015, a total of $14,206 million was available in the DRF: $2,594 million for the base and $11,612 million for the costs of major disasters.[69] The report stated that as of the end of June 2015, there was $7,936 million in unobligated funds remaining in the DRF: $2,095 million in the base, and $5,743 million for the cost of major disasters.[70] FEMA projected that by the end of the year, $3,267 million would be left unobligated.[71] Some may argue a relatively healthy balance is beneficial compared to years prior to the BCA where a large disaster or active hurricane season (or both) could have quickly depleted the remaining unobligated amount, necessitating a supplemental appropriation for additional funds for disaster relief. Others may point at the recoveries and the large DRF balance and question the budgetary practices used to appropriate funds for the DRF. They might conclude the account is being funded at too high a level and any excess funds not used for an emergency or disaster could be transferred or rescinded for purposes other than disaster assistance.[72]

From FY2014 through FY2016, rescissions were made from the DRF that offset the cost of the Homeland Security Appropriations Act. These rescissions were limited to unexpended balances that were not designated as being for the costs of major disasters under the Stafford Act or as emergency appropriations. Thus, the funds were either appropriated to the base, or recovered from projects that were funded prior to the BCA's impact on appropriations. The Administration actually requested such rescissions for FY2015 and FY2016, seeking $200 million and $250 million in rescissions respectively. Congress chose to make larger rescissions of the unobligated balances in the DRF, rescinding $375 million in FY2015, and almost $1,022 billion in FY2016.

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[68] Based on a calculation of recoveries on p. 6 of Federal Emergency Management Agency, *Disaster Relief Fund: Monthly Report Through June 30, 2015*, July 8, 2015. Available at http://www.fema.gov/media-library-data/1436374547843-d702517187cec80895a126e338b44c25/June2015DisasterReliefFundReport.pdf.

[69] A $1 billion reserve to provide assistance for "no-notice events" is included in this total.

[70] Federal Emergency Management Agency, *Disaster Relief Fund: Monthly Report Through June 30, 2015*, July 8, 2015, p. 4. Available at http://www.fema.gov/media-library-data/1436374547843-d702517187cec80895a126e338b44c25/June2015DisasterReliefFundReport.pdf.

[71] Federal Emergency Management Agency, *Disaster Relief Fund: Monthly Report Through June 30, 2015*, July 8, 2015, p. 15.

[72] For example, the Senate markup bill summary stated that Senate bill included a $1,025 rescission of unused funds recovered from previous disasters and uses those savings (along with other savings in the bill) for other needs. See U.S. Congress, Senate Committee on Appropriations, Subcommittee on Department of Homeland Security, *FY16 DHS Subcommittee Markup Bill Summary*, Press Release, 114th Cong., June 16, 2015. Available at http://www.appropriations.senate.gov/news/fy16-dhs-subcommittee-markup-bill-summary.

Pre-Disaster Mitigation (PDM) Program[73]

The budget request for the PDM program for FY2016 was $200 million. The Senate-reported bill included $100 million for PDM, while the House-reported bill included $25 million.

The Administration's request represented a dramatic increase for the program, as the program had been zeroed out by the Administration in their base budget request in three previous budget cycles. However, the FY2015 budget request, while not suggesting funding for the program itself, did use the PDM Fund as a potential receptacle for funds as part of its "Opportunity, Growth and Security Initiative." That initiative, which was not realized, would have provided significant funding for the PDM fund, although not for the PDM program as currently understood. As the budget request noted, the initiative "would provide $400 million to this fund" for a separate pre-disaster mitigation initiative.[74]

Though the Administration was not requesting new funding for PDM in previous years, Congress was providing a base level of $25 million to $30 million during those years. The Administration had previously justified the lack of a funding request on two points: one, a backlog of PDM projects that had created a substantial balance in the PDM fund and two, the existence of the Hazard Mitigation Grant Program (HMGP). The $200 million request for FY2016 may indicate that the project backlog has been reduced.[75] It may also indicate that the program is again being recognized as a logical home for mitigation and resilience initiatives. Division F of P.L. 114-113 included $100 million for PDM.

Emergency Food and Shelter Program (EFS)[76]

The President's budget for FY2016 requests $100 million for the EFS program, a reduction of $20 million. The Senate Appropriations Committee concurred with the Administration's funding request while the House Appropriations Committee recommended funding the EFS program at the FY2015 level of $120 million. The committees also differed on the Administration's proposal to shift the program from FEMA to the Department of Housing and Urban Development (HUD).

The EFS program was established in 1985, and placed at FEMA. The rationale at that time was that the charitable groups that make up the National Board of the program wanted to emphasize that homelessness was a daily emergency. In addition, those same organizations had an established working relationship with FEMA through their disaster response and recovery work.[77] While previous Administrations have suggested moving the EFS program to HUD, the Senate Appropriations Committee's approval of such a transfer in their committee-reported FY2015 appropriations legislation was the first time the move gained any approval in Congress.[78] While

[73] This section prepared by Francis X. McCarthy, Analyst, Emergency Management Policy, Government and Finance Division.

[74] Department of Homeland Security, *Federal Emergency Management Agency, National Pre-Disaster Mitigation Fund, Fiscal Year 2015, OMB Submission*, p. 1.

[75] As of July 2015, the previous amounts allocated and obligated had been reduced to just over $31 million. That total does not include possible recoveries or withdrawn project applications. Nor does it include the allocation of FY2015 PDM funding ($30 million). Information provided by the FEMA Federal Insurance and Mitigation Administration, July 27, 2015.

[76] Prepared by Francis X. McCarthy, Analyst in Emergency Management Policy, Government and Finance Division.

[77] The organizations on the EFS National Board are: The American Red Cross, Catholic Charities USA, the Jewish Federations of North America, the National Council of Churches, the Salvation Army and United Way Worldwide.

[78] For additional information on the history and administration of the program see CRS Report R42766, *The Emergency Food and Shelter National Board Program and Homeless Assistance*, by Francis X. McCarthy.

authority for the transfer was not included in the final annual appropriation for DHS that year (P.L. 114-4), the explanatory statement accompanying the act indicated that "[s]hould such a transfer be proposed in future budget requests, it is expected that FEMA and HUD will have a comprehensive outreach strategy as well as a full transition plan as part of such proposal."

For FY2016, the Senate Appropriations Committee bill mandated the transfer of the program to HUD. The House Appropriations Committee report notes the expected outreach strategy and transition plan has not been provided, and therefore, "[p]ending the receipt of such a transition plan based on stakeholder outreach, the Committee does not recommend the transfer of funding and administrative authority...."[79]

Legislative language in P.L. 114-113 directed FEMA and HUD to provide a transition plan within 90 days of the submission of the FY2017 budget. The plan is expected to include administrative details of the transition, demonstrate outreach to stakeholders, and display recognition and maintenance of the original purposes of the program.

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79 H.Rept. 114-215, p.93.