



COMMITTEE ON APPROPRIATIONS

Contact: Kirstin Brost, Full Committee, 202-225-2771
Paul Cox, Chairman Price, 202-225-1784

SUMMARY: 2008 HOMELAND SECURITY APPROPRIATIONS Full Committee Markup

The Homeland Security Appropriations bill addresses our nation's most pressing security needs, working to implement many of the recommendations of the 9/11 Commission and fulfilling the commitments made by the House in the 9/11 bill passed in January.

The bill makes reductions to programs that are low priority or have management problems in order to free up funds for crucial spending. New emphasis is placed on protecting our ports and our rail and transit systems. The bill provides support to our states and local communities for preventing and responding to terrorist threats and natural disasters. Aviation security is strengthened with improvements to baggage screenings and a requirement that TSA double the amount of cargo screened for explosives on passenger aircraft. Critical investments are made into border and immigration security, providing for record numbers of border patrol agents (17,819 in total), and detention beds (28,450).

And it ensures that taxpayer dollars are well spent by requiring specific new accountability and management reforms related to contracting, procurement, and competition.

Bill Total

2007 Enacted:	\$33.7 billion (does not include supplemental)
President's Request:	\$34.2 billion
Committee Mark:	\$36.3 billion

KEY INVESTMENTS

First Responder and Port Security Grant Programs: \$4.52 billion, \$1.97 billion above the President's request and \$863 million above 2007. These grants were funded at \$4.92 billion in 2004 and have been cut every year since even as homeland security costs have continued to rise. Included within this total are the following:

- **State Grants, including law enforcement:** \$950 million, \$50 million above 2007 and \$700 million above the President's request for grants used to plan, equip and train local first responders to respond to terrorist attacks and catastrophic incidents.
- **Urban Area Grants:** \$800 million, \$30 million above 2007 and equal to the President's request to help high risk urban areas improve their ability to prevent, protect, respond to, and recover from acts of terrorism.

- **Transit Grants:** \$400 million, \$225 million above 2007 and the President's request, to protect critical transit infrastructure, including rail and ferry systems, in high-threat areas.
- **Emergency Management Performance Grants:** \$300 million, \$100 million above 2007 and the President's request, for all-hazard grants for State and local emergency managers. The National Emergency Management Agency's 2006 Performance Grant Report estimates a \$287 million shortfall in this program.
- **Fire Grants (including SAFER):** \$800 million, \$138 million above 2007 and \$500 million above the President's request, to address the communication, equipment and staffing problems facing local fire departments.
- **Metropolitan Medical Response System:** \$50 million, \$17 million above 2007, eliminated in the President's request, to help high threat communities respond to mass casualty incidents including terrorism, epidemics, natural disasters and hazardous materials incidents.
- **Interoperable Communications Grants:** \$50 million to continue a program funded by the Department of Commerce in 2007 to help local police, firefighters and emergency responders to talk to each other during a crisis.
- **Port Security Grants:** \$400 million, \$190 million above 2007 and the President's request, for grants to protect critical port facilities and infrastructure, meeting the level authorized in the Safe Ports act. This is the largest single investment Congress has made to implementing the security requirements of the Maritime Transportation Security Act.

REAL ID Grants: \$50 million, not funded in 2007 or in the President's request, to help states to comply with REAL ID, an unfunded mandate requiring state licenses to meet new standards in order to be used for federal identification purposes.

Transportation Security Administration: \$6.62 billion, \$307 million above 2007 and \$219 million above the President's request. This includes:

- **Explosive Detection System:** \$849 million for procurement, installation and maintenance of equipment to protect commercial aircraft, allowing TSA to address the most pressing needs identified in their recent aviation baggage screening study.
- **Air Cargo Explosive Screening:** \$78 million to double the amount of cargo screened on passenger aircraft.
- **Secure Flight Certification:** Requires the head of TSA to certify that no security risks are raised by TSA's Secure Flight plans that would limit screening of airline passenger names only against a subset of the full terrorist watch list.

Customs and Border Protection: \$8.8 billion, \$50 million above the request and \$797 million above 2007. \$1 billion is provided for border security fencing and tactical infrastructure and 3,000 additional border patrol agents are funded. The Committee mark adds \$27 million for 250 additional Customs and Border Patrol Officers for commercial operations and C-TPAT validation – verifying that “trusted shippers” have in place necessary security measures – as mandated in the SAFE Port Act.

