AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

112TH CONGRESS, 1st Session } HOUSE OF REPRESENTATIVES { REPORT 112–91

# DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS BILL, 2012

MAY 26, 2011.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ADERHOLT of Alabama, from the Committee on Appropriations, submitted the following

## R E P O R T

together with

## MINORITY VIEWS

[To accompany H.R. 2017]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2012.

INDEX TO BILL AND REPORT


| | Page number Bill | Report |
|---|---|---|
| TITLE I—DEPARTMENTAL MANAGEMENT AND OPERATIONS | | |
| Office of the Secretary and Executive Management | 2 | 9 |
| Office of the Under Secretary for Management | 3 | 14 |
| Office of the Chief Financial Officer | 4 | 17 |
| Office of the Chief Information Officer | 4 | 19 |
| Analysis and Operations | 6 | 21 |
| Office of Inspector General | 6 | 22 |
| TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS | | |
| U.S. Customs and Border Protection | 7 | 23 |
| Salaries and Expenses | 7 | 23 |
| Automation Modernization | 10 | 39 |
| Border Security Fencing, Infrastructure, and Technology | 12 | 41 |
| Air and Marine Interdiction, Operations, Maintenance, and Procurement | 14 | 45 |
| Construction and Facilities Management | 15 | 47 |
| U.S. Immigration and Customs Enforcement | 16 | 48 |
| Salaries and Expenses | 16 | 48 |
| Automation Modernization | 20 | 56 |


66–535

| | Page number Bill | Report |
|---|---|---|
| Transportation Security Administration | 21 | 57 |
| Aviation Security | 21 | 57 |
| Surface Transportation Security | 25 | 66 |
| Transportation Threat Assessment and Credentialing | 25 | 66 |
| Transportation Security Support | 25 | 68 |
| Federal Air Marshals | 26 | 70 |
| Coast Guard | 26 | 71 |
| Operating Expenses | 26 | 71 |
| Environmental Compliance and Restoration | 28 | 77 |
| Reserve Training | 28 | 77 |
| Acquisition, Construction, and Improvements | 28 | 78 |
| Research, Development, Test, and Evaluation | 33 | 84 |
| Medicare Eligible Retiree Health Care Fund Contribution | 34 | 85 |
| Retired Pay | 34 | 86 |
| United States Secret Service | 34 | 86 |
| Salaries and Expenses | 34 | 86 |
| Acquisition, Construction, Improvements, and Related Expenses | 37 | 89 |
| TITLE III—PROTECTION, PREPAREDNESS, RESPONSE, AND RECOVERY | | |
| National Protection and Programs Directorate | 38 | 89 |
| Management and Administration | 38 | 89 |
| Infrastructure Protection and Information Security | 38 | 90 |
| Federal Protective Service | 40 | 94 |
| United States Visitor and Immigrant Status Indicator Technology | 41 | 95 |
| Office of Health Affairs | 43 | 99 |
| Federal Emergency Management Agency | 44 | 100 |
| Management and Administration | 44 | 100 |
| State and Local Programs | 46 | 103 |
| Firefighter Assistance Grants | 50 | 110 |
| Emergency Management Performance Grants | 51 | 111 |
| Radiological Emergency Preparedness Program | 52 | 112 |
| United States Fire Administration | 53 | 112 |
| Disaster Relief | 53 | 113 |
| Disaster Assistance Direct Loan Program Account | 57 | 115 |
| Flood Hazard Mapping and Risk Analysis | 57 | 116 |
| National Flood Insurance Fund | 57 | 117 |
| National Predisaster Mitigation Fund | 59 | 118 |
| Emergency Food and Shelter | 60 | 118 |
| TITLE IV—RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES | | |
| United States Citizenship and Immigration Services | 60 | 119 |
| Federal Law Enforcement Training Center | 61 | 124 |
| Salaries and Expenses | 61 | 124 |
| Acquisitions, Construction, Improvements, and Related Expenses | 63 | 124 |
| Science and Technology | 63 | 125 |
| Management and Administration | 63 | 125 |
| Research, Development, Acquisition, and Operations | 64 | 125 |
| Domestic Nuclear Detection Office | 64 | 131 |
| Management and Administration | 64 | 131 |
| Research, Development, and Operations | 64 | 132 |
| Systems Acquisition | 65 | 134 |
| TITLE V—GENERAL PROVISIONS | | |
| This Act | 66 | 136 |
| Compliance with House Rules | ..... | 146 |
| Detail Table | ..... | 166 |

The accompanying bill contains recommendations for new budget (obligational) authority for fiscal year 2012 for the Department of Homeland Security. The following table summarizes these recommendations and reflects comparisons with the budget, as amended, and with amounts appropriated to date for fiscal year 2011:

[In thousands of dollars]

| Bureau/Agency | New budget (obligational) authority fiscal year 2011 enacted to date | Budget estimates of new (obligational) authority, fiscal year 2012 | Recommended by the House | House compared with | |
|---|---|---|---|---|---|
| | | | | New budget authority fiscal year 2011 | Budget estimate, fiscal year 2012 |
| Departmental Management and Operations | 1,289,878 | 1,446,917 | 1,142,168 | −147,710 | −304,749 |
| Security, Enforcement and Investigations | 32,501,342 | 33,196,186 | 33,139,360 | 638,018 | −56,826 |
| Protection, Preparedness, Response and Recovery | 8,573,886 | 8,218,567 | 6,759,053 | −1,814,833 | −1,459,514 |
| Research, Development, Training, and Services | 1,589,633 | 2,154,060 | 1,282,746 | −306,887 | −871,314 |
| General Purpose Appropriations | −549,406 | | −32,892 | 516,514 | −32,892 |
| Grand total | 43,405,333 | 45,015,730 | 42,290,435 | −1,114,898 | −2,725,295 |
| Total Discretionary (excluding GWOT) | 41,664,000 | 43,575,573 | 40,592,000 | −1,072,000 | −2,983,573 |

## Summary of Major Recommendations in the Bill

The Committee recommends $40,592,000,000 in discretionary resources for the Department of Homeland Security, $2,983,573,000, or 6.9 percent, below the amount requested and $1,069,000,000, or 2.6 percent, below fiscal year 2011 enacted levels (excluding funding for the global war on terrorism). The Committee includes $258,278,000 for the Coast Guard's support of the global war on terrorism as part of the recommended level instead of assuming a transfer, as was requested, from the Department of Defense. This action is consistent with similar actions taken by the Committee in fiscal years 2010 and 2011.

## Funding Comparisons

Public Law 112–10 (signed into law on April 15, 2011) required the Department to submit a detailed fiscal year 2011 expenditure plan by program, project, and activity no later than May 9, 2011. Because the submitted expenditure plan was incomplete and labeled as only a "preliminary" report by the Department; included no updates to the fiscal year 2012 budget submission; and was received by the Committee only days before the Subcommittee markup of this bill, subsequent technical adjustments to funding comparisons between the recommended and enacted funding levels may be required.

The fiscal year 2012 Congressional budget justifications were based upon a short-term continuing resolution rate of spending and not the funding levels enacted for fiscal year 2011. Therefore, the Committee notes that many of the requested funding levels for fiscal year 2012 are not only unrealistic, but based on flawed assumptions. The Committee attempted to work through these technical challenges with the Department but did not receive clear and time-

ly input on the impacts of the fiscal year 2011 enacted appropriations prior to the Subcommittee markup.

## PRIORITIES IN THE BILL

The Department of Homeland Security (DHS) serves a vital role in countering the persistent threat from terrorism. However, the United States now faces an equally significant and perhaps broader threat from an unprecedented fiscal crisis—a dire budgetary situation which has the potential to undermine the Nation's economy as well as its security. The unquestioned need for fiscal restraint; the lessons learned from recent terrorist attacks; the near-constant occurrence of natural disasters across the country; and the heightened state of threats confronting our Nation serve as the basis for the Committee's fiscal year 2012 funding priorities for DHS.

Over the past ten years, Congress has provided robust funding to bring the Nation's security posture to an improved state of strength, preparedness, and resiliency. Since its establishment, the Department's budget has grown by more than $12,260,000,000, or 42 percent, as it took on new responsibilities. Over this period, the Department's workforce has grown by more than 20 percent, approximately 50,000 positions, with notable increases in the number of Border Patrol agents, ICE agents, CBP officers, Coast Guard military personnel, Secret Service agents, and intelligence analysts. While the Nation is undeniably more secure as a result of these investments, the current fiscal climate necessitates a transition to actually measuring the level of security achieved, improving the application of the resources that are currently available, determining how much additional security is required, and delineating how much those additional security requirements will cost. All of this information forms the basis for greater justification that the Committee now demands prior to the appropriation of additional funds.

In this bill for fiscal year 2012, the Committee recommends funding to address the significant challenges facing the Department, while also instituting renewed fiscal discipline and requirements for aligning funding to results. DHS, with all its critical functions, is not absolved from fiscal responsibility, particularly given the budget crisis currently gripping the Federal Government. Therefore, this bill reflects the Committee's best effort to target limited resources across the Department's multiple security priorities and the Nation's numerous vulnerabilities. By insisting upon spending restraint, the Committee is not choosing between homeland security and fiscal discipline—both are serious national security priorities. Instead, the Committee conducted a thorough analysis of the Department's functions and prioritized funding for essential, frontline operations and critical programs that are demonstrating tangible results. By contrast, programs and activities that have underperformed or have not measurably furthered the homeland security mission have received substantial reductions in their annual appropriations.

## SPENDING REDUCTIONS

Since the Department was created, Congress has provided it with robust financial and legislative support based on the importance of the homeland security mission. However, the Department con-

tinues to struggle with the submittal of adequate justifications for its funding requests and is often unable to demonstrate a clear link between investments to performance goals with measured security benefits. This Committee will not recommend appropriating limited taxpayer dollars to support underperforming and ill-managed programs; nor can the Committee simply backfill the massive funding shortfalls for disaster relief and aviation security requirements that were unfunded by the inadequate budget submission. As a result, several programs have been significantly reduced in this bill. Notable reductions in the bill, as compared to the fiscal year 2012 budget request, include:

| | |
|---|---|
| DHS—Headquarters consolidation | −$215,273,000 |
| DHS—Departmental Management and Operations | −$69,158,000 |
| DHS—Data center migration (Department-wide) | −$131,600,000 |
| CBP—Automation Modernization | −$29,755,000 |
| CBP—Construction and Facilities Management | −$49,726,000 |
| TSA—Select unfunded initiatives | −$181,609,000 |
| TSA—Transportation Security Support | −$80,907,000 |
| Coast Guard—Operating Expenses (technical adjustment) | −$10,000,000 |
| Coast Guard—Acquisition, Construction, and Improvements | −$270,251,000 |
| National Protection and Programs Directorate—IPIS | −$45,242,000 |
| FEMA—First Responder Grants | −$2,144,663,000 |
| USCIS—Direct appropriations | −$237,116,000 |
| Science and Technology—Research, Development, Acquisition, and Operations | −$628,854,000 |

OVERSIGHT—ADDRESSING THE INADEQUACIES OF THE PRESIDENT'S BUDGET SUBMISSION

The Department's fiscal year 2012 budget submission ostensibly accommodates the Nation's fiscal constraints by including spending reduction and efficiency proposals. However, these proposals are overshadowed by the budget submission's grossly underfunded request for the costs of disaster relief; its reliance on unrealized offsets from increases to fee revenue that had yet to be enacted; and its undefined reductions to operational budgets. In total, the Department's fiscal year 2012 budget request ignored an estimated $4,900,000,000 in known disaster relief costs; claimed nearly $650,000,000 in offsets from aviation security and customs fee revenue that had not yet been authorized; and proposed more than $615,000,000 in reductions from the Department's operational components through "administrative savings" and "efficiencies" that were neither specified nor clearly tied to current spending levels within the Department's budget justifications. At a time of record deficits and mounting debt, the Committee believes the Department should submit a straightforward budget without such misleading and inadequate proposals.

In an effort to address the inadequacies of the President's budget submission for fiscal year 2012, reduce costs, limit administrative overhead, promote efficiency, counter known threats, and prioritize frontline operations across the Department's essential security functions, the bill carefully targets funding and bolsters oversight. In addition, the Committee has substantially curtailed multi-year availability of funds across the Department's components, including: limiting availability of appropriations for personnel, compensation, and benefits across all Departmental components to one year; reducing periods of availability for selected acquisition and information technology programs; and strictly limiting the use of funds that are available until expended. Furthermore, many of the ex-

penditure plans that have been historically required for submittal after the enactment of the annual appropriations Act are revised and directed to be included within the Congressional budget justifications accompanying the annual budget submission. These expenditure plans are required to align funding to mission requirements, as applicable, and demonstrate results for each and every dollar that is appropriated. Major oversight efforts in the bill include the following:

| Account | Requirement | Alteration to Availability |
|---|---|---|
| CBP Automated Commercial Environment | Expenditure Plan | Limit to 3-year funds |
| CBP Automation Modernization | Investment and Management Plan | Limit to 3-year funds |
| CBP Border Security Fencing, Infrastructure, and Technology | Investment and Management Plan | Limit to 3-year funds |
| CBP Air and Marine Interdiction, Operations, Maintenance, and Procurement | Strategic Plan, including recapitalization and modernization | Limit to 3-year funds |
| CBP Construction | Real Property Inventory and Expenditure plan | Limit to 5-year funds |
| ICE Automation Modernization account | Investment and Management Plan | Limit to 5-year funds |
| TSA Aviation Security | Detailed report on better integrated passenger screening technology and screener deployment | Limit to 2-year funds for non-personnel compensation and benefit funding only |
| TSA Transportation Security Support | Expenditure plans for air cargo, checkpoint support, and explosives detection systems | N/A |
| Coast Guard Acquisition, Construction, and Improvements | Capital Investment Plan | Limit to 3-year funds for small boats and aircraft |
| NPPD Infrastructure Protection and Information Security | Expenditure Plan and Investment and Management Plan | Limit to 1 year funds |
| US–VISIT | Investment and Management Plan | Limit to 3-year funds |
| Office of Health Affairs | Expenditure Plan | N/A |
| FEMA Management and Administration | Expenditure Plan | Limit to 1-year funds |
| FEMA State and Local Programs | Prioritization of funding across merged grant activities | N/A |
| FLETC Acquisition, Construction, and Improvements | N/A | Limit to 5-year funds |

In addition to concerns over the absence of expenditure plans, the quality of the Congressional Budget Justification material provided by the Department continues to be of concern. Even after thoroughly reviewing the fiscal year 2012 materials, the Committee finds its ability to conduct the in-depth oversight required in these fiscally challenging times to be hindered by the failure of the Department to provide consistently clear, detailed and comprehensive budget justifications for the programs, projects, and activities requested.

With the delivery of the fiscal year 2013 budget request, the Committee directs the Secretary of Homeland Security to submit a budget that fully justifies changes from the prior year, current year, and any changes for new initiatives in order to describe the programs in question and justify the estimates. All information shall cover the prior year, current year, and budget year by program, project, and activity and by objective. Programs shall list increases and decreases necessary to reconcile the obligations incurred in each year and the related increases and decreases be-

tween each year. These increases and decreases shall provide programmatic reason for the changes and explain why they are necessary, thereby supplying a rational continuum for tracking changes.

The requirement for better justification at the time of request not only instills more discipline in planning processes and enables more effective oversight, but also eliminates the need for expenditure plans and withholding of funds well into the fiscal year of budget execution. To transition to expenditure plans submitted at the time of request, the Committee has retained provisos associated with plans for fiscal year 2012 after enactment. In the future, the Department shall submit a fully justified budget request that articulates how it intends to spend taxpayer funds in order for Congress to consider providing the full request. The inability of the Department to provide these plans is concerning. Detailed spend plans should be a part of any basic budget formulation. As such, this requirement should not be overly burdensome.

FIRST RESPONDER GRANT REFORM

The Committee recommends long-overdue reform of FEMA's administration of its State and Local Programs. For far too long, FEMA has failed to measure the return on investment for the billions of dollars awarded through its first responder grant programs. Furthermore, billions of dollars appropriated in prior years for first responder grants remain unspent due to a variety of reasons, some of which are entirely inexcusable. The Committee believes the Nation's fiscal crisis and the importance of preparedness and the work of State, local, and tribal first responders to the homeland security mission necessitate bold reform. Therefore, the Committee recommends the following: (1) a substantial reduction in annual appropriations for FEMA's State and Local Programs; (2) a reorganization of FEMA's State and Local Programs with funding administered at the discretion of the Secretary and prioritized to the greatest needs and highest risks; (3) a mandate for the FEMA Administrator to submit a plan to drawdown all unexpended balances by the end of fiscal year 2012 from funds appropriated prior to fiscal year 2008 under the heading "State and Local Programs"; and (4) a withholding of fifty percent of the funding for the Office of the Secretary and Executive Management until the submission of the National Preparedness Goal and National Preparedness System, consistent with the directions within the recently signed Presidential Policy Directive-8. The latter requirement is designed to compel the Department to begin taking steps to measure the effectiveness and future requirements of these programs.

OPERATIONAL INVESTMENTS

As noted previously, the Committee recognizes the need for investing in the Department's ability to counter known threats and address our Nation's numerous vulnerabilities. Therefore, throughout the bill, the Committee prioritizes funding for frontline personnel, operations, enforcement, intelligence activities, disaster response and recovery functions, and selected acquisition of tactical assets. The Committee's recommended funding levels will ensure all frontline staffing levels are either sustained or increased, including the staffing levels of Border Patrol agents, CBP officers,

ICE agents, Coast Guard military personnel, Secret Service agents, disaster response specialists, intelligence analysts, and selected TSA personnel. Also, the Committee fully funds all requested increases for the Department's intelligence, watchlisting, and threat identification functions, including the Office of Intelligence and Analysis, CBP's National Targeting Center, CBP's Immigration Advisory Program, ICE's Office of Intelligence, TSA's Office of Intelligence, TSA's Secure Flight program, Coast Guard Intelligence, and several vital functions of the National Protection and Programs Directorate. Funding enhancements above the amounts requested for the Department's most vital operational and analytical activities are detailed under the relevant agencies throughout the report. Notable recommended increases to operational programs above the amounts requested by the President in the bill include:

| | |
|---|---|
| CBP—Automated Targeting Systems | +$15,000,000 |
| CBP—Air & Marine operations and procurement | +$29,400,000 |
| ICE—Visa Security program | +$3,000,000 |
| ICE—Secure Communities (digitized fingerprinting) | +$10,000,000 |
| ICE—Detention and Removal Operations | +$26,718,000 |
| TSA—Air Cargo Security | +$10,000,000 |
| Coast Guard—Legacy Cutters, Maintenance and Communication Upgrades | +$30,300,000 |
| Coast Guard—Replacement HH–65 Helicopters | +$37,000,000 |
| Coast Guard—Small Boat Procurement | +$6,000,000 |
| Coast Guard—Tactical Law Enforcement Training | +$4,000,000 |
| Coast Guard—Unmanned Aircraft Systems | +$2,000,000 |

FUNDING KNOWN COSTS OF DISASTER RELIEF

As noted, the President's budget submission for fiscal year 2012 failed to address the known and expected costs of disaster relief. Therefore, the Committee recommends an increase of $850,000,000 above the amount requested for FEMA's Disaster Relief Fund (DRF). The Administration and the Department have acknowledged the budget is relying upon emergency supplemental funding to support known costs for fiscal year 2012—costs the Committee asserts should have been addressed in the annual budget. Therefore, in addition to the recommended increase in funding to address known DRF shortfalls, the Committee includes several new requirements regarding the costs of disaster recovery and relief operations. First, FEMA is required to submit quarterly reports that provide estimates for funding requirements for the current fiscal year and the succeeding three fiscal years that include the cost of future disasters and the cost of catastrophic events. Second, the Committee directs FEMA to develop a policy that defines the five-year average that is used to develop the budget estimates for disaster relief. Third, the Committee directs FEMA to include in the fiscal year 2013 budget submission a clear statement of the five-year average to include the fiscal years included in that calculated average. Lastly, the Committee directs the President to submit a budget amendment from within discretionary funds to fully fund all known costs for disaster relief for fiscal year 2012.

In conclusion, the Committee's intent is to prioritize funding for frontline security operations; push the Department to set clear and well-reasoned priorities that align to stated mission requirements; require the Department to practice sound financial and program management that disciplines funding and aligns resources to results in terms of improved security; require the Department to

budget adequately for known and expected costs of operations, including disaster relief; strengthen vital partnerships between Federal, State, local, tribal, and private sector entities; and move the Department toward the lean and responsive organization it was envisioned to be when it was established in 2003. The Committee is dedicated to ensuring our homeland security professionals have the tools they need to carry out their vital mission to keep our Nation safe and secure.

## TITLE I—DEPARTMENTAL MANAGEMENT AND OPERATIONS

### OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

| | |
|---|---|
| Appropriation, fiscal year 2011 | $136,818,000 |
| Budget request, fiscal year 2012 | 142,533,000 |
| Recommended in the bill | 126,700,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −10,118,000 |
| Budget request, fiscal year 2012 | −15,833,000 |

#### MISSION

The mission of the Office of the Secretary and Executive Management is to provide efficient services to the Department of Homeland Security (DHS) and to support the Department's efforts to achieve its strategic goals: preventing terrorist attacks within the United States; reducing America's vulnerabilities to terrorism and natural disasters; minimizing the damage from attacks and disasters that may occur; responding to attacks and disasters, in cooperation with States and local governments; and assisting in recovery following disasters and attacks.

#### RECOMMENDATION

The Committee recommends $126,700,000 for the Office of the Secretary and Executive Management (OSEM), $15,833,000 below the amount requested and $10,118,000 below the amount provided in fiscal year 2011. Except as noted below, reductions from the requested level are made due to shortfalls in the President's budget request for DHS, including the President's assumption of increases in aviation security fee collections and customs user fees that have yet to be authorized and that are not in the jurisdiction of the Committee on Appropriations, as well as an inadequate request for the known obligations of the Federal Emergency Management Agency's Disaster Relief Fund (DRF).

Moreover, the Committee recommends that $63,350,000 of the appropriated OSEM funds be withheld until the Department submits the National Preparedness Goal (NPG) and the National Preparedness System (NPS) to the Committees on Appropriations as well as the Secretary's determination on implementation of biometric air exit. The Committee has asked the Department for years to provide proper metrics to demonstrate whether billions of taxpayer dollars spent on DHS grant programs have made our Nation safer, but the Department has continually failed to deliver a quantifiable answer. A system is needed to outline our Nation's vulnerabilities and threats—taking into account regional differences—followed by clear objectives to mitigate those risks. Only then can the Department fully justify its requests year in and year out for billions of

dollars in grant funding. The Committee commends the President for directing the Department to do precisely that with Presidential Policy Directive-8, which calls for the NPG and NPS. With respect to biometric exit, Congress has long sought the Secretary's determination on a path forward. The Committee believes the Secretary could provide such a determination publicly, and immediately, and notes that such a determination could significantly affect priorities and appropriations for the United States Visitor and Immigrant Status Indicator Technology (US–VISIT) program.

To adequately oversee expenditures and personnel changes within each office of the Office of the Secretary and Executive Management, the Committee has provided separate funding recommendations as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Immediate Office of the Secretary | $5,164,000 | $4,641,000 |
| Immediate Office of the Deputy Secretary | 1,918,000 | 1,918,000 |
| Chief of Staff | 2,802,000 | 2,000,000 |
| Office of Counternarcotics Enforcement | 3,814,000 | 3,200,000 |
| Executive Secretariat | 8,402,000 | 8,200,000 |
| Office of Policy | 42,423,000 | 34,000,000 |
| Office of Public Affairs | 6,419,000 | 5,800,000 |
| Office of Legislative Affairs | 6,341,000 | 6,000,000 |
| Office of Intergovernmental Affairs | 2,908,000 | 2,750,000 |
| Office of General Counsel | 22,422,000 | 22,400,000 |
| Office of Civil Rights and Liberties | 24,613,000 | 21,100,000 |
| Citizenship and Immigration Services Ombudsman | 6,336,000 | 6,200,000 |
| Privacy Officer | 8,971,000 | 8,491,000 |
| Total, Office of the Secretary and Executive Management | $142,533,000 | $126,700,000 |

IMMEDIATE OFFICE OF THE SECRETARY

The Committee recommends $4,641,000 for the Immediate Office of the Secretary, $523,000 below the amount requested. The Committee is interested in helping the Department improve its oversight and efficiency in its operations, and so directs that the Secretary submit a report not later than December 1, 2011, including the following information:

1. A prioritized list of efficiencies being implemented as a result of the Secretary's Efficiency Review, and an accounting of progress against that list;
2. A list of positions the Department intends to convert from contractors to Federal positions, and an accounting of progress against that list;
3. A list of components and specific procurements where additional oversight personnel are needed relative to the current personnel and existing capabilities, and where such personnel are being assigned; and
4. How reforms in the headquarters structure and function are providing better support and management for Department field operations.

OFFICE OF COUNTERNARCOTICS ENFORCEMENT

The Committee recommends $3,200,000 for the Office of Counternarcotics Enforcement (CNE), $614,000 below the amount requested. CNE supports Departmental and national drug control programs by coordinating policy and operations with the Depart-

ment and between DHS and other Federal, State, and local agencies. Yet it has faced challenges since its inception in defining exactly how this work is carried out. It is unclear whether or not CNE's policy development, liaison, and coordination functions do not replicate work done by other agencies or offices.

CNE reported, in its 2011 DHS Counternarcotics Review, that it is working to fully integrate budget evaluation and performance evaluation into DHS counternarcotics planning efforts and to establish a formal budget guidance process. The Committee also notes that the Office of Inspector General proposed (in OIG–10–80, "The Responsibilities of the Office of Counternarcotics Enforcement") that CNE should make greater efforts to help coordinate budgetary aspects of the Government's counternarcotics efforts rather than the operational aspects. The Committee generally agrees with the OIG recommendation. If CNE is to fulfill a more substantive function of focusing counternarcotics efforts through the resource planning process, it must help coordinate and harmonize the many acquisition and operational funding initiatives of DHS components and non-DHS partners with counternarcotics missions. The Committee encourages CNE to work closely with the Office of Policy to establish appropriate coordination mechanisms with Department component agencies. For example, it may make sense to utilize already-designated policy liaisons to serve as the CNE liaisons; and Office of Policy engagement in budget development and acquisition could serve as a vehicle for CNE.

The Committee therefore directs the Department to brief the Committee on CNE organizational and staffing plans, with reference to the aforementioned OIG recommendations, not later than 90 days after the date of enactment of this Act. This briefing shall describe: (1) plans for appointing senior officials in component agencies to serve as CNE liaison officers, as well as position descriptions and job duties for such officers; (2) how CNE will fulfill its statutory responsibility to coordinate counternarcotics policy among components; and (3) how the liaison officers will enhance CNE ability to coordinate budget development and acquisitions in the Department.

GAO shall review CNE staffing and activities in the first half of fiscal year 2012 and submit to Congress an assessment of progress in implementing OIG recommendations no later than nine months after the date of enactment of this Act. Additionally, GAO shall assess the extent of counternarcotics policy coordination among DHS and other Federal agencies, with particular emphasis on the contributions made by CNE.

### OFFICE OF POLICY

The Committee recommends $34,000,000 for the Office of Policy (Policy), $8,423,000 below the amount requested. The Committee recognizes that the Office of Policy has been evolving, along with the growth of the Department, but it is not yet clear that Policy is properly positioned or structured to meet DHS needs. While acknowledging that there are a number of sub-offices within Policy with their own particular responsibilities and missions, the Committee feels the Department has not presented a coherent mission for the Office of Policy that is reflected in its budget and activities. The Committee recognizes the need for strong, cross-Departmental

strategic planning and policy guidance in key mission areas, such as counterterrorism activities, border security, immigration, and protection of critical infrastructure, transportation, and cyberspace. However, the Committee is concerned that Policy has not matured to a level where it can provide authoritative, cohesive policy support to Department components or cross-component coordination on major areas of the DHS mission. Instead, Policy too often provides duplicative, overlapping, or conflicting guidance.

Furthermore, Policy must improve its responsiveness to the Committee. The Office stands among the most difficult components from which to get answers. This has a directly negative impact on the Committee's oversight efforts on behalf of the taxpayer and makes it difficult for the Committee to justify providing the Office with its full budget request.

In light of these concerns, the Committee directs the Department to include in its justification materials accompanying its fiscal year 2013 budget request a detailed spending plan for the Office of Policy that lists planned projects for each sub-office within the Office of Policy, with their associated funding and staffing requirements. In addition, to help it conduct better oversight of operations and priorities of the Office, the Committee directs the Department to report not later than December 1, 2011, on fiscal year 2011 travel by political employees of the Office of Policy, listing dates, destinations, purposes, number of official travelers, and costs by trip.

The Committee also wants to ensure that Policy engages fully in interagency discussions on visa policy matters, consistent with DHS authorities.

### OFFICE OF CIVIL RIGHTS AND CIVIL LIBERTIES

The Committee recommends $21,100,000 for the Office of Civil Rights and Civil Liberties, $3,513,000 below the amount requested. Within the amount recommended for this office, the Committee includes $694,000, as requested, for five new positions to provide advice, investigations, and training in connection with oversight and management of the ICE 287(g) and Secure Communities programs, including participating in the ICE advisory committee.

### USER FEES

The conference report accompanying P.L. 111–83 directed the Department to submit a contingency plan to address gaps between actual and budgeted collections. The Committee directs the Secretary to submit a revised plan not later than 90 days after the date of enactment of this Act and to update that plan quarterly.

### BUDGET JUSTIFICATIONS

For fiscal year 2013, the Committee directs that the Congressional Budget Justifications for the Office of the Secretary and Executive Management include the same level of detail as the table contained in the back of the Committee report. All funding and staffing changes for each individual office must be highlighted and explained. The Committee expects this level of detail to include separate discussions for personnel, compensation, and benefits; travel; training; and other services.

WORKING CAPITAL FUND

The Committee, as in prior years, directs the Department to include a separate justification for the Working Capital Fund (WCF) in the fiscal year 2013 budget request. This should include a description of each activity funded by the WCF; the basis for the pricing; the number of full-time Federal employees funded in each activity; a list of each departmental organization that is allocating funds to the activity; and the funding each organization is providing in fiscal years 2011 and 2012, and projects in 2013. If a project contained in the WCF is a multi-year activity with a defined cost, scope, and schedule, the estimated costs and schedule shall be clearly delineated.

The Committee expects all initiatives funded by multiple DHS organizations to be included in the WCF. The Committee does not support taxing departmental organizations for cross-cutting initiatives outside the WCF. As such, the justification should identify any cross-cutting initiatives or activities that benefit more than one organization that are not included in the WCF and should explain the omission.

The Committee directs the Department to notify it promptly of any additions, deletions, or changes that are made to the WCF during the fiscal year. Furthermore, the Department should not fund any activities within the WCF that the House or Senate Committees on Appropriations have disapproved either in report language or in their responses to reprogramming requests.

RECEPTION AND REPRESENTATION

Within the Office of the Secretary and Executive Management, the Committee provides $60,000 for official reception and representation expenses, as requested, and the same level provided in fiscal year 2011. Within this total, $20,000 shall be for international programs within the Office of Policy and activities related to the Visa Waiver Program. The Department is directed to track its reception and representation expenses in enough detail to explain how these funds were used as the Committee conducts its oversight efforts next year.

Representation allowances for DHS agencies are largely unchanged since the creation of the Department even though their missions and responsibilities have grown or been refocused. The Committee directs the Department to review representation allowances for all DHS agencies for equitable alignment of funds with responsibilities and submit any proposed changes as part of the fiscal year 2013 budget request.

NATIONAL SECURITY ENTRY-EXIT REGISTRATION SYSTEM

In recent testimony to the Committee, CBP and ICE officials indicated that the National Security Entry-Exit Registration System (NSEERS), also known as "Special Registration," is no longer necessary in light of significant enhancements made to other visa and traveler screening processes since NSEERS was instituted immediately following the terrorist attacks of September 11, 2001. The Committee has also become aware of the negative diplomatic implications that NSEERS has had in some countries due to the lengthy wait times to which NSEERS selectees are subjected at U.S. ports

of entry, the uncertainty surrounding the criteria used to flag NSEERS selectees, and the occasional subjection of foreign leaders invited to the United States through U.S. government-sponsored programs to these onerous "Special Registration" requirements. For the above reasons, the Committee welcomes the Secretary's announcement of the end of the program.

### SOUTHWEST BORDER COOPERATION AND PUBLIC SAFETY

The Committee supports efforts to enhance public safety along our Southwest border and urges the Department to build and improve relationships; coordinate activities; and provide support to State, local, tribal and foreign law enforcement agencies; including, as appropriate, the development of State and local law enforcement training programs designed to educate, promote, and provide the tools necessary to effectively counter evolving threats, including crimes committed by cross-border criminal organizations.

## OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

| | |
|---|---|
| Appropriation, fiscal year 2011 [1] | $317,333,000 |
| Budget request, fiscal year 2012 | 249,058,000 |
| Recommended in the bill | 234,940,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −4,993,000 |
| Budget request, fiscal year 2012 | −14,118,000 |

[1] Includes $77,400,000 for headquarters consolidation and St. Elizabeths construction.

### MISSION

The Office of the Under Secretary for Management's primary mission is to deliver quality administrative support services for human resources and personnel; manage facilities, property, equipment, and other material resources; ensure safety, health and environmental protection; and identify and track performance measurements relating to the responsibilities of the Department. This office is also in charge of implementing a mission support structure for DHS to deliver administrative services while eliminating redundancies and reducing support costs.

### RECOMMENDATION

The Committee recommends $234,940,000 for the Office of the Under Secretary for Management, $14,118,000 below the amount requested (excluding $77,400,000 provided for headquarters consolidation) and $4,993,000 below the amount provided in fiscal year 2011. Except as specified below, reductions were made to compensate for budgetary shortfalls created by the budget's reliance on unauthorized fee proposals and the need to provide disaster relief funding. The Committee has provided separate funding recommendations in order to adequately oversee expenditures for each office, as detailed in the following table:

| | Budget estimate | Recommended |
|---|---|---|
| Under Secretary for Management | $7,558,000 | $2,550,000 |
| Office of Security | 71,236,000 | 70,200,000 |
| Office of the Chief Procurement Officer | 78,771,000 | 75,150,000 |
| Office of the Chief Human Capital Officer | 44,847,000 | 41,340,000 |
| Office of the Chief Administrative Officer | 46,646,000 | 45,700,000 |

| | Budget estimate | Recommended |
|---|---|---|
| Total, Office of the Under Secretary for Management | $249,058,000 | $234,940,000 |

IMMEDIATE OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

The Committee recommends $2,550,000 for the Immediate Office of the Under Secretary for Management, $5,008,000 below the amount requested. None of the requested funding is provided for analysis of icebreaking requirements in the polar region. The Committee finds this study to be unnecessary, given the extensive analysis that has already been done on the subject. In the Department's own budget justification, there is mention of the "numerous existing and ongoing studies" on the issue.

ACQUISITION WORKFORCE INITIATIVE

The Department needs the right number and mix of acquisition professionals in its workforce to manage its increasingly large and complex procurements. However, the Committee has been frustrated by the Department's lack of responsiveness to basic questions with regard to the Department's proposed Acquisition Workforce Initiative, which consists of $24,200,000 for purposes of hiring 150 new core component and program management office staff, training them, and investing in systems that track and identify that workforce. While the Department completed a major assessment of 86 major program offices and its component acquisition executive organizations, it only provided a list of new positions and summary information to the Committee, reiterating that the proposed funding will mitigate workforce gaps and address deficiencies highlighted by the GAO and OIG.

This is necessary information but insufficient to enable the Committee to understand the basis for the proposed increase, including the impact of additional funding provided in recent years to build up acquisition capacity in several major DHS agencies. The Committee directs the Department to provide it with the following information from its assessment: (1) its baseline analysis for the current, "as-is" acquisition workforce; (2) its current capacity and skillsets; (3) gaps, in particular with reference to specific skills and capacity that are required to achieve the level of acquisition capability desired, specifically taking into account and identifying the impact of additional funding for workforce improvement that was appropriated in fiscal years 2008–2010; and, based on the foregoing information, (4) the specific positions/skillsets that need to be expanded or added to fill the gaps.

In the absence of this information, the Committee cannot recommend funding a number of the proposed acquisition workforce increases, particularly for those components or programs that have received additional funding for such staff in recent years. The Committee will revisit the issue of expanding and enhancing the acquisition workforce when it receives more complete justification information.

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

The Committee recommends $45,700,000 for the Office of the Chief Administrative Officer, $946,000 below the amount requested. Within this total, the Committee includes $5,000,000,

$398,000 below the request, for improvements and maintenance of the Nebraska Avenue Complex, including perimeter fencing and sustainment of current operations at the site. This is particularly important, given that funding will be unavailable in fiscal year 2012, as noted below, for additional consolidation of Departmental management and components.

DHS HEADQUARTERS CONSOLIDATION

The Committee recommends no funding in the bill for Departmental Headquarters Consolidation, including continued construction of the new headquarters site at St. Elizabeths. This is $215,273,000 below the request, which included $159,643,000 for new St. Elizabeths construction.

The Committee recognizes the clear requirement to rationalize the housing and operations of Department agencies and components in the capital region, with roughly 70 offices spread in 46 locations across the area. The Committee notes that the $77,400,000 appropriated in fiscal year 2011 will enable the completion of the Coast Guard headquarters and adjacent construction at St. Elizabeths, allowing the Department to complete excavation work in a logical sequence and avoid some unnecessary costs. Furthermore, the funding, which became available for obligation later in fiscal year 2011, will likely be obligated only late in 2011 or in 2012.

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

Finally, the significant cost associated with minimum elements of the project makes it impossible to adequately fund those elements, given the need to compensate for budgetary shortfalls created by the budget's reliance on unauthorized fee proposals and the need to provide disaster relief funding.

The Committee expects that the Department will revise its plans in a way to maximize its current project funding and get a better understanding of all cost issues surrounding upcoming construction phases. The Committee therefore directs the Department to provide an update on the progress of the initiative no later than four months after the date of enactment of this Act, including a revised schedule and cost estimates.

OVERCLASSIFICATION

The Committee is aware of clauses contained in contract or grant agreements between DHS and universities that preemptively restrict publication of research results or which provide DHS the right to restrict publication at any time, due to the possibility that

controlled unclassified information (formally referred to as "sensitive but unclassified") will be involved in the work. Some agreements also prohibit individuals from participating in research if they are neither U.S. citizens nor legal permanent residents. When applied unnecessarily, such clauses can discourage talented researchers and research assistants from participating in DHS-sponsored initiatives. The Department has an obligation to protect controlled unclassified information but is discouraged from placing unreasonable burdens on researchers partnering with DHS components, especially when the research does not require access to controlled information. The Department should consider placing such restrictions on research only on the basis of the actual inclusion of controlled information in that research, rather than the potential that such information might be involved.

### DEFENSE PROCUREMENT ACT

The Committee is aware that the Department of Homeland Security is a key player in the Federal interagency community in the implementation of the Defense Procurement Act, in particular with regard to working with the Departments of Defense and Commerce to ensure the availability of industrial capability to meet current emergency preparedness requirements without disrupting commercial activities. One aspect of this is supporting the requirement for the President to maintain a Defense Industrial Base Information System that identifies domestic manufacturing capabilities that are essential to national defense and homeland security. The Committee directs the Department to fully fund its statutorily required activities in support of the Defense Production Act and to report on its funding required for such efforts in its fiscal year 2013 budget submission.

### PERFORMANCE PLANS

The Committee urges the Department to expedite development of the agency's annual performance plans and reports, including the agency's high-priority goals integrating specific customer service standards. Frequent evaluations ensure agency efficiency and accountability through performance measurements that are reported quarterly to Congress and the public in accordance with the Government Performance and Results Act of 1993.

### DEPARTMENTAL EFFICIENCY REVIEW

The Committee strongly approves the Department's efforts to streamline its operations and reduce areas of overlapping responsibility as part of a major efficiency review, and directs the Department to arrange for an independent evaluation of that review, and to provide the results of that evaluation to the Committee not later than 30 days after its completion.

## OFFICE OF THE CHIEF FINANCIAL OFFICER

| | |
|---|---|
| Appropriation, fiscal year 2011 | $53,430,000 |
| Budget request, fiscal year 2012 | 62,395,000 |
| Recommended in the bill | 50,860,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −2,570,000 |
| Budget request, fiscal year 2012 | −11,535,000 |

MISSION

The primary responsibilities and functions of the Office of the Chief Financial Officer include budget execution and oversight; performance analysis and evaluation; oversight of the Department's financial management system; oversight of the Department's business and financial management systems across all agencies and directorates; and oversight of credit card programs and audit liaisons.

RECOMMENDATION

The Committee recommends $50,860,000 for the Office of the Chief Financial Officer (CFO), $11,535,000 below the amount requested and $2,570,000 below the amount provided in fiscal year 2011. Because the Department has decided to cancel its solicitation for the Transformation and Systems Consolidation (TASC) project and is undertaking a review of its strategy to meet current DHS requirements, the Committee does not include the $11,000,000 programmatic request for TASC.

TRANSFORMATION AND SYSTEMS CONSOLIDATION

The Department continues to have a critical need to produce reliable, timely, and useful financial management information. In light of its decision to cancel its TASC solicitation, the Department shall keep the Committee informed on its strategy for establishing a core financial system and any plans for integrating its remaining management systems for acquisitions and assets.

CONGRESSIONAL BUDGET JUSTIFICATIONS

The Committee directs the Department to submit all of its fiscal year 2013 budget justifications on the first Monday in February, 2012, concurrent with the official submission of the President's budget to Congress. This should include all classified budgets as well as non-classified budgets. These justifications should have the customary level of detailed data and explanatory statements to support the appropriations requests, including tables that detail each agency's programs, projects, and activities for fiscal years 2011 and 2012. The Committee directs the CFO to ensure that adequate justification is given to each increase, decrease, transfer, and staffing change proposed in fiscal year 2013. The CFO should also ensure that each item directed by the Committee to be provided as part of the fiscal year 2013 budget justification is delivered as mandated.

The CFO shall submit, as part of the 2013 budget justifications, a detailed table identifying the last year that authorizing legislation was provided by Congress for each program, project, or activity; the amount of the authorization; and the appropriation in the last year of the authorization.

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

comprehensive explanations were not provided in every instance, making it more difficult to consider the Department's legislative language requests.

DISINGENUOUS BUDGETING AND HYPOTHETICAL USER FEE INCREASES

The budget request was built upon assumptions that $645,000,000 in new revenue would be realized in fiscal year 2012, $590,000,000 in increased aviation security user fees and $55,000,000 in increased customs fees. However, both increases require new legislative authority which is outside the jurisdiction of the Committee on Appropriations. Furthermore, in the unlikely event such fee increases were enacted this year, the Congressional Budget Office estimates aviation security user fees would only increase by a net of $210,000,000—not the $590,000,000 assumed in the Department's budget submission. Clearly, by submitting a budget predicated on hypothetical revenue, the Administration has placed the Committee in an untenable position. The Committee is therefore compelled to fill the huge budgetary hole left to it by the Department, while not cutting funding required for critical homeland security missions, as is evident in this bill. The Committee has been forced to reduce or restrain funding in many support areas in order to fill this hole. This is not an isolated instance; the Department has repeatedly submitted budgets over the past several years with similarly unrealistic assumptions and which have also required the Committee to go to great lengths to make up the difference.

Such submissions demonstrate either a frivolous approach to budgeting or else a disregard for the seriousness with which the Committee takes its responsibilities, and it will not be tolerated. The Committee advises the Department that in the future it will reject any funding proposals based on such hypothetical funding scenarios or on proposals for legislation under the jurisdiction of authorizing committees. While the Committee expects to be kept informed about the status of such legislative proposals, it will not recognize them as relevant to its appropriations work until they have been enacted into law.

MONTHLY REPORTING REQUIREMENTS

The Committee continues bill language requiring monthly budget and staffing reports within 45 days after the close of each month.

## OFFICE OF THE CHIEF INFORMATION OFFICER

| | |
|---|---|
| Appropriation, fiscal year 2011 | $333,393,000 |
| Budget request, fiscal year 2012 [1] | 277,972,000 |
| Recommended in the bill | 261,300,000 |
| Bill compared with:. | |
| Appropriation, fiscal year 2011 | −72,093,000 |
| Budget request, fiscal year 2012 | −16,672,000 |

[1] Does not factor in the $131,590,000 requested for Data Center Migration.

MISSION

The Chief Information Office (CIO) has oversight of information technology projects in the Department. The CIO reviews and approves all DHS information technology acquisitions estimated to

cost over $2,500,000 and also approves the hiring and oversees the performance of all DHS component CIOs.

RECOMMENDATION

The Committee recommends $261,300,000 for the Office of the CIO, $16,672,000 below the amount requested and $72,093,000 below the amount provided in fiscal year 2011.

A comparison of the budget request to the Committee recommended level by budget activity is as follows:

| | Budget Estimate | Recommended |
|---|---|---|
| Salaries and Expenses | $105,578,000 | $105,500,000 |
| Information Technology Activities | 38,800,000 | 38,800,000 |
| Security Activities | 89,525,000 | 73,000,000 |
| National Security Systems | 44,069,000 | 44,000,000 |
| Total, Chief Information Officer | $277,972,000 | $261,300,000 |

INFORMATION TECHNOLOGY ACTIVITIES

The Committee recommends $38,800,000 for Information Technology Activities, the same as the amount requested.

SECURITY ACTIVITIES

The Committee recommends $73,000,000 for Security Activities, $16,525,000 below the request. While the Committee supports these activities, the President's budget assumes an increase in aviation security user fees, which has not been authorized, and which limits the Committee's ability to meet the request level for this account.

The Committee is increasingly concerned by information security vulnerabilities within the Federal Government as they relate to insiders removing sensitive or classified information without authorization. The CIO's office is directed to brief the Committees on Appropriations—in coordination with other components as deemed necessary—no later than 60 days after the date of the enactment of this Act detailing Department-wide efforts to combat "insider threats" in the cyber domain, including, but not limited to an overview of: (1) the extent of the Department's ability to monitor the unauthorized removal of sensitive unclassified and classified material from DHS information systems; (2) changes made in the wake of recent information security breaches, including any new restrictions to DHS information systems and databases, both internally and to external stakeholders; (3) any recent restrictions placed on DHS users by external, interagency stakeholders on access to certain databases and an assessment of the operational impact of such restrictions; and (4) plans to improve the DHS information security architecture and policies to preclude similar breaches from happening at DHS.

DATA CENTER MIGRATION

This year, the Administration requested a total of $131,590,000 throughout DHS to pay for the migration of component resources to the Department's two consolidated data centers. The purpose of operating two data centers is to help manage the significant risk associated with locating all of the Department's data at a single

site. However, due to the need to offset budgetary gaps created by the request's assumption of revenue from as yet unauthorized aviation security fees and customs user fees, as well as the need to fund disaster relief, the Committee declines to fund this initiative in fiscal year 2012 and directs the Department to develop a plan to implement the migration instead in fiscal year 2013.

NATIONAL SECURITY SYSTEMS

The Committee provides $44,000,000 for National Security Systems, $69,000 below the amount requested, which reflects management efficiencies. This funding includes work to develop the Homeland Security Data Network, which allows DHS to communicate at a SECRET-classified level among Federal and State government agencies and supporting entities, as well as the communications security modernization program.

## ANALYSIS AND OPERATIONS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $335,030,000 |
| Budget request, fiscal year 2012 | 355,368,000 |
| Recommended in the bill | 344,368,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +9,338,000 |
| Budget request, fiscal year 2012 | −11,000,000 |

MISSION

Analysis and Operations houses the Office of Intelligence and Analysis (I&A) and the Directorate of Operations Coordination, which together collect, evaluate, and disseminate intelligence information, as well as provide incident management and operational coordination.

RECOMMENDATION

The Committee recommends $344,368,000 for Analysis and Operations, $11,000,000 below the amount requested and $9,338,000 above the amount provided in fiscal year 2011.

STATE AND LOCAL FUSION CENTERS

The Committee provides the funding requested to expand DHS support to State and Local Fusion Centers. While the Committee is generally supportive of the State and Local Fusion Center program, I&A needs to better identify and, if possible, quantify the Federal benefit and return on investment generated by this spending. The Committee directs I&A to develop such robust programmatic justification and submit it with the fiscal year 2013 budget request. The Committee also directs I&A to continue its quarterly reporting on the fusion center program.

BORDER INTELLIGENCE FUSION SECTION

The Committee commends I&A for establishing the Border Intelligence Fusion Section (BIFS). The Committee has long believed that robust intelligence capabilities are essential to the execution of the Department's border security mission. The Committee further believes this multi-agency section—consisting of personnel from CBP, ICE, Coast Guard, and I&A and working collaboratively with staff from the Departments of Defense and Justice—will im-

prove intelligence collection and dissemination and enhance the use of existing DHS resources deployed along the Southwest border. The Committee directs I&A to provide regular updates on the development of BIFS and the metrics it is applying to measure this new section's effectiveness as part of I&A's existing quarterly threat briefings.

### INTELLIGENCE ANALYST CONTRACTOR CONVERSIONS

The Committee supports the conversion of a largely contractor-based intelligence analyst workforce to Federal employees, as appropriate. Given the difficulty identifying and hiring qualified analysts with appropriate security clearances, however, the Committee believes I&A must have all necessary human resources tools to implement this conversion as rapidly as possible. The Committee therefore encourages the Department to seek direct hiring authority for intelligence analyst vacancies, both to speed up the conversion process and to ensure that qualified candidates are not recruited elsewhere due to bureaucratic delays in the DHS hiring process.

### DIRECTORATE OF OPERATIONS COORDINATION

The Committee denies the request for the C2 Gap Filler Technology initiative at this time due to an insufficient justification and uncertainties regarding scope and total cost.

### CLASSIFIED PROGRAMS

Recommended adjustments to classified programs and more detailed oversight of funding for I&A are addressed in a classified annex accompanying this report.

## OFFICE OF INSPECTOR GENERAL

| | |
|---|---|
| Appropriation, fiscal year 2011 [1] | $113,874,000 |
| Budget request, fiscal year 2012 | 144,318,000 |
| Recommended in the bill [1] | 124,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +10,126,000 |
| Budget request, fiscal year 2012 | −20,318,000 |

[1] Excludes a $16,000,000 transfer from the Disaster Relief Fund.

### MISSION

The Homeland Security Act of 2002 established an Office of Inspector General (OIG) in DHS by amendment to the Inspector General Act of 1978. This office was established to provide an objective and independent organization that would be effective in: (1) preventing and detecting fraud, waste, and abuse in departmental programs and operations; (2) providing a means for keeping the Secretary and the Congress fully and currently informed of problems and deficiencies in the administration of programs and operations; (3) fulfilling statutory responsibilities for the annual audit of the Department's financial statements; (4) ensuring the security of DHS information technology pursuant to the Federal Information Security Management Act; and (5) reviewing and making recommendations regarding existing and proposed legislation and regulations to the Department's programs and operational components. According to the authorizing legislation, the Inspector Gen-

eral is to report dually to the Secretary of Homeland Security and to the Congress.

RECOMMENDATION

The Committee recommends $124,000,000 for the Office of Inspector General, $20,318,000 below the budget request and $10,126,000 above the amount provided in fiscal year 2011. The Committee reduces funding by an additional $4,318,000 from the request in the interest of efficiency, with the expectation that OIG will prioritize funding to meet its stated needs for enhanced oversight of emergency and Departmental programs, as well as audits of 9/11 Commission recommendation implementation. In addition, the Committee will continue the practice of transferring $16,000,000 from the Disaster Relief Fund to OIG in fiscal year 2012. However, the Committee hopes in the future to reach the point where OIG will fund its disaster-related audits and investigations from its core budget.

## TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS

### U.S. Customs and Border Protection

#### Salaries and Expenses

| | |
|---|---|
| Appropriation, fiscal year 2011 | $8,212,626,000 |
| Budget estimate, fiscal year 2012 | 8,725,555,000 |
| Recommended in the bill | 8,769,518,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +556,892,000 |
| Budget estimate, fiscal year 2012 | +43,963,000 |

MISSION

The mission of U.S. Customs and Border Protection (CBP) is to protect the borders of the United States by preventing, preempting, and deterring threats against the Homeland through ports of entry and by interdicting illegal crossing between ports of entry. CBP's mission integrates homeland security, safety, and border management to ensure that goods and persons cross U.S. borders in accordance with applicable laws and regulations, and pose no threat to the country. The priority of CBP is to prevent terrorists and their weapons from entering the United States, and to support related homeland security missions affecting border and airspace security. CBP is also responsible for apprehending individuals attempting to enter the U.S. illegally; stemming the flow of illegal drugs and other contraband, including weapons and bulk cash into and out of the country; protecting U.S. agricultural and economic interests from harmful pests and diseases; protecting American businesses from theft of their intellectual property; regulating and facilitating international trade; collecting import duties; and enforcing U.S. trade laws. By the end of fiscal year 2011, CBP will have a workforce of more than 60,000, including CBP officers, Air Interdiction agents, Marine Interdiction agents, canine enforcement officers, Border Patrol agents, Agriculture Specialists, trade specialists, intelligence analysts, and mission support staff.

RECOMMENDATION

The Committee recommends $8,769,518,000 for Salaries and Expenses, $43,963,000 above the amount requested and $556,892,000 above the amount provided in fiscal year 2011. The significant increase in funding from 2011 is chiefly due to the journeyman pay raise and annualization of significant staffing increases provided to both the CBP officer and Border Patrol workforces in recent years. Supporting operations and maintaining staffing levels is the Committee's top priority. The Committee recommendation includes additional resources to restore proposed reductions in international cargo screening operations (Container Security Initiative) and provide critical enhancements to cargo and passenger targeting and screening programs.

This recommendation provides $1,874,252,000 for Headquarters Management and Administration, with the following differences from the request: the Committee reduces funding by $3,452,000 for the Acquisition Workforce Initiative and $33,385,000 for data center migration. While the Committee has supported substantial increases similar to the Acquisition Workforce Initiative in the past and supports the Department's data center consolidation efforts, the President's budget request assumed an increase in fees collected pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) in order to fund these programs at the requested levels. This fee is not within the jurisdiction of the Committee on Appropriations, and the Committee has adjusted its fiscal year 2012 recommendation for this account accordingly. Additionally, CBP has existing authority and funds to hire appropriately qualified program management and acquisition staff as needed to effectively manage its programs. The funding level includes a $25,939,000 increase for conduct and integrity programs, the requested transfer of multiple mission support functions into this program, project, and activities (PPA), and increased rent requirements.

Border Security Inspections and Trade Facilitation is funded at $2,987,761,000, including $55,000,000 to fill the shortfall created by the President's budget request assuming an increase in COBRA fees not yet authorized; $44,407,000 for the adjustment for law enforcement journeyman pay costs; $86,109,000 for prior year annualization of 963 CBP officers; $20,692,000 for an additional 300 CBP officers at new and expanded ports of entry; $2,212,000 for additional canine units at ports of entry; $7,499,000 to expand the Immigration Advisory Program to four additional locations; $79,557,000 for International Cargo Screening, including $3,287,000 for the Secure Freight Initiative and $76,270,000 for the Container Security Initiative, $18,300,000 above the requested level; $46,400,000 for Automated Targeting Systems, reflecting an increase of $15,000,000 over the request, for enhancing one of the Department's most effective counterterrorism and security capabilities; $46,950,000 for the National Targeting Center, including the requested increase of $16,400,000 for 45 new CBP officers and 20 new analysts; and $37,834,000 for Training at Ports of Entry. The fiscal year 2012 request, including anticipated fee collections, claims to support a total of 21,186 CBP officers.

Border Security and Control between Ports of Entry is funded at $3,619,604,000, which reflects an increase of $191,459,000 for prior year annualization of 1,000 additional agents along with support personnel funded in the fiscal year 2010 Border Security Supplemental as well as $184,717,000 for the adjustment for law enforcement journeyman pay costs. This overall level will support a Border Patrol agent force of 21,370 (compared to 12,349 in fiscal year 2006), including 2,212 deployed to the Northern Border and 18,415 deployed to the Southwest Border.

Air and Marine Operations are funded at $287,901,000, as requested. Within the overall funding level for Salaries and Expenses, $72,646,000 in ambiguous Administrative Savings and Professional Services reductions have been proposed in the budget request. The Committee's recommended funding level includes those so-called savings, given the need to fill the operational shortfall created by the budget request's assumption of an increase in aviation passenger and COBRA fees that have not been enacted.

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Headquarters, Management, and Administration: | | |
| Management and Administration, Border Security Inspections and Trade Facilitation | $688,878,000 | $670,494,000 |
| Management and Administration, Border Security and Control between Ports of Entry | 738,462,000 | 720,009,000 |
| Management and Administration, Rent | 483,749,000 | 483,749,000 |
| Subtotal, Headquarters Management and Administration | 1,911,089,000 | 1,874,252,000 |
| Border Security Inspections and Trade Facilitation: | | |
| Inspections, Trade, and Travel Facilitation at Ports of Entry | 2,507,235,000 | 2,562,235,000 |
| Harbor Maintenance Fee Collection (Trust Fund) | 3,274,000 | 3,274,000 |
| International Cargo Screening | 68,757,000 | 79,557,000 |
| Other international programs | 10,684,000 | 10,684,000 |
| Customs-Trade Partnership Against Terrorism | 44,979,000 | 44,979,000 |
| Trusted Traveler Programs | 6,311,000 | 6,311,000 |
| Inspection and Detection Technology Investments | 149,537,000 | 149,537,000 |
| Automated Targeting Systems | 31,400,000 | 46,400,000 |
| National Targeting Center | 46,950,000 | 46,950,000 |
| Training | 37,834,000 | 37,834,000 |
| Subtotal, Border Security Inspections and Trade Facilitation | 2,906,961,000 | 2,987,761,000 |
| Border Security and Control between Ports of Entry: | | |
| Border Security and Control | 3,530,994,000 | 3,530,994,000 |
| Training | 88,610,000 | 88,610,000 |
| Subtotal, Border Security and Control between POEs | 3,619,604,000 | 3,619,604,000 |
| Air and Marine Operations | 287,901,000 | 287,901,000 |
| Total, CBP Salaries and Expenses | $8,725,555,000 | $8,769,518,000 |

CONGRESSIONAL BUDGET JUSTIFICATION

The quality of the Congressional Budget Justification material provided by the Department for CBP accounts continues to be of concern. Even after a thorough review of the fiscal year 2012 materials, the Committee is unable to accomplish the basic in-depth oversight required in these fiscally constrained times due to the inability of the Department to provide quality justification materials that articulate detailed budgets for programs, projects, and activities requested. The Committee is dissatisfied with the lack of con-

sistency and transparency in the "adjustments to base" across the Department's budget justification materials, whether in the presentations on PPAs or in Exhibit B, the table that displays current to budget year changes. These presentations are particularly troublesome in their use of the label "technical adjustment" to describe multiple, unspecified increases and decreases. It appears that this term obscures, rather than clarifies the reasons for changes. For example, CBP Salaries and Expenses includes a decrease that appears to reflect a policy decision not to use $11,477,000 appropriated for Air and Marine Operations, and an increase of $246,922,000 that appears to represent costs to annualize staffing increases. The Committee directs the Department to avoid the use of the term "technical adjustment" for any but the most narrow, clearly specified reasons, and affirms that it will not recognize any "technical adjustments" that are not clearly and explicitly identified throughout the justification materials.

CBP, in conjunction with the Chief Financial officer, is encouraged to work with the Committee in developing new materials for the Congressional Budget Justifications.

REVISED BUDGET STRUCTURE

The Committee directs the Commissioner of CBP to propose a subdivision of the Inspections, Trade, and Travel Facilitation at Ports of Entry PPA and the Border Security and Control PPA within the Salaries and Expenses account in conjunction with the budget submission for fiscal year 2013. At funding levels of $2,562,235,000 and $3,530,994,000 respectively, the PPAs, and the accompanying budget justifications, have not provided adequate detail for appropriate oversight of these funds. Funds could be subdivided in the following budget activities: officer or agent pay, civilian pay, equipment, operations and maintenance, and procurement of items over $100,000. CBP is directed to work with the Committee in developing the revised PPA structure.

FEE FUNDS SUPPORTING CBP PORT OF ENTRY OPERATIONS

Approximately 37 percent of CBP officers are funded by user fees. Fee collections have been below estimates in recent years, given the global economic crisis and the decline in international travel. Furthermore, CBP has not been able to manage fluctuations in fee funding levels through officer attrition due to the low attrition rate also related to the prevailing economic conditions. In fiscal years 2008 through 2010, CBP experienced a decrease in the Immigration User Fee of nine percent, in COBRA of six percent, and in the Animal and Plant Health Inspection Service (APHIS) Inspection Fee of three percent. While CBP has considered submitting legislative proposals for changes to their fee collections, a thoughtful, thorough approach has not been proposed with a concerted effort to implement changes. Rather, the President's budget request assumes funds that have not been authorized, leaving the Committee with a shortfall to address or the consequences of cutting CBP's port of entry operations.

In fact, the fiscal year 2012 request assumes an increase of $55,000,000 in COBRA fee collections that has not yet been enacted. The proposal suggests removing an exemption to the COBRA fee for individuals entering by commercial air or sea vessels from

Canada, Mexico, and the Caribbean, resulting in a net increase of $110,000,000 in anticipated annual fee collections and assuming that in fiscal year 2012 CBP would begin collections in the third quarter. Again, this fee is not within the jurisdiction of the Committee on Appropriations. Therefore, the Committee has reduced the anticipated level of COBRA fee collections by $55,000,000 and increased the appropriated funds provided in the Border Security Inspections Program PPA to fill the Administration-created shortfall. As a result, the Committee recommends reductions to other accounts in this bill as an offset for this unjustified assumption.

In addition, the Government Accountability Office (GAO) has identified $639,400,000 in unobligated balances in CBP's Customs User Fee Account as a result of excess collections from a temporary fee increase and elimination of North American Free Trade Agreement country exemptions from January 1, 1994, to September 30, 1997 (GAO–11–318SP). The Committee is aware that the CFO and CBP have been discussing these funds with the Office of Management and Budget, but there has been no resolution regarding the appropriate application. These funds should either be applied to CBP operations or rescinded to clear up the question of their availability. The Committee directs the CFO and CBP to brief the Committee no later than 30 days after the date of enactment of this Act regarding the decision on this matter.

In addition, the Committee directs the Department to continue its quarterly reports from the Secretary on user fees to the Committees on Appropriations in fiscal year 2012 beginning not later than December 1, 2011, and to include in the briefings the status of collections and steps taken to mitigate shortfalls in expected collections.

PORT OF ENTRY OPERATIONS—MANPOWER AND INNOVATION

With the fluctuation of fee funding, which constitutes 37 percent of resources available for CBP officers, and current budget pressures, CBP faces significant challenges in managing both staffing levels and wait times at our Nation's ports of entry. Further, while the Committee supports targeted staffing increases where a clearly demonstrated need exists—for new and expanded ports of entry as well as for the National Targeting Center–Passenger (NTC–P), overseas programs, and, more recently, outbound operations—the Committee does not believe that CBP has demonstrated that it has fully explored all practicable options for reducing staffing growth in other environments.

To date, CBP has conducted several assessments of its CBP officer needs to adequately staff frontline passenger and cargo operations at our Nation's ports of entry. The fiscal year 2012 request, including anticipated fee collections, claims to support 21,186 CBP officers. While more modest CBP proposals assert an unfunded need of approximately 1,300 CBP officers, others call for an additional 10,000. Although the Committee is prepared to consider well-documented operational staffing increase proposals in the future, the methodology supporting such proposals, including how the required positions are calculated, must produce more precise requests and must take into consideration potential staffing level reductions or offsets that could be achieved by initiatives such as: (1) re-engineering port of entry processes to automate more adminis-

trative tasks and focus staff on core operational activities, such as fully implementing the Land Border Initiative (LBI) and new automated pedestrian processing procedures; (2) further segmenting travelers and cargo by risk and facilitating the entry of lower risk traffic by expanding and improving the targeting capabilities in ATS for pedestrians, passenger vehicles, trucks, and air and sea passengers; (3) facilitating the entry of lower risk traffic by strengthening and expanding registered traveler programs, including the Customs-Trade Partnership Against Terrorism (C–TPAT)/Free and Secure Trade (FAST) programs; and (4) identifying areas where technology investments could increase CBP officer efficiency or better utilize available staffing.

Therefore, to assist the Committee in its oversight of CBP staffing and planning, the Committee directs CBP to report to the Committee not later than 120 days after the date of enactment of this Act on its allocation of CBP officers, including how CBP can more effectively manage staffing resources across ports of entry to meet rising and falling staffing requirements more efficiently. Furthermore, the Committee recommends in this bill a substantial investment in strategic enhancements to targeting capabilities in part to automate functions that currently require significant manpower. CBP shall also detail to the Committee, in the same report requested above, the manpower savings generated with the plan for use of these funds and how those resources will be applied to other analytical activities going forward.

CUSTOMS CHECK OF INTERNATIONAL PASSENGERS AND BAGGAGE

The Committee is aware that CBP has considered ways to eliminate the separate customs check for arriving passengers at international airports, while still meeting the requirements of customs law. While the Committee would not support any change that would denigrate customs law enforcement or CBP's capabilities to detect and interdict illicit goods, agricultural threats, or drugs, the Committee urges CBP to continue looking at options to streamline operations for international air passenger processing.

From the perspective of travelers, elimination of the two-step check for immigration and customs would mean avoiding the second bottleneck to turn in their customs declarations. More importantly, it could also mean that passengers with connecting flights could continue through to Transportation Security Administration (TSA) screening rather than waiting for checked baggage to come into the customs hall and waiting for the airlines to re-check those bags. Ensuring that security needs as well as efficiency gains are met, the Committee encourages CBP, in consultation with TSA, to look at piloting different concepts of operations.

WAIT TIMES

The Committee continues to be interested in monitoring CBP processing times. Beginning no later than January 30, 2012, and on a quarterly basis thereafter, CBP is directed to brief the Committee on the number of passenger arrivals at air and sea ports of entry for which the immigration and customs processing time exceeds 60 minutes. The Committee also requests that CBP include on its website wait time information for seaports, similar to the information already posted for air and land ports of entry.

OUTBOUND INSPECTIONS

CBP has devoted substantial resources from its base, as well as supplemental funds provided by Congress for the effort to dismantle the Mexican drug cartels, to conduct outbound inspections along the Southwest border. The Committee encourages CBP to assess the effectiveness of outbound operations considering the costs dedicated to these activities. The current concept of operations is temporary in nature, despite the fact that the operations have been underway for two years. The Committee directs CBP to brief the Committee no later than November 1, 2011, on its plans for outbound operations, addressing officer safety issues associated with the concept of operations and manpower allocation to these operations, including temporary duty staff.

AVAILABILITY OF AUTOMATED SYSTEMS

CBP's operations, particularly passenger operations at ports of entry, are highly dependent on information technology systems. In 2007, CBP experienced a total network failure at Los Angeles International Airport that created a significant disruption to CBP operations, the aviation system, and passengers traveling at the time. Despite CBP's efforts to address significant system availability challenges, the Office of the Inspector General (OIG) outlined a number of outstanding concerns in a report issued on February 4, 2011 (OIG–11–42). The Committee directs CBP and OIG to separately brief the Committee on progress in addressing issues raised in the report not later than 90 days after the date of enactment of this Act.

Further, for both the security of the United States and the movement of passengers and goods through the international aviation system, the availability and reliability of TSA's Secure Flight and CBP's advance passenger information systems are critical. The Committee directs CBP, in conjunction with TSA, to conduct an end-to-end assessment of their collective system availability and reliability issues, develop service-level agreements associated with system performance expectations, and monitor and respond to any performance issues expeditiously. Not later than 120 days after the date of enactment of this Act, CBP and TSA shall provide a briefing to the Committee on the results of these activities.

CONTAINER SECURITY INITIATIVE AND INSPECTING HIGH RISK CARGO OVERSEAS

The budget request for fiscal year 2012, similar to the request for fiscal year 2011, proposes to significantly reduce International Cargo Screening operations. The Committee does not support the 44 percent reduction in the Container Security Initiative (CSI). Through CSI, CBP deploys officers to foreign ports, in partnership with host nation authorities, to identify high risk cargo to be screened and cleared before being loaded on U.S. bound ships. The budget request would seek to convert the program from one with an overseas presence in 58 seaports to one that is primarily U.S.-based, maintaining operations in a select number of yet-to-be named ports of strategic importance. Where CSI operations are closed, CBP would instead rely on a "virtual" approach, using remote targeting, and possibly reciprocal inspection agreements with

foreign governments. While such a model may work where the host government is a close, trustworthy, and fully capable partner, the Committee observes that such relationships are not the norm.

Furthermore, the Committee believes there is value in meeting face-to-face and establishing genuine relationships with partners in foreign customs organizations and port operations that goes beyond simply coordinating the screening, targeting, and inspection of cargo. Such relationships have resulted in valuable exchanges of information about trade and supply chain security that cannot be captured through virtual channels. Where those relationships are not being forged, the Committee encourages CBP to ensure that staff deployed for CSI have the proper skills and training for this type of work.

The budget request also proposes to dedicate $7,500,000 to inadequately justified pilot projects to assess alternatives for implementing the requirement to scan overseas 100 percent of maritime cargo containers bound for the United States. In its budget submission, the Department proposed using these funds for travel to assess foreign seaports of interest and engage foreign government officials. The Committee does not recommend funds for this activity until the Department comes forward with a substantive approach to meeting or adapting the 100 percent scanning requirement, instead applying these resources to partially restore the cut to CSI.

The Committee, therefore, recommends $79,557,000 for International Cargo Screening, including $76,270,000 for the CSI program and $3,287,000 for the Secure Freight Initiative, to continue operations in Qasim, Pakistan; limited operations in Salalah, Oman; and expand operations to Karachi, Pakistan, if possible with funds provided.

### TRADE FACILITATION AND INTERAGENCY COOPERATION

CBP's creation of the C–TPAT program in 2002 was forward-leaning, and the trade community is commended for its continued participation and support. The concept was extended to importer safety compliance issues through the Importer Self Assessment. However, the Committee continues to hear concerns that the promise of expediting lower-risk cargo through the programs has not been fully realized. This seems to most affect cargo subject to safety inspections specifically directed or generally required by other agencies, rather than as a result of security concerns. CBP is directed to continue its work with other agencies, such as the U.S. Food and Drug Administration and the Consumer Products Safety Commission, to provide the trade community with clear guidelines for what constitutes low-risk shippers and shipments. This could include the concept of a certified importer program. In no way, however, does this suggest that CBP or other agencies eliminate random inspections or reduce inspection of goods due to targeting activities. Any new pilot project or program to promote efficient movement of trade must include a rigorous compliance review component, including regular audits. CBP is required to brief the Committee on its efforts no later than December 1, 2011.

### INSPECTION AND DETECTION TECHNOLOGY

The Committee includes $149,537,000 for Inspection and Detection Technology, as requested. The Committee understands that, in

addition to ongoing operations and maintenance of CBP's inventory of technology systems, this funding will support acquisition of replacement or upgraded systems, to include six large-scale Non-Intrusive Inspection (NII) systems, four large-scale NII systems for new and enhanced ports, and the purchase, testing, and deployment of small-scale NII. The Committee expects CBP to award procurement for these items on a fully competitive basis, with the focus for award being on attaining the performance goals for which technology is to be used.

Finally, the Committee notes that it has provided approximately $1,000,000,000 over the past six fiscal years for CBP inspection technology, including NII equipment. The Committee continues to support the procurement and deployment of new and replacement NII systems and is convinced of the continuing need to integrate such technology into CBP operations. Furthermore, the Committee is concerned that CBP has not had a robust, steady plan for managing this technology through its lifecycle. The devices that were rapidly deployed in the wake of the 9/11 attacks will soon need to be replaced. As the Advanced Spectroscopic Portals have not met expectations, it is unclear how CBP, with the input of the Domestic Nuclear Detection Office, intends to maintain, if not improve, fielded radiation detection capabilities. Therefore, this bill includes a requirement for a multi-year investment and management plan to be provided at the time of budget submission and updated on an annual basis to fully justify requested funds for this activity as well as project future year requirements and funding levels.

AUTOMATED TARGETING SYSTEMS

The Committee includes $46,400,000 for Automated Targeting Systems, $15,000,000 above the amount requested, to enhance passenger and cargo targeting efforts. In the aftermath of recent events involving terrorist travel, and continued concerns about cargo security, it is critical that the targeting systems on which CBP and other Federal agencies rely for counterterrorism and other enforcement efforts be robust and effective. The Committee is aware that CBP has substantial requirements for such enhancements and supports CBP's priorities of: developing capable visualization tools for analysts to enable faster and better quality presentation of data; implementing entity resolution enhancements to test and incorporate a better combination of name matching algorithms, facilitate data augmentation for certain traveler records, and utilize all data elements in identifying travelers of known risk; and employing predictive modeling and machine learning capabilities.

These strategic enhancements to one of our Nation's most effective tools to counter terrorist travel and identify risky, illicit activity in the global trade and travel systems will provide security results. The Committee directs CBP to report to the Committees on Appropriations not later than 90 days after the date of enactment of this Act on its planned application of this enhanced funding. In addition, the Committee is concerned that the increase provided under this heading may result in funds generally provided to the Targeting Analysis Systems Project Office (TASPO) from other accounts being directed to other purposes. Such actions would undermine this investment intended for strategic enhancements. As a result, the Committee directs CBP to identify and itemize the consoli-

dated elements of funds provided to TASPO, broken out by the programs, projects, and activities under which they fall, including a comparison to prior year funds for the same programs, projects, and activities, in a briefing to the Committee not later than 90 days after the date of enactment of this Act.

NATIONAL TARGETING CENTER

The Committee includes $46,950,000 for the National Targeting Center (NTC), as requested, including an increase of $16,400,000 for 45 additional CBP officers and 20 mission support personnel. Both before and after the attempted terrorist attack on Northwest Flight 253 on Christmas Day, 2009, the NTC has played a central role in providing tactical targeting information aimed at interdicting terrorists, criminals, and prohibited items. As with Automated Targeting Systems, it is critical that the NTC has the staffing and capacity required to support its critical information sharing and analysis mission, and work cooperatively with the Federal security and law enforcement community.

The Committee is concerned that, despite recent attempted attacks in international air cargo, CBP did not request funds to further secure the international cargo supply chain. Furthermore, despite the fact that CBP's targeting initiatives started in the cargo arena, CBP has not developed the strategic vision for the NTC-Cargo (NTC-C) that it has for the NTC-Passenger. As a result, CBP is directed to provide a briefing to the Committee on its initiatives to advance the effectiveness of cargo targeting capabilities as well as its vision for the NTC-C not later than 90 days after the date of enactment of this Act.

BORDER PATROL AND BORDER SECURITY BETWEEN PORTS OF ENTRY

The Committee fully funds Border Security and Control between Ports of Entry at $3,619,604,000, granting the request, including $88,610,000 for training. This recommendation will support an overall staffing level of 21,370 Border Patrol agents, to include 2,212 Border Patrol agents on the Northern border and over 18,415 on the Southwest border.

Securing the border is a national priority. Doing it right requires the right mix of personnel, technology, and infrastructure. The Committee has provided substantial spending increases to hire and deploy more Border Patrol agents in recent years. From the fiscal year 2008 Act to this, the fiscal year 2012 bill, the Committee has provided $17,762,768,000 to the Border Patrol for agents and equipment. The number of Border Patrol agents has grown accordingly, from 12,350 in fiscal year 2006 to the target of 21,370 by September 30, 2011, a 73 percent increase. During the same period the number of agents deployed to the Southwest border will grow from 11,032 to 18,415, a 67 percent increase, while the number on the Northern border will rise from 919 to 2,212, up 141 percent. The Committee also provided a corresponding increase in mission support staff needed to enable Border Patrol agents to concentrate on their enforcement mission in the field.

The Committee staunchly supports the increases that have been made for Border Patrol operations. At the same time, sustaining the significant costs of these enhancements in our current fiscal environment will be a challenge. For that reason, the Committee di-

rects CBP to measure the return on this investment. The American people need to see performance metrics reflecting what level of security gains have resulted from the investment, as well as the effectiveness of that security level when compared to the mission. The Commissioner of CBP testified to the Committee, during the fiscal year 2012 Budget hearing, that, "the border is actually more secure than it has ever been in terms of the ability to detect and apprehend those who come into the country illegally," reporting that nearly 10 times as many Border Patrol agents are in place and over 6,000 more other CBP personnel are in the field than in 1993. These assertions of a more secure border must be validated with performance measures that address the effectiveness of personnel, technology, and infrastructure investments. A reporting of data points does not supplant indicators of effectiveness. Rather CBP must develop statistically validated measures including better quantification of the denominators—the number of illegal crossers and volume of contraband coming across the border.

It is essential that CBP's strategies be informed by credible performance measures with clear end goals for border security. To articulate those clear end goals, the Committee encourages the Border Patrol to continue developing its new strategy and doctrine. The measures of success must stem from a coherent strategy and clear doctrine.

In light of the significant growth in workforce, and in order to attain an optimal and sustainable staffing level, the Committee directs CBP to submit a report not later than 90 days after the date of enactment of this Act on its five-year staffing and deployment plan for the Border Patrol. CBP should take serious consideration of illegal crossings, apprehension rates, and apprehensions per agent in developing this plan.

The Committee also directs CBP to brief the Committee no later than November 1, 2011, on funds allocated to support the health, welfare, and safety of Border Patrol agents in this budget.

ACCESS TO FEDERAL LANDS

The Committee is concerned about Border Patrol access to Federal lands to address known border security threats. Delays in access to Federal lands limit the ability of agents to detect and interdict drug smugglers and undocumented aliens in border areas by reducing flexibility in conducting patrols and positioning surveillance equipment. A March 2006 Memorandum of Understanding (MOU) among the Secretaries of Homeland Security, Agriculture, and Interior set forth the policy of cooperation that should have resulted in expeditious determinations on access to Federal lands. However, according to testimony before Congress by the Government Accountability Office (GAO), while the MOU requires the agencies to "cooperate and complete, in an expedited manner, all compliance required by applicable Federal laws," such cooperation has not always occurred. In one example, "when Border Patrol requested permission to move surveillance equipment, it took the land manager more than four months to conduct the required historic property assessment and grant permission, but by then illegal traffic had shifted to other areas." The Committee directs the Departments of Homeland Security, Agriculture and Interior to brief the Committee not later than October 1, 2011, on their plan to ad-

dress the Border Patrol's access to Federal lands, as appropriate and necessary to ensure the border security of the United States. Further, the Committee directs DHS to brief the Committee not later than October 1, 2011, on its implementation of GAO's recommendations for border security coordination on Southwest Federal lands in GAO–11–38 and GAO–11–177.

JOINT FIELD COMMAND STRUCTURE

The Committee is aware that CBP recently established the Joint Field Command (JFC) in Arizona. The CBP press release states the following purpose for the JFC: "to integrate the combined assets of the Tucson and Yuma Border Patrol Sectors, the Office of Field Operations Tucson Field Office, and the Office of Air and Marine's Tucson and Yuma Air Branches, enabling CBP leadership in the Arizona area of operations to direct an integrated approach to our mission of border security, commercial enforcement and trade facilitation." The Committee strongly supports joint analysis and reporting efforts, such as those envisioned through the Border Intelligence Fusion Section, that are designed to leverage resources across organizations to provide actionable information for frontline border security operations also across organizations. Similarly, developing a common operating picture to provide situational awareness of particular areas and share threat and risk information may be valuable. Alternatively, a joint command makes sense where there are truly joint operations. Given that Border Patrol already has the authority to direct air and marine assets and Field Operations operates within the ports of entry, it is unclear what mission benefits come from a Border Patrol agent commanding Field Operations at the ports or a CBP Director of Field Operations commanding Border Patrol operations in the desert. The Committee is interested in understanding the cost and benefit of establishing the JFC and whether CBP intends to establish this concept in other areas along the border. Further, CBP is directed to provide the funding levels and sources associated with the establishment and operations of the JFC no later than July 1, 2011. The Committee is also interested in the rationale for Border Patrol's sector lines, particularly between Yuma and Tucson, and requests a briefing on this topic.

OFFICE OF AIR AND MARINE STAFFING

The Committee includes $287,901,000, as requested, for Air and Marine Compensation and Benefits for the annualization of prior-year funds, on-going support of CBPs use of air and marine forces to secure the border, and consolidation of mission support funding across all CBP programs, projects, and activities (PPAs) into Management and Administration and training PPAs. The Committee supports CBPs internal re-allocation of positions to manage program needs including the Unmanned Aircraft Systems (UAS) program.

SOUTHWEST BORDER VIOLENCE

The Committee has invested billions of dollars in Southwest border security efforts over the past eight years. While significant resources have been invested and progress made, conditions in Mex-

ico remain dire. Drug production is up and drug related violence in Mexican border communities continues to result in the tragic deaths of innocent people. The level of violence directed at U.S. law enforcement agents and officers working on the border and in Mexico remains a concern—particularly with the deaths of Border Patrol Agent Brian Terry and U.S. Immigration and Customs Enforcement (ICE) Agent Jaime Zapata.

It is clear an effective strategy to curb Southwest border violence is multi-faceted. Part of this strategy must be comprehensive performance metrics that can demonstrate progress, the effectiveness of technology, infrastructure and workforce investments, and remaining capability gaps. The Committee directs CBP and ICE to brief the Committee on existing metrics used to assess the level and impact of violence in border communities and along the Southwest border, to include violence experienced by CBP and ICE personnel in their border enforcement efforts no later than August 1, 2011. As part of this briefing, the Committee directs CBP and ICE to assess existing performance measures and whether they provide a useful basis for analysis of the effectiveness of strategies and investments to counter border violence.

INTEGRITY PROGRAMS

The Committee remains concerned with reports from CBP's Office of Internal Affairs that drug trafficking organizations (DTOs) have been seeking to infiltrate CBP, compromise CBP employees, and corrupt the agency. The Committee strongly supports CBP's initiative to mitigate these challenges through polygraph examination and periodic background re-investigation, as well as the provision of workforce safeguards to reduce and prevent corruption. CBP should ensure that its ethics, integrity, and conduct programs include training at the time of recruitment, hiring, basic academy, in-service, and advanced stages of an agent or officer's career.

The Committee includes a requested increase of $25,939,000 to support polygraph examinations and to reduce the backlog in background investigations and periodic re-investigations. However, the Committee is concerned that this "increase" does not represent a real increase over funding the Committee previously provided for this purpose specifically to support the Office of Internal Affairs. The Committee directs CBP to brief the Committee not later than December 1, 2011, on the funds available for and progress regarding polygraph examinations, background investigations, and periodic re-investigations. The Committee is also interested in the status of periodic CBP's efforts to prevent infiltration of DTOs into the CBP organization, including ensuring completion of polygraph examinations of all new hires at the appropriate point prior to field deployment. The briefing should provide the budget, staffing, and effectiveness for these integrity efforts.

TACTICAL COMMUNICATIONS AND BORDER CONTROL

The Committee observes that a critical element of gaining "effective control" of the border is to ensure seamless communication between Federal agencies and their State and local counterparts. The Committee supports CBP's efforts to minimally upgrade its tactical communications infrastructure in order to meet operational needs on the border, while CBP works within DHS and with interagency

Federal partners on a more comprehensive solution to broadband infrastructure and communications needs. The Committee directs the Chief Information Officer of CBP, the National Protection and Programs Directorate's Office of Emergency Communications, and the Federal Emergency Management Agency to provide a briefing to the Committee not later than 120 days after the date of enactment of this Act on Department and interagency efforts.

DETENTION STATISTICS

The Committee directs the Department to issue statistics on the number of individuals held in custody by CBP, including all Border Patrol stations, checkpoints, and short-term custody facilities (defined as facilities used to hold individuals for 72 hours or less). These statistics shall include a list of all the facilities used for short-term custody, the country of origin of those in CBP custody, age, sex, duration of detention for those individuals in CBP custody, and the circumstances of their release (repatriation, referral to ICE, referral to DOJ, etc.). The Committee directs the Department to publish annually these statistics in the Department's annual statistical yearbook. The Department shall further explain how and why these facilities are used, what standards govern the conditions of custody, and what oversight mechanisms the Department employs to monitor short-term detention conditions and lengths of time of detention.

BORDER COMMUNITY RELATIONS OFFICERS

The Committee is aware that where they have been used, border community relations officers have improved collaboration with local border communities and helped the Border Patrol and Office of Field Operations more effectively carry out their enforcement missions. The Committee, therefore, encourages CBP to deploy more such officers to areas that could benefit from their presence, and directs CBP to brief the Committees not later than 90 days after the date of enactment of this Act on the role such officers play and the status of service-oriented training for CBP officers and Border Patrol agents.

BORDER SEARCH, TRAUMA AND RESCUE

The Committee encourages CBP to maintain and, if possible, expand its efforts to provide medical aid and Border Search, Trauma and Rescue personnel in the Southwest to reduce the incidence of deaths in the desert. The Committee recommends that CBP work with civil society organizations in the region to conduct rescue operations and to construct and maintain rescue beacons to identify and locate persons in remote areas.

PREVENTING CHILD TRAFFICKING

The Committee emphasizes that unaccompanied children must be treated with special concern while in CBP custody. The Committee directs DHS to uphold its responsibility under the Trafficking Victims Protection Reauthorization Act to pay costs of transportation for unaccompanied children who choose voluntary departure as their form of immigration relief. The Committee finds that it is inappropriate to repatriate unaccompanied alien children

with adult aliens or on flights administered or contracted by DHS or other agencies of the Federal government. The Committee directs DHS to utilize, as appropriate, regularly scheduled commercial flights to return unaccompanied alien children to their country of origin. DHS should review any post-18 care plans that have been developed by the Department of Health and Human Services for unaccompanied children. Furthermore, the Committee directs CBP to comply with current law, including the William Wilberforce Trafficking Victims Protection Reauthorization Act. CBP should ensure that unaccompanied children are properly screened for sexual assault, trafficking, exploitation or other mistreatment. The Committee encourages CBP to work with local child welfare organizations or other appropriate organizations to assist in screening and to ensure appropriate training of CBP personnel.

GLOBAL ENTRY

The Committee is pleased that CBP continues to expand its Global Entry program and is introducing additional reciprocity agreements with allies and partner countries. The Committee is also pleased to see the consolidation of trusted traveler programs under the Global Entry umbrella. The Committee includes $6,311,000 for Trusted Traveler Programs, as requested. The Committee encourages CBP to continue looking at ways to expand the program without denigrating enrollment requirements, including the potential for enrolling certain groups of foreign nationals.

FOREIGN LANGUAGE AWARD PROGRAM

The Foreign Language Award Program (FLAP) was established in 1985 to provide incentives to CBP officers and Agriculture Specialists to learn foreign languages. CBP has proposed suspending the program in the past two years but has subsequently reversed that position in both instances. As CBP continues the policy of pushing out the border, linguistic skills are particularly valuable to CBP in effectively carrying out its missions, both through its overseas programs and in its port of entry and targeting operations. The Committee supports the use of pay incentives and other approaches to improve the language skills of the CBP workforce.

TEXTILE TRANSSHIPMENT ENFORCEMENT

The Committee includes $4,750,000, as in previous years, to continue textile transshipment enforcement. The Committee directs CBP to ensure that the activities of the Textile and Apparel Policies and Programs Office, specifically seizures, detention, and special operations, are maintained at least at the level of those activities in prior years. The Committee directs CBP to submit a report with the fiscal year 2013 budget on execution of its five-year strategic plan. The report should include information covering enforcement activities; textile production verification team exercises and special operations; numbers of seizures; penalties imposed; and the numbers and types of personnel responsible for enforcing textile laws (including headquarters staff in the Textile Enforcement Operations Division).

CIRCUMVENTION OF CUSTOMS DUTIES—IMPORTS FROM CHINA

The Committee directs CBP to submit a report on the extent and frequency of customs fraud, including circumvention of duties and misclassification on entries of imports of goods from China. This report should include information covering enforcement activities, numbers of seizures, penalties imposed, the numbers and types of personnel responsible (including interagency collaboration for enforcing laws), and estimated costs to reduce substantially the incidence of illegal transshipments. The Committee directs CBP to submit a report with the data for fiscal year 2011 not later than February 1, 2012.

ADDITIONAL TRAINING OPPORTUNITIES

The Committee supports CBP's efforts to ensure Border Patrol agents and CBP officers get the training they need to meet the mission on the front lines and to build leaders for the organization's future. Therefore, the Committee urges CBP and FLETC to collaborate with regionally accredited institutions of higher education to develop standardized curriculum, course requirements, and a program accreditation system that will lead to efficiencies in time and money in the deployment of additional Border Patrol agents and CBP officers and that will provide opportunities for existing agents and officers to advance professionally through undergraduate and graduate programs in operationally related fields. Not later than one year after the date of enactment of this Act, CBP and FLETC shall brief the Committee detailing their collaboration with regionally accredited institutions of higher education, including any additional curriculum, course requirements, or program accreditation system that should be developed.

BORDER ROADS

The Committee is concerned about reports that border access roads may be in poor condition, such that they impede the patrol ability of the Border Patrol, sheriff's departments, and State law enforcement agencies. Recognizing that the condition of border roads provides not only better access for law enforcement but potentially influences migration patterns, the Committee directs CBP to brief the Committee within 120 days of the enactment of this Act on the quality of border access roads, the need for repairs, and when CBP expects to undertake such repairs.

PATROLLING WATERWAYS ALONG THE SOUTHWEST BORDER

Increased violence on the waters of the Rio Grande has resulted in the armed robbery through piracy and murder of U.S. citizens. The Committee recognizes the Border Patrol and Coast Guard are laudably working to prevent these incidents and ensure the integrity of the U.S. border with Mexico in cooperation with State and local law enforcement. However, the Committee also notes the all too frequent occurrence of our Federal law enforcement professionals encountering boats used by drug smugglers and other armed criminals with far greater capabilities. The Committee directs the Border Patrol, working with the Coast Guard, to report within 90 days of the date of enactment of this Act on efforts to address these security issues.

CRIMINAL PROSECUTION AND RECIDIVISM

The Committee believes that criminal prosecution for illegal entry into the United States is a key tool in countering recidivism. Through Operation Streamline, border communities are seeing real results. The Committee therefore encourages Border Patrol Sector Chiefs to work closely with U.S. Attorneys' offices, particularly on the Southwest border. They should regularly share information regarding: the threat of violence posed by the arrested individual; the threat to communities in the United States posed by the arrested individual; the threat of future illegal re-entry into the United States posed by the arrested individual; the overall safety of the United States-Mexico border; any humanitarian concerns that could mitigate against prosecution; and any other issues related to the arrested individual that any party to the meeting deems relevant. Additionally, the Committee directs CBP to continue its initiative to detail CBP attorneys to U.S. Attorney Offices as Special Assistant U.S. Attorneys.

Since 2001, the U.S. Government has utilized a number of tools to attempt to reduce the incidence of recidivism when it comes to illegal border crossing between the ports of entry. The committee directs CBP and ICE to provide a briefing on all the tools that have been utilized, such as lateral repatriation, interior repatriation, criminal prosecution; their findings regarding the effectiveness of these measures in reducing recidivism; and their plans for expansion of any of these activities as result of their findings.

HIRING AND STAFFING REPORTS

The Committee is keenly interested in seeing that CBP achieves its planned hiring targets and therefore directs CBP to continue submitting monthly staffing and hiring reports, as well as quarterly briefings on its hiring progress, including the status of hiring for the Northern and Southwest borders.

UNOBLIGATED BALANCES

The Committee directs CBP to report to the Committees on Appropriations quarterly on the results of its own quarterly reviews of obligations in carryover accounts that should be de-obligated through its validation and verification process, pursuant to CBP Directive 1220–011C.

## AUTOMATION MODERNIZATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $336,575,000 |
| Budget estimate, fiscal year 2012 | 364,030,000 |
| Recommended in the bill | 334,275,000 |
| Bill compared with:. | |
| Appropriation, fiscal year 2011 | −2,300,000 |
| Budget estimate, fiscal year 2012 | −29,755,000 |

MISSION

Automation Modernization includes funding for major information technology modernization and development projects for CBP, including the Automated Commercial Environment (ACE) system and the multi-agency International Trade Data System (ITDS); support and transition of the legacy Automated Commercial Sys-

tem (ACS); the integration and connectivity of information technology infrastructure within CBP and DHS as part of Current Operations Protection and Processing Support (COPPS); modernization of the TECS enforcement and compliance system; and the Terrorism Prevention Systems Enhancements (TPSE) initiative aimed at enhancing system infrastructure to ensure continuity of operations in critical passenger programs.

RECOMMENDATION

The Committee recommends $334,275,000 for Automation Modernization, $29,755,000 below the request and $2,300,000 below fiscal year 2011. While the Committee recognizes the reliance of CBP operations on its information technology capabilities, the President's budget request assumed an increase in COBRA fees in order to fund this program at the requested levels. This fee is not within the jurisdiction of the Committee on Appropriations and the Committee has adjusted its fiscal year 2012 recommendation for this account accordingly. Of the total amount provided, not less than $140,000,000 is for ACE. CBP is directed to provide an expenditure plan detailing how it will distribute this year's appropriations to ACE/ITDS, COPPS, TECS, and TPSE. In addition, the bill includes a requirement for submission of a multi-year investment and management plan to be provided at the time of budget submission and updated on an annual basis to fully justify requested funds for this account as well as project future-year requirements and funding levels.

ACE PROGRAM DELAYS

More than $3,000,000,000 has been appropriated since 2002 for the development of ACE and the dream of a "single trade window" through which the trade community would meet the U.S. Government's consolidated requirements and expedite goods through the borders. While the 9/11 attacks significantly changed the focus of legacy Customs and later CBP, the Committee is not sympathetic to such excuses for delays in ACE implementation.

The Committee is aware that ACE governance has changed and that a thorough review of ACE priorities and future investment is being completed. The Committee urges the Department to get ACE on track to complete its major capability drops and provide the necessary features critical to facilitating trade and supporting security requirements for cargo screening and inspection. To ensure the Committee has the information it needs to assess the effectiveness of the ACE effort, the Committee requires an expenditure plan for fiscal year 2012. Further, the bill requires this information for fiscal year 2013 and thereafter at the time of submission of the President's budget request, including a current acquisition project baseline for ACE and TECS Modernization.

INTERNATIONAL TRADE DATA SYSTEM

The International Trade Data System (ITDS) is the multi-agency initiative to establish the single window for the collection and sharing of data and statistics on trade, to be developed along with ACE. The Committee is pleased to see progress on the uniform data set; however, the list of participating government agencies remains in-

complete, as many agencies with relevant interests and responsibilities for trade data have not yet engaged in ITDS. The Committee directs CBP to continue to include in its ACE plan a report on progress in implementing ITDS, with regard to the technical features of ITDS as well as the recruitment of all participating government agencies needed for ITDS to achieve the benefits of the aforementioned "single trade window".

TECS

Funding for TECS Modernization of $50,000,000 is again included within the COPPS program, project, and activity line, to replace existing, antiquated mainframe elements of TECS with a sustainable, modern architecture and graphical user interfaces. More importantly, the new flexible architecture for TECS provides new capabilities to users, like the Consolidated Secondary Inspection System already being rolled out to ports of entry. A joint effort between CBP and U.S. Immigration and Customs Enforcement (ICE), TECS modernization is to be completed in the next four years. The Committee is concerned that ICE is not on track with CBP's timeline for retirement of the TECS mainframe that will result in a significant resource burden for ICE in future years. The Committee directs CBP and ICE to brief the Committee not later than December 1, 2011, on the status of modernization efforts, progress in fiscal year 2011, and plans for fiscal year 2012.

BORDER SECURITY FENCING, INFRASTRUCTURE, AND TECHNOLOGY

| | |
|---|---|
| Appropriation, fiscal year 2011 | $574,173,000 |
| Budget estimate, fiscal year 2012 | 527,623,000 |
| Recommended in the bill | 500,000,000 |
| Bill compared with:. | |
| Appropriation, fiscal year 2011 | −74,173,000 |
| Budget estimate, fiscal year 2012 | −27,623,000 |

MISSION

The Border Security Fencing, Infrastructure, and Technology (BSFIT) account funds the technology and tactical infrastructure solutions to achieve effective control of the U.S. borders.

RECOMMENDATION

The Committee recommends $500,000,000 for Border Security Fencing, Infrastructure, and Technology (BSFIT), $27,623,000 below the amount requested and $74,173,000 below the amount provided in fiscal year 2011. The Committee recommends $312,377,000 for development and deployment, which will fund technology and tactical infrastructure investment, including $45,000,000 for Northern Border technology and $40,000,000 for tactical communications; $133,248,000 for operations and maintenance, as requested; and $54,375,000 for program management, including $3,000,000 for environmental assessment and mitigation as requested.

While it is clear that the Border Patrol requires additional tools and technology to execute its critical mission, the Committee remains concerned about the proposed Arizona Border Technology Plan. As a result, the Committee limits the availability of funding for obligation of $150,000,000 from this account until a detailed ex-

penditure plan is provided to the Committee, not later than 90 days after the date of enactment of this Act.

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Development and Deployment: | | |
| Alternative (Southwest) Border Technology | $242,000,000 | $222,246,000 |
| Other BSFIT Technology | 55,000,000 | 50,000,000 |
| Tactical Communications | 40,000,000 | 40,000,000 |
| Subtotal, Development and Deployment | 337,000,000 | 312,377,000 |
| Operation and Maintenance | 133,248,000 | 133,248,000 |
| Program Management | 57,375,000 | 54,375,000 |
| Total, Border Security Fencing, Infrastructure, and Technology | $527,623,000 | $500,000,000 |

SECURE BORDER TACTICAL AND TECHNOLOGY INVESTMENT TO DATE

From the fiscal year 2007 Act (Public Law 109–295) to this, the fiscal year 2012 bill, the Committee has provided a total of $5,500,853,000 for tactical infrastructure, technology, and tactical communications through the BSFIT account. There is no doubt of the Committee's staunch support for border security enhancements, given the enormity of this investment.

The largest investment has been in an expansive deployment of vehicle and pedestrian fencing. Maintaining this tactical infrastructure is an ongoing operations and maintenance responsibility that is fully funded in this account. While the Committee will continue looking to the Border Patrol to assess its tactical, physical infrastructure needs, the miles already constructed provide the total miles of pedestrian and vehicle fencing deemed appropriate and necessary by the previous Administration.

The second major investment in this account has been in the "virtual fence" concept through Secure Border Initiative Net (SBInet). Over $800,000,000 was devoted to the SBInet program through fiscal year 2010, resulting in a system of fixed towers for cameras and sensors across 53 miles of the Arizona desert, as well as an initial "common operating picture" to provide the information from those towers to the Border Patrol. The lack of progress on SBInet led the Secretary to freeze its system development funding in 2010. On January 14, 2011, the Department announced no further development work would be carried out under the existing contract, citing problems with SBInet since its inception in terms of cost overruns, technical problems, and scheduling delays. The Department announced that it would instead pursue a strategy of acquiring "off-the-shelf" technology on a competitive basis and more effectively deploying it across the border given the diverse terrain and conditions. The Department is calling the new effort the Arizona Border Technology Plan. The Committee notes, however, that the Department requests funds to continue operations and maintenance of SBInet.

ALTERNATIVE (SOUTHWEST) BORDER TECHNOLOGIES

In fiscal year 2011, the Committee provided funds to begin the implementation of the Arizona Border Technology Plan. It is likely that the Department will not be able to fully execute the $185,000,000 requested and provided in fiscal year 2011 for this

purpose. As noted above, the Department provided a specific procurement plan for off-the-shelf technology for fiscal year 2011 that includes additional remote video surveillance systems, mobile video surveillance systems, unattended ground sensors, and other portable, mobile technologies that can potentially be procured relatively quickly, deployed, and utilized immediately given the familiarity of Border Patrol agents with this equipment.

The Arizona Border Technology Plan for fiscal year 2012, as requested by the Department, proposes procurement of three integrated fixed tower systems. The procurement should take place through a full and open competition, which the Department asserts will result in swift deployment of additional integrated fixed tower systems. The facts are contrary to this assertion. It took four years of painstaking work with the SBInet system for the Border Patrol to state that the system is working and has borne successes. Further, the Department acknowledges that integrated fixed tower systems are not a commoditized asset. Additionally, the requirements for an integrated fixed tower system include integration of assets into a "common operating picture," something that CBP will now have to undertake itself.

It is unclear how the Department's acquisition approach for additional integrated fixed tower systems fits with the premise of the Arizona Border Technology Plan, namely to procure and deploy off-the-shelf technology for an intended immediate benefit. As a result of this concern, as well as anticipation of procurement delays, the Committee has reduced the funds available for this activity. Further, the Committee directs CBP to include in its detailed expenditure plan for fiscal year 2012 as well as its multi-year investment and management plan for fiscal years 2013–2016 and thereafter, the rationale for its approach.

Additionally, the Committee has consistently directed that CBP employ a comprehensive strategy for achieving operational control of the border, including identifying and utilizing the right mix of people, infrastructure, and technology. The Committee directs CBP to continue its quarterly briefings associated with its strategy for BSFIT funds in the context of its overall border security mission and assets.

NORTHERN BORDER TECHNOLOGY INVESTMENT

The Committee is encouraged with the positive impact of the technology investments on the Northern border that it has included in BSFIT appropriations in recent years. As the Department has reported, this increased focus on the Northern border has resulted in the deployment of proven surveillance systems that have received favorable reviews from the Border Patrol and are now supporting enforcement operations particularly in the Great Lakes region and specifically in the Detroit, Swanton, and Buffalo Sectors, and at the Champlain Port of Entry, with efforts underway to initiate a multi-agency Operational Integration Center at Selfridge Air Force Base. The Committee includes $45,000,000, as requested, for continued technology investments to address Northern Border security needs.

INNOVATIVE TECHNOLOGY PILOT PROGRAM

The budget request included $10,000,000 for an Innovative Technology Pilot Program to look at emergent technology and assess commercial and military capabilities. For these purposes, the Committee provides $5,000,000, half of the requested funding. Research and development efforts are scalable activities. Given the Department's focus for BSFIT on deploying commercial, off-the-shelf technologies that can be applied to enhance border security immediately, this activity has been reduced.

OPERATIONS, MAINTENANCE, AND SUPPORT

The Committee includes $133,248,000, as requested, for the operation and maintenance of systems and infrastructure deployed with BSFIT funding. The Committee directs CBP to provide a detailed breakdown of the application of this funding per tactical infrastructure and technology type in the expenditure plan required for BSFIT, including the operations and maintenance associated with SBInet and with pedestrian and vehicle fencing (even if funds associated with fencing are moved to the CBP Construction and Facilities Management account).

Within Operations and Maintenance, the Committee also includes $3,000,000, as requested, for environmental mitigation deemed necessary as a direct result of construction, operations, and maintenance activities for border security. In order for DHS to execute interagency agreements with the U.S. Department of the Interior to complete environmental mitigation activities, the Committee includes a General Provision, Section 547, in the bill permitting the transfer of previously appropriated environmental mitigation funds under BSFIT to the U.S. Department of Interior. The authority is narrowly tailored and controlled to ensure that funds will only be transferred: in accordance with a written agreement between the Secretaries of Homeland Security and the Interior; where the Secretary of the Interior has submitted an expenditure plan 15 days in advance of the proposed transfer detailing the actions proposed to be taken with amounts transferred; where the Secretary of Homeland Security has certified that the actions outlined in the expenditure plan cannot be legally executed under the authorities of CBP or any other component of the Department of Homeland Security; and where the actions are determined to be necessary for mitigation of construction, operations, and maintenance activities related to border security.

QUARTERLY REPORTS AND BRIEFINGS

The Committee directs the Department to continue its quarterly Secure Border Initiative status reports. The reports should include an update on Northern border and tactical communication investments. The Committee also directs CBP to continue to brief the Committees on Appropriations on a quarterly basis on the status of BSFIT programs and investments.

MULTI-YEAR INVESTMENT AND MANAGEMENT PLAN

The bill includes a new multi-year investment and management plan for BSFIT funds to be submitted by the Secretary simultaneously with the fiscal year 2013 budget request. As stated earlier

in the report, the Committee is dissatisfied with the Congressional Budget Justifications submitted by the Department. Furthermore, incremental investments made in a particular fiscal year need to be understood in the context of total investment—both in terms of the cost commitment and the progress toward meeting the total mission requirements. While the Committee would prefer to see this plan in fiscal year 2012, the Committee recognized the burden on the Department would be significant. As a result, the Committee directs the submittal of only a detailed expenditure plan for fiscal year 2012 funds. To the extent possible, the Committee encourages CBP to incorporate requirements from the multi-year investment and management plan into the fiscal year 2012 plan. The Committee intends, subject to the Department's submission of a substantive multi-year investment and management plan in fiscal year 2013, to eliminate the practice of funding restriction and expenditure plan after enactment.

### OFFICE OF TECHNOLOGY INNOVATION AND ACQUISITION

The Committee has encouraged CBP to continually seek ways to innovate and more effectively manage its operations, particularly in procuring and incorporating technology. While the Commissioner's creation of the Office of Technology Innovation and Acquisition (OTIA) could become an inefficient, additional layer of bureaucracy, the Committee is hopeful that OTIA can utilize the expertise within its organization to support more efficient, effective program management across CBP—keeping the focus on delivering for the mission. The Committee will be closely monitoring the role OTIA plays in CBP's major programs and directs CBP to provide a briefing to the Committee no later than October 1, 2011, on OTIA's activities.

## AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

| | |
|---|---|
| Appropriation, fiscal year 2011 | $516,326,000 |
| Budget estimate, fiscal year 2012 | 470,566,000 |
| Recommended in the bill | 499,966,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −16,360,000 |
| Budget estimate, fiscal year 2012 | +29,400,000 |

### MISSION

CBP Air and Marine provides integrated and coordinated border interdiction and law enforcement support for homeland security missions; provides airspace security for high-risk areas or National Special Security Events upon request; and combats efforts to smuggle narcotics and other contraband into the United States. CBP Air and Marine also supports counterterrorism efforts of many other law enforcement agencies.

### RECOMMENDATION

The Committee recommends $499,906,000 for Air and Marine Interdiction, Operations, Maintenance, and Procurement, $29,400,000 above the amount requested and $16,360,000 below the amount provided in fiscal year 2011. The funding includes $361,087,000 for operations and maintenance, and $138,879,000 for

procurement. The procurement funds include an additional $8,400,000 for the UH–60 Black Hawk conversions to ensure completion of two conversions, as the budget request asserted it intended. The remaining $21,000,000 increase is recommended for purchase of an additional multi-enforcement aircraft, a high priority for CBP, particularly important given the increasing aircraft retirements CBP expects.

UPDATED STRATEGIC PLAN

In this bill, the Committee directs CBP to update its five-year strategic plan, submitting it not later than the date on which the President's budget request is submitted for fiscal year 2013, to enable appropriate oversight of CBP's plans for this important component of border security operations and mission.

AIR AND MARINE OPERATIONS CENTER

The Committee is aware that CBP's Air and Marine Operations Center (AMOC), located in Riverside, California, and established in 1988, serves a critical role in providing targeting, launching, and tracking control for the CBP Office of Air and Marine, and is critical to deploying more UAS and operating them at a higher tempo. AMOC was a crucial resource in the aftermath of the September 11, 2001 terrorist attacks, coordinating and monitoring all law enforcement flights nationwide while most commercial flights were grounded. It has also played a key role in emergency responses such as for hurricanes and in security coordination for national events such as Super Bowls and the Olympics. A plan to expand and upgrade the systems and facilities at AMOC has been initiated by the Department and initial funding was provided by Congress in fiscal year 2010, but funding has not been included in subsequent requests. The Committee encourages CBP to assess its needs for the AMOC and brief the Committee on its plans no later than December 1, 2011.

CIVIL AIR PATROL

In testimony before this Committee, the Commissioner of CBP expressed support for exploring the use of Civil Air Patrol assets for aerial surveillance on United States' borders. As such, the Committee directs the Comptroller General of the United States to study and report on the functions and capabilities of the Civil Air Patrol to support the homeland security missions, including aerial reconnaissance or communications capabilities for border security; and capabilities to conduct search and rescue operations and respond to a natural disaster or act of terrorism. The final report shall detail the feasibility and cost-effectiveness of using Civil Air Patrol assets for homeland security missions in partnership with the Department and be submitted no later than February 1, 2012.

AIRCRAFT UPGRADES

The Committee strongly supports CBP's efforts to upgrade its aircraft fleet. Specifically, the Committee recommends funding for CBP's acquisition of two additional wing sets to continue its service life extension program (SLEP) for the P–3 fleet. The P–3 has been a reliable asset for many years. For that reason, the Committee un-

derstands that CBP is considering finishing the program by adding the last two P–3's to the SLEP rather than retiring those aircraft. The Committee encourages CBP's review of this matter and directs CBP to brief the Committee on its decision no later than the submission of the President's fiscal year 2013 budget request.

The Committee also notes that previous Appropriations included, as requested, upgrades for the C–550 jet interceptor sensors. The Committee encourages CBP to outline its plans for these upgrades in the updated strategic plan to be submitted with the fiscal year 2013 budget submission.

UNMANNED AIRCRAFT OPERATIONS

The Committee is aware of assertions that frequently changing weather conditions and strict air regulations affect CBP's unmanned aircraft operations on the Southwest border. The Committee urges the Department to thoroughly investigate the impact that weather has on providing the constant surveillance necessary for protecting the Homeland at our international borders and to strongly consider establishing an alternate base of operations as well as additional landing and support services at an additional Southwest border location as a solution.

CARIBBEAN OPERATIONS

The Committee strongly supports the use of air surveillance capabilities to support interdiction of drugs, illegal migrants, and other contraband en route to the United States through maritime transit zones in the Caribbean. Concerns have been raised regarding the appropriate base of operations for these assets. The Committee expects CBP to appropriately position assets and manage their resources to meet mission needs.

## CONSTRUCTION AND FACILITIES MANAGEMENT

| | |
|---|---|
| Appropriation, fiscal year 2011 | $260,000,000 |
| Budget estimate, fiscal year 2012 | 283,822,000 |
| Recommended in the bill | 234,096,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −25,904,000 |
| Budget estimate, fiscal year 2012 | −49,726,000 |

MISSION

The Construction and Facilities Management account was established in fiscal year 2010 to fund all CBP real estate and facilities, with the exception of rental payments, which are funded in the Salaries and Expenses appropriation. This includes consolidating all funding for construction, leasing acquisition, facility program support, operations, management, headquarters support, and tunnel remediation activities. This includes the planning, design, and assembly of Border Patrol infrastructure, including Border Patrol stations, checkpoints, temporary detention facilities, mission support facilities, training facilities, and CBP-owned ports of entry. Construction of tactical infrastructure (fencing, barriers, lighting, and road improvements at the border) is funded through the Border Security, Fencing, Infrastructure, and Technology account.

RECOMMENDATION

The Committee recommends $234,096,000 for Construction and Facilities Management, $49,726,000 below the request and $25,904,000 below the amount provided in fiscal year 2011. The funding includes $180,000,000 for Facilities Construction and Sustainment and $54,096,000 for Program Oversight and Management. While the Committee understands CBP has facility needs, the President's budget request assumed an increase in aviation security and COBRA fees in order to fund this program at the requested levels. This fee is not within the jurisdiction of the Committee on Appropriations and the Committee has adjusted its fiscal year 2012 recommendation for this account accordingly.

INVENTORY AND PLAN

Largely due to port of entry infrastructure investment through the American Recovery and Reinvestment Act, CBP has made progress on its construction and facility needs. At the same time, CBP's Construction and Facility Management plans are still maturing. With the submission of the President's budget request, the bill requires the real property inventory and a plan that includes the full costs of each activity and project proposed and underway in fiscal year 2013 by fiscal year.

## U.S. Immigration and Customs Enforcement

### Salaries and Expenses

| | |
|---|---|
| Appropriation, fiscal year 2011 | $5,437,643,000 |
| Budget estimate, fiscal year 2012 | 5,496,847,000 |
| Recommended in the bill | 5,522,474,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +84,831,000 |
| Budget estimate, fiscal year 2012 | +25,627,000 |

MISSION

U.S. Immigration and Customs Enforcement (ICE) is the lead agency responsible for enforcement of immigration and customs laws. ICE protects the United States by investigating, deterring, and detecting threats arising from the movement of people and goods into and out of the country. ICE consists of approximately 20,500 employees within three major program areas: Office of Investigations; Office of Intelligence; and Detention and Removal Operations.

RECOMMENDATION

The Committee recommends $5,522,474,000 for Salaries and Expenses, $25,627,000 above the amount requested and $84,831,000 above the amount provided in fiscal year 2011 to ensure robust enforcement of our Nation's immigration laws. Within this amount, the Committee allocates no less than $1,600,000,000 to finance ICE's various efforts to identify aliens with criminal records who are incarcerated, at-large, or are determined to pose a serious risk to public safety or national security, and to remove those who are deportable. Of this amount, $194,064,000 is provided for continued expansion of the Secure Communities program, $10,000,000 above the President's budget request to digitize paper fingerprint cards

and enroll them into DHS's automated Biometric Identification System (IDENT). An additional $3,000,000 is provided for the Visa Security Program above the request to support expansion. Within the overall funding level for Salaries and Expenses, $110,332,000 in undefined administrative savings and professional services reductions have been included in the budget request. The Committee's recommended funding level includes those so-called savings, given the need to fill the operational shortfall created by the budget request's assumption of an increase in aviation security and COBRA fees that have not been enacted.

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Headquarters Management and Administration: | | |
| Personnel, Services and Other Costs | $237,842,000 | $234,251,000 |
| Headquarters-Managed IT Investments | 194,727,000 | 184,227,000 |
| Subtotal, Headquarters Management and Administration | 432,569,000 | 418,748,000 |
| Legal Proceedings | 215,935,000 | 215,935,000 |
| Domestic Investigations | 1,714,234,000 | 1,714,234,000 |
| International Investigations: | | |
| International Operations | 114,928,000 | 114,928,000 |
| Visa Security Program | 29,489,000 | 32,489,000 |
| Subtotal, International Investigations | 144,417,000 | 147,417,000 |
| Intelligence | 81,503,000 | 81,503,000 |
| Detention and Removal Operations: | | |
| Custody Operations | 2,023,827,000 | 2,050,545,000 |
| Fugitive Operations | 154,597,000 | 154,597,000 |
| Criminal Alien Program | 196,696,000 | 196,696,000 |
| Alternatives to Detention | 72,373,000 | 72,373,000 |
| Transportation and Removal Program | 276,632,000 | 276,632,000 |
| Subtotal, Detention and Removal Operations | 2,724,125,000 | 2,750,843,000 |
| Secure Communities | 184,064,000 | 194,064,000 |
| Total, ICE Salaries and Expenses | $5,496,847,000 | $5,522,474,000 |

### ICE HEADQUARTERS MANAGEMENT AND ADMINISTRATION

The Committee provides $418,478,000 for ICE Headquarters Management and Administration, $14,091,000 below the requested level due to the following reductions: $3,591,000 for the Acquisition Workforce Initiative and $10,500,000 for data center migration. The Acquisition Workforce Initiative is not funded due to poor justification. ICE has existing authority and funds to hire appropriately qualified program management and acquisition staff as needed to manage its programs. While the Committee supports the Department's data center consolidation efforts, the President's budget request assumed an increase in aviation security fees in order to fund this program at the requested levels. This fee is not within the jurisdiction of the Committee on Appropriations and the Committee has adjusted its fiscal year 2012 recommendation for this account accordingly.

### CONGRESSIONAL BUDGET JUSTIFICATION

The quality of the Congressional Budget Justification material provided by the Department for ICE continues to be of concern. Even after a thorough review of the fiscal year 2012 materials, the

Committee is unable to accomplish the basic in-depth oversight required in these fiscally constrained times due to the inability of the Department to provide quality justification materials that articulate detailed budgets for programs, projects, and activities requested.

ICE, in conjunction with the Chief Financial Officer, is encouraged to work with the Committee in developing new materials for the Congressional Budget Justifications.

### ICE DOMESTIC INVESTIGATIONS

The Committee provides $1,714,234,000 for ICE domestic investigatory programs, as requested. The Committee directs ICE to continue to provide quarterly data on investigative activities and expenditures on a timely basis. The Committee also supports ICE efforts to measure the impacts of its investigative activities toward dismantling transnational criminal enterprises.

The Committee commends ICE efforts to increase its operations along the Southwest border, especially the agency's participation in the El Paso Intelligence Center (EPIC) and joint investigations with partner DHS and Department of Justice law enforcement agencies. ICE investigations have successfully disrupted major drug smuggling networks and stopped dangerous alien smuggling and transport networks in Texas, New Mexico, Arizona, and California. Given the extreme and on-going violence in and around the Mexican city of Ciudad Juarez, the Committee encourages ICE to continue to build its programs that investigate border violence and organized crime in the El Paso-Juarez corridor.

The recent death of Special Agent Jaime Zapata and injury of Special Agent Victor Avila served as reminders of the risks faced by law enforcement officers in the line of duty. While authorities and responsibilities differ for U.S. law enforcement officers on duty in Mexico, the risks remain. The Committee is concerned that the U.S. Government has not resolved certain officer safety issues for our officers on duty in Mexico, such as whether they can be armed. The Committee directs ICE to provide a briefing to the Committee on these issues no later than July 1, 2011.

The value of sharing ballistics information to discover links between crimes is outlined in the National Southwest Border Counternarcotics Strategy. The Committee encourages DHS to continue to work closely with the Department of Justice to ensure appropriate protocols are in place between the two agencies and with Mexican law enforcement partners to further collective investigative efforts through this means.

### VISA SECURITY PROGRAM

The Committee provides $32,489,000 for the ICE Visa Security Program, an increase of $3,000,000 above the amount requested. This program places ICE investigators overseas to review visa applications from high-risk countries and populations and to uncover ties to extremist or criminal groups. Recent attempted terrorist attacks on the United States have highlighted the ongoing efforts by extremists to infiltrate our country through the exploitation of legitimate travel and immigration processes. The Committee believes that expanding the program to additional countries will reduce fraud and security risks in the issuance of visas and thereby reduce

terrorist travel to the United States and international criminal activity. The Committee directs ICE to provide a classified briefing no later than November 1, 2011, on how it will utilize these additional funds to expand the program.

VETTED UNITS

Vetted units enable ICE to dismantle, disrupt, and prosecute transnational criminal organizations with the support of foreign partners. To expand ICE's transnational criminal investigative unit program, the Committee supports ICE's efforts to establish and maintain vetted units; provide equipment and support to augment the units; and train and work with newly emerging vetted units.

TRAFFICKING

The Office of Investigations (OI) plays a critical role in investigating criminal organizations trafficking individuals into and within the United States. The Committee encourages OI to work with appropriate non-profit organizations and victim service providers to ensure appropriate training of ICE investigators in the field to assist in the identification of human trafficking victims and provide appropriate referrals to victim service providers.

TEXTILE TRANSSHIPMENT ENFORCEMENT

Section 352 of the Trade Act of 2002 authorizes funding for Customs Service textile transshipment enforcement, and specifies how the funds must be spent. The Committee includes $4,750,000, as requested, to continue these activities. The Committee directs ICE to provide a report with its fiscal year 2013 budget request on its actual and projected obligations of this funding, covering fiscal years 2007 to 2012. The report should include staffing levels by fiscal year since 2007 and a five-year enforcement plan for transshipment violations.

INTELLECTUAL PROPERTY RIGHTS ENFORCEMENT

The Committee believes that Intellectual Property Rights (IPR) enforcement is an important part of ICE's investigative missions. ICE is directed to report to the Committee on the budget for the National IPR Coordination Center for fiscal year 2012, the number of Agents in the U.S. and abroad dedicated to IPR investigations, and the number of hours spent by Agents in fiscal year 2011 on IPR investigations.

INVESTIGATIVE RESOURCES

The Committee observes that, because of its location in the Caribbean basin and its 360-degree maritime border, Puerto Rico has become a key entry and transshipment point for the trafficking of illegal drugs into the United States that are produced in South and Central America. The Committee further observes that such trafficking is connected with other threats and crimes, particularly the increased incidence of homicide in Puerto Rico. ICE is directed to brief the Committee no later than December 1, 2011, on its efforts to counter the illicit trafficking of drugs and other related threats and crime throughout the Caribbean basin and how it is resourced to satisfy its mission requirements in this region.

INTELLIGENCE

For the Office of Intelligence, the Committee recommends $81,503,000, as requested, an increase of $11,661,000 over fiscal years 2010 and 2011. While ICE eventually provided the details associated with this increase—that it provides for the operation of the Human Smuggling and Trafficking Center as well as the annualization of intelligence analysts provided in the fiscal year 2010 Border Security Supplemental—the Committee notes that the Congressional Budget Justifications failed to reference this increase in any way. The Committee reiterates its direction to ICE to provide detailed justifications in the Congressional Budget Justification submitted with the President's budget request.

In addition, the Committee supports the Department's establishment of the Border Intelligence Fusion Section (BIFS) at EPIC, utilizing resources from the Office of Intelligence and Analysis, CBP, and ICE in conjunction with the Departments of Justice and Defense. Through BIFS, the interagency partners should be able to better leverage the substantial, existing resources to further improve our Nation's border security and enforcement efforts. The Department is directed to regularly update the Committee on the development and performance of BIFS.

The Committee also supports ICE's Operation Angel Watch program, which dedicates intelligence analysts to tracking the international travel patterns of convicted sex offenders, and ICE efforts to curb exploitation of children in international trafficking.

ICE DETENTION AND REMOVAL

The Committee recommends $2,750,843,000 for ICE Detention and Removal, $26,718,000 more than the request, to raise the minimum number of detention bed spaces that ICE must maintain on a daily basis to 34,000. The Committee appreciates the $157,700,000 increase ICE requested in this budget to fully fund the existing 33,400 minimum level of detention bed spaces. The Committee was disappointed by public statements last year that ICE was struggling to sustain a 33,400 bed level and accusing Congress of providing inadequate funding to support this activity. However, public reports appropriately noted that the Administration failed to make sufficient budget requests to resource this requirement and that the Congress had provided funding for every request made for detention bed space since ICE was established. In addition, ICE has acknowledged mission and workload requirements for detention space beyond the existing 33,400 bed level. Therefore, the Committee has prioritized limited resources in this bill to not only fully fund the complete costs of existing bed space but also to augment this capacity by 600 additional detention beds for fiscal year 2012.

As a result of funds provided in fiscal year 2011 and the increase recommended for fiscal year 2012, ICE has the resources necessary to manage detention bed needs. Therefore, the Committee directs ICE to intensify its enforcement efforts and fully utilize these resources. The Committee understands that detention bed space is readily available in many locations where ICE most needs it, including in public and private facilities at potentially lower costs.

In addition, the Committee encourages ICE to continue to refine its logistics management and cost modeling efforts to achieve the best value in procuring detention capacity. The Committee directs ICE to manage detention and removal costs as efficiently as possible, continuing to examine all cost drivers and take steps to reduce the overall cost of detention per detainee, including speeding the removal process for individual detainees as consistent with due process. ICE is directed to provide comprehensive, regular briefings to the Committee on all steps being taken to reduce the costs of detention and removal, including strategies to minimize transportation costs and house detainees at the lowest cost facilities, working with the Executive Office of Immigration Review (EOIR) to speed processing as consistent with due process, continuing to review contracts to ensure maximum flexibility and lowest cost to ICE, and considering the costs and benefits of public and private providers for all services, including food and medical services. ICE is directed to provide the Committee with information not only on its bed space costs across the country but also on the components of those costs, including food, medical, mental health, dental, pharmacy, and electronic health record services by location, and whether these components are provided by public agencies or private contract services. Such services must be aligned to humanitarian needs and should be provided in a cost-effective manner. The first comprehensive briefing will take place no later than 30 days after the date of enactment of this Act.

The Committee supports consolidation of bed space funds in the Custody Operations program, project, and activity.

ALTERNATIVES TO DETENTION

The Committee provides $72,373,000 for ICE Alternatives to Detention programs, as requested. The Committee continues to support this program and the enrollment of immigration detainees in the program who pose neither a flight risk nor a risk to public safety or national security, pursuant to meeting ICE enrollment criteria for the program. In testimony before the Committee, the ICE Assistant Secretary noted that the cost of ATD per individual is higher than detention per detainee, asserting that this is largely because the individuals enrolled in ATD remain in the system significantly longer than those in detention. Further, the ICE Assistant Secretary agreed that the promise of ATD has not been fully realized since the non-detained docket has a low priority in many immigration courts. The Committee is aware that, as a contravening fact, many of the individuals enrolled in ATD are from special populations, such as those with pending asylum claims.

The Committee is also aware of pilots being conducted in Baltimore and Miami where the ATD docket is going to be expedited, similar to the detained docket. The Committee supports this cooperative effort and wants to see ATD used efficiently to lower the cost of detention for the population eligible for ATD.

SECURE COMMUNITIES

The Committee provides $194,064,000, to continue implementation of the Secure Communities program. As in past years, the Committee requires ICE to continue quarterly reporting on the Secure Communities program and to submit those reports within 45

days of the close of the quarter. While ICE has improved the quality of its submitted reports over the past year, the Committee would like a better understanding of the effect Secure Communities is having on ICE detention facilities, the docket for EOIR, and the speed with which ICE is able to remove criminal aliens and high-risk detainees from the country once they are judged deportable. The Committee directs ICE to develop such analyses for inclusion in the 2012 Secure Communities reports and to provide briefings on progress in conjunction with its 2011 report submissions.

Given the expansion of Secure Communities, the Committee directs ICE to include information in its quarterly briefings on any resource constraints in fully enforcing current Federal immigration law based on the information it receives through the program. Additionally, the Committee directs ICE to include in its quarterly reports more detailed statistics on the results of the Secure Communities program, including the number of individuals administratively arrested by ICE in each jurisdiction by the crime for which they are charged and the crime for which they have been convicted (if applicable), as well as identifying those who are determined by the Secretary to pose a serious risk to public safety or national security. The reports should also account for individuals whom ICE identifies each quarter and intends to administratively arrest but must await the adjudication of the individual's criminal charges and/or the completion of a sentence, and identify the crimes for which they are charged and crimes for which they have been convicted (if applicable).

The increase of $10,000,000 above the request is to undertake digitization of paper fingerprint cards from legacy immigration files. The Committee directs ICE, in conjunction with the US–VISIT program and United States Citizenship and Immigration Services, to report to the Committee not later than 120 days of the date of enactment of this Act on the methodology of prioritizing files for the digitization effort as well as the overall projected cost of the project to ensure electronic availability of appropriate biometrics in IDENT. Recent incidents have demonstrated the vulnerabilities and risks to public safety in Secure Communities and our Nation's law enforcement processes where biometrics are not electronically available.

CRIMINAL PROSECUTIONS AND COOPERATION WITH U.S. ATTORNEYS

The Committee commends ICE for the successes in its program to detail attorneys from ICE's Office of the Principal Legal Advisor (OPLA) to U.S. Attorney Offices (USAO) as Special Assistant U.S. Attorneys (SAUSA). In fiscal year 2010, ICE increased the number of attorneys who are detailed as SAUSAs nationwide from 21 to 47, leading to 721 criminal prosecutions in Federal court. On the Southwest border, 13 SAUSAs are detailed to specifically work on immigration-related prosecutions. Further, the percentage of ICE-initiated prosecutions accepted by the USAOs along the Southwest border increased from 69 percent in fiscal year 2009 to 84 percent in fiscal year 2010. The Committee directs ICE to continue this initiative and provide a briefing on the number of attorneys detailed currently to USAOs by location, the increase in ICE-initiated prosecutions as a result, and any plans to expand this effort no later than 60 days after the date of enactment of this Act. The Com-

mittee understands that Federally-developed, case-management tools have been used with great success to more efficiently manage the case load of immigration-related prosecutions along the Southwest border. The Committee encourages the SAUSAs detailed from ICE and CBP, working with the USAOs, to look at these tools and consider adopting their use.

ICE SUPPORT TO STATE AND LOCAL LAW ENFORCEMENT

The Committee supports 287(g), through which ICE delegates Federal immigration enforcement authority to local law enforcement officers, as a key program to assist the Federal government in effective enforcement of immigration laws. At the same time, ICE must ensure proper oversight of activities carried out under this program. A March 2010 OIG review of the 287(g) program found multiple incidents where ICE field officers did not provide adequate oversight of how this authority was exercised. For example, the report indicated that ICE did not provide required training on 287(g) community outreach or complaint procedures, failed to establish 287(g) steering committees, and provided inconsistent supervision over immigration enforcement activities performed by 287(g) jurisdictions. The OIG report made 33 recommendations for ICE to improve the program and followed with an update adding 16 new recommendations in September 2010. The Committee directs ICE to report no later than July 1, 2011, on its plans to implement the OIG recommendations and the steps it has taken to date to address the deficiencies identified in the report.

The Committee continues a provision first enacted in the fiscal year 2009 Appropriations Act that requires ICE to cancel any 287(g) agreements where the Inspector General has determined the terms of the agreement have been violated.

DETENTION STANDARDS

The Committee commends the Department's ongoing efforts to ensure appropriate detention conditions and facilities to meet the needs of ICE and immigrant detainees with maximum efficiency. The Committee wants to ensure that the Department addresses medical staffing vacancies identified by the OIG and the need to provide consistent medical care throughout the detention system.

In 2003, Congress passed the Prison Rape Elimination Act (PREA) into law. The Committee understands that ICE has revised its Performance-Based National Detention Standards (PBNDS), including the standard concerning the prevention of sexual assault. The revised PBNDS, still under review within ICE, explicitly incorporate provisions from the standards recommended by the National Prison Rape Elimination Commission. The Committee urges ICE to comply with PREA standards and expeditiously approve and implement their standards related to PREA.

HIRING AND STAFFING REPORTS

The Committee directs ICE to begin submitting monthly staffing and hiring reports, as well as quarterly briefings on its hiring progress. Further, the Committee is concerned that the target staffing levels should be lower than authorized full-time equivalent levels. The Committee directs ICE to brief the Committee within 60

days of the date of enactment of this Act on appropriate staffing levels for their operations including steps ICE will take to appropriately adjust its expectations and budget.

UNOBLIGATED BALANCES

The Committee directs ICE to report to the Committees on Appropriations quarterly on the results of its own quarterly reviews of obligations in carryover accounts that should be de-obligated through its validation and verification process.

## AUTOMATION MODERNIZATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $74,000,000 |
| Budget estimate, fiscal year 2012 | 13,860,000 |
| Recommended in the bill | 23,860,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −50,140,000 |
| Budget estimate, fiscal year 2012 | +10,000,000 |

MISSION

The Automation Modernization account funds major information technology projects for U.S. Immigration and Customs Enforcement.

RECOMMENDATION

The Committee recommends $23,860,000 for Automation Modernization, an increase of $10,000,000 above the request to mitigate the $50,140,000 proposed decrease and provide funds for TECS Modernization, a critical project to provide more functional case management and operational reporting capabilities for agency operations. The following table illustrates funding by specific investment project:

| | Budget estimate | Recommended |
|---|---|---|
| TECS Modernization | $9,000,000 | $19,000,000 |
| Detention and Removals Modernization | 4,860,000 | 4,860,000 |
| Total, Automation Modernization | $13,860,000 | $23,860,000 |

TECS MODERNIZATION

The increase in funds for TECS Modernization is targeted to provide not only greater capabilities for ICE operations but also to stave off significant future-year costs to ICE of maintaining the TECS mainframe after CBP is entirely off the legacy system. The Committee directs CBP and ICE to brief the Committee not later than December 1, 2011, on the status of modernization efforts. In addition, the bill includes a requirement for a multi-year investment and management plan to be provided at the time of the President's budget submission and updated on an annual basis to fully justify requested funds for this activity and other activities under this account, as well as project future-year requirements and funding levels.

OTHER MODERNIZATION EFFORTS

The Committee is aware that, due to fiscal constraints, ICE is reevaluating some of its information technology modernization ef-

forts, including electronic detainee health records. The Committee encourages ICE to look for creative ways within funds available to more efficiently and effectively manage this type of information.

## TRANSPORTATION SECURITY ADMINISTRATION

### AVIATION SECURITY

| | |
|---|---|
| Appropriation, fiscal year 2011 | $5,219,546,000 |
| Budget estimate, fiscal year 2012 | 5,401,165,000 |
| Recommended in the bill | 5,224,556,000 |
| Bill compared with:. | |
| Appropriation, fiscal year 2011 | +5,010,000 |
| Budget Estimate, fiscal year 2012 | −176,609,000 |

#### MISSION

Aviation security is focused on protecting the air transportation system against terrorist threats, sabotage, and other acts of violence through deployment of passenger and baggage screeners; detection systems for explosives, weapons, and other contraband; and other, effective security technologies.

#### RECOMMENDATION

The Committee recommends $5,224,556,000 for Aviation Security, $176,609,000 below the amount requested and $5,010,000 above the amount provided in fiscal year 2011. Funds within this account are partially offset through the collection of security user fees paid by aviation travelers and airlines. A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Screening Operations | $4,316,308,000 | $4,155,813,000 |
| Aviation Security Direction and Enforcement | 1,084,857,000 | 1,068,743,000 |
| [Mandatory Aviation Security Capital Fund [1]] | [250,000,000] | [250,000,000] |
| Total, Aviation Security | $5,401,165,000 | $5,224,556,000 |

[1] The Aviation Security Capital Fund is not included in the Subtotal for aviation security because it is not directly appropriated and is paid for entirely from user fees.

#### AVIATION SECURITY FEES

In total, the Committee applies the Congressional Budget Office (CBO) estimate for the collection of $2,030,000,000 in aviation security user fees, $681,500,000 less than the budget claims. This level is based on a re-estimate of fees by the CBO, $70,000,000 below the fiscal year 2011 collection estimate, reflecting the continued downward trend in air travel. These fees will be collected from both aviation passengers and the airlines and will partially offset the Federal appropriation for aviation security. It is important to note that the Committee estimate does not reflect implementation of the Administration's proposed increase in aviation security fees, as necessary new authorization legislation has not been enacted—legislation which is not under the jurisdiction of this Committee.

#### SCREENING OPERATIONS

The Committee recommends $4,155,813,000 for passenger and baggage screening operations, $151,980,000 below the amount re-

quested and $160,495,000 below the amount provided in fiscal year 2011. This recommendation would support current operations and all currently programmed acquisitions, including 1,000 Advanced Imaging Technology (AIT) systems for passenger screening. However, it includes no funding for the proposed increase of 350 Behavior Detection Officers (BDOs); no funding for the requested addition of 275 AIT systems and 510 screeners; and reflects only $140,000,000 for additional explosives detection systems (EDS), rather than the $190,500,000 requested.

The principal reason for these reductions is the need to compensate for the lack of aviation security fee revenue that was built into the Administration's budget. In the case of the AIT program, there have been delays in the certification of vendors, and in particular with the incorporation of automated target recognition capability. In light of these delays, and the unrealized potential for greater technology integration, the Committee takes a prudent step in waiting for the conclusion of current pilot efforts before committing scarce resources to additional systems and expanded screener hiring. Should the ATR pilot efforts prove successful, the Committee expects TSA to advise on its plans to advance the AIT program in fiscal year 2012. For the BDO program, the Committee notes that the scientific validation of the methodology used by BDOs to detect suspicious behavior has not been completed. The Committee recommends deferring any expansion of this program beyond the current 3,000–BDO workforce until such validation has been completed. The Committee expects TSA to prioritize its funding for proven explosive detection systems (EDS) for installation at airports where facilities are completed and to locations where the legacy systems are most in need of replacement.

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget Estimate | Recommended |
|---|---|---|
| Screener Workforce: | | |
| Privatized Screening | $144,193,000 | $144,193,000 |
| Screener Personnel, Compensation and Benefits | 3,060,493,000 | 3,030,167,000 |
| Subtotal, Screener Workforce | 3,204,686,000 | 3,174,360,000 |
| Screener Training and Other | 252,526,000 | 245,165,000 |
| Checkpoint Support | 254,093,000 | 181,285,000 |
| EDS/ETD Systems: | | |
| EDS Procurement and Installation | 272,738,000 | 222,738,000 |
| Screening Technology Maintenance and Utilities | 332,265,000 | 332,265,000 |
| Subtotal, EDS/ETD Systems | 605,003,000 | 555,003,000 |
| Total, Screening Operations | $4,316,308,000 | $4,155,913,000 |

PRIVATIZED SCREENING

The Committee recommends $144,193,000 for privatized screening, the same as the amount requested. Sixteen airports participate in the Screening Partnership Program (SPP). While the Committee understands TSA is likely to renew those contracts that expire in 2012, the Committee is also aware that TSA has rejected applications from a number of additional airports to "opt-out" of federalized screener operations. Should TSA seek to modify an airport's

security apparatus, the Committee expects all stakeholders at such airport to be fully informed and consulted prior to implementation of such status changes. The Committee expects TSA to approve applications of airports seeking to participate in the screening partnership program that meet all TSA criteria, including the determination that contract screening can be provided at that location in a cost-effective manner. In addition, the Committee directs TSA to report not later than 90 days after the date of enactment of this Act on its actions in response to the review by the Government Accountability Office of the SPP and how TSA is implementing GAO recommendations to address the current limitations in methodology for comparing cost and performance of SPP and non-SPP airports.

Consistent with prior years, TSA shall notify the Committees on Appropriations if it expects to spend less than the appropriated amount for privatized