- **Fence Requirements:** Requires DHS to: 1.) coordinate with the National Park Service, Fish and Wildlife Service, Forest Service, BLM, and Bureau of Indian Affairs before starting fencing and tactical infrastructure projects on lands they administer, 2.) minimize impacts on wildlife and natural resources, 3.) consult with affected state and local communities and 4.) publish any waivers in the Federal Register 15 days before exercising them.
- **Western Hemisphere Travel Initiative (WHTI),** \$225 million, \$27 million below the President's request, for the initiative requiring official travel documents (passports or other) for everyone entering the U.S. by land. Full funding is not provided because results are not in from pilot programs. \$100 million is withheld until DHS submits a report detailing: 1.) the results of pilot projects, 2.) staffing and infrastructure needs, 3.) milestones for plan implementation, 4.) confirmation of successful operational testing of RFID and PASS card technology, and 5.) steps taken to ensure privacy.
- **Law Enforcement Status for Customs Officers:** \$50 million is included to give Customs Officers law enforcement officer status to improve DHS's ability to recruit and retain officers.

Immigration and Customs Enforcement: \$4.8 billion (including the Federal Protective Service), \$322 million above 2007 and \$15 million above the President's request.

- **Criminal Alien Program:** \$180 million, including \$15 million for a new requirement that DHS contact every prison, jail, and correctional facility in U.S. monthly to identify incarcerated and convicted aliens who are candidates for deportation and to start removal proceedings where ordered.

US-VISIT: \$462 million, \$99 million above 2007 and matching the President's request, for tracking foreign visitors to the U.S. \$230 million is withheld until DHS provides a complete schedule for the exit program or a certification that it cannot be implemented within five years, as well as a detailed accounting of operations and maintenance and contractor costs.

Infrastructure Protection: \$272 million, \$32 million above the President's request and \$44 million above 2007 to identify critical infrastructure, and assess security vulnerabilities.

FEMA Management: \$685 million, \$17 million above the President's request and \$150 million above 2007, including funding for regional offices tasked with helping state and locals prepare for and respond to disasters. This includes improvements to FEMA's management operation called for after Katrina such as knowing where resources are located or tracking who applies for assistance and whether or not they qualify.

Disaster Relief Fund: \$1.7 billion, equal to the President's request and \$200 million above 2007, for assistance to state and local governments following a declared disaster or emergency.

Flood Map Modernization: \$230 million, \$35 million above the President's request and \$31 million above 2007, to modernize and digitize over 100,000 flood maps used to determine rates for the National Flood Insurance Program.

Pre-Disaster Mitigation: \$120 million, \$20 million above the President's request and 2007, for projects that reduce the risks associated with disasters.

SIGNIFICANT CUTS

Deepwater: \$197 million below the request for the Coast Guard's Deepwater acquisition program with reductions to projects with high carryover funding and to projects where the lead asset (first of a series to be purchased) has not yet been tested.

- **Restoring Accountability:** \$400 million is withheld pending the submission of a detailed management and expenditure plan.
- **Fixing Management Problems:** Mandates specific "good government" and procurement practices recommended in a February Defense Acquisition University study for Coast Guard Acquisitions to address continued problems with this program.

DHS Departmental Operations: \$923 million, \$72 million below the President's request, the same level as enacted in 2007.

- **Headquarters Projects:** \$101 million, \$26 million below the President's request for plans that seem excessive, including a 23,000 square foot conference room and auditorium, a 10,000 square foot band rehearsal space and an 8,000 square foot historian's office that were all poorly justified.
- **Analysis and Operations:** \$292 million, \$23 million below the President's request due to a projected \$50 million in carryover balances
- **DHS Personnel System:** \$3 million, \$12 million below the President's request and \$17 million below 2007 with no funding for a human resources program (MAX-HR) that has been subject of litigation.

Emergency Telecommunications: \$128.5 million, \$36 million below the President's request and \$15 million below 2007 for future wireless emergency systems (Next Generation Network) which DHS proposed expanding by 350% but had not well justified or clearly planned.

Science and Technology: \$777 million, \$22 million below the President's request and \$19 million above 2007, cut because 1/3 of authorized staff positions are vacant and unlikely to be filled in 2008 and purchase of new BioWatch air monitoring systems is stopped until a study on their effectiveness is completed.

Domestic Nuclear Detection Office: \$516 million, \$46 million below the President's request and \$35 million above 2007. Cuts are made to the request due to staff vacancies, plans to purchase fewer next generation portal monitors than originally estimated, and cuts to the Securing the Cities program because there is not agreement on how it will operate.

Trucking Industry Grants: \$10 million, \$2 million below 2007 because Internet-based training tools can be maximized to reduce costs.

OTHER IMPORTANT POLICY ITEMS

Competition: Requires all grant and contract funds be obligated through a full and open competitive process except where other funding distribution mechanisms are in statute and allows the Secretary of DHS to waive this requirement in emergencies.

Davis-Bacon: Mandates that all grant and contract funds can only be used for projects that comply with the Davis-Bacon mandate that federal contractors pay workers no less than the local prevailing wage. The President may suspend this provision during a national emergency.

Chemical Security: Allows state and local governments to set chemical security rules that are stronger than the federal government's and sets information protection standards for chemical facility vulnerability and site security plans.

Air Carrier Aviation Security Fees: Allows air carriers to appeal in court fees set by TSA.

Federal Protective Service (FPS): Prohibits DHS from cutting the number of FPS police until FPS provides local law enforcement agencies information on the number and types of cases FPS police handle and reaches agreement with them on how these cases will be handled in the future.

Secret Service: Limits employee overtime to same amount as other DHS entities - \$35,000 per year and grants the Secretary the ability to waive that limit. Due to recent financial missteps, the Secret Service is required to submit reprogrammings for reallocations of 5% or \$2.5 million of base budgets, whichever is less.

Limitation on Principal Federal Official positions: Prohibits any funds from being used to support Principal Federal Official positions during declared disasters or emergencies as these positions overlap with the Federal Coordinating Officer position authorized in statute.

- Lastly, we tried to restore some of the reductions in local law enforcement by adding \$109 million to Byrne and \$70 million to COPS to make the first step in reversing the drastic cuts to state and local law enforcement made under this Administration.

“That bill passed on a bipartisan basis (286-140), with 57 of our friends from the other side of the aisle joining us in that reshuffling of priorities.

“Next, because the Administration did not ask for the defense appropriations for Iraq within the normal process, we spend the last two months dealing with the FY 2007 Iraq funding request. It has taken us five months to finish work that shouldn’t have even been on our plate.

“The budget resolution gives this Committee the opportunity to make about \$20 billion in additional domestic investments over what is contained in the President’s budget. OMB has indicated that it will recommend a veto for any appropriations bill that exceeds the President’s request. Let me put these numbers in perspective. Funding for non-security programs has shrunk by 6 percent in real per capita terms over the last three years, according to the Center on Budget and Policy Priorities.

“The priorities of the President versus those in the 302(b) allocations become clear by separating the four subcommittees most affected by security concerns – Defense, Mil Con VA, State Foreign Ops, Homeland Security – from the other eight subcommittees.

“The President’s Budget and the 302(b) allocations are not far apart in the total for the four security-related subcommittees. The President’s Budget requests an increase of 11.3 percent over 2007 versus the 11.6 percent increase in the 302(b) allocations. For the programs of the other eight subcommittees, however, the President proposes to cut funding by 0.4% in nominal terms. In real per capita terms, the President seeks a whopping 4 percent cut. The 302(b) allocations represent barely a 1 percent boost in real per capita terms and would still leave us well below the levels of FY2004.

“The additional funding provided under the budget resolution reflects a change in the President’s priorities of 0.8 percent in the overall budget (including mandatory programs) and 2.1 percent change in the discretionary budget.

“That 2.1 percent is the difference between an Executive Branch headed by a President that needs to work with an independent Congress, and a King who does not.

“Let me put these numbers in further context. In 1980, domestic programs which this Committee appropriates funding for amounted to 5.6% of GDP. Today these investments have declined to 2.9 percent. And the President’s budget would take this down to 2.4 percent by 2012.

“The discretionary budget is the “non-autopilot” portion of the budget. The very title – DISCRETIONARY – indicates it is the thinking portion of the budget. We are supposed to use our judgment to decide funding levels.

“Under the levels contained in the budget resolution, we will be able to make modest investments in areas crucial to the economic and social fabric of the country, areas such as health, education, science, the environment, state and local law enforcement, border security, port security, veterans medical care, and national security.

“We do not intend to impose our budget priorities on the Administration. But our votes will not be tied to OMB computer runs. They will be the votes of an independent Congress trying to recognize legitimate policy priorities.

“The allocations make modest changes to the President’s total discretionary request that are equal to about 2% of his request. These changes are modest indeed, but they will enable us reshape priorities and make critical investments that are essential to the long term health and strength of the country.”

“Under the allocations, the number one priority is veterans healthcare. The allocations move \$3.5 billion in non-war related Pentagon spending to Veterans Medical Care. This includes increases of: \$1.7 billion for Veterans Medical Services; \$508 million for medical facilities, \$126 million to address the backlog of claims processing and \$170 million for substance abuse and mental health.”

“The allocations also make a modest reduction in the President’s foreign aid request (\$700 million) in order to more adequately fund homeland security needs including TSA (\$219 million), Customs and Border Patrol (\$50 million), and part of the funds to restore grants to state and local security needs (total increase of \$1.9 billion).”

“The allocations are \$1.8 billion (.3%) above the President’s request for total security related funding and depart from the President’s total discretionary recommendations by about 2.2%. Under the allocations the top five priorities are veterans’ healthcare, education, health, energy, law enforcement, and military quality of life issues.”

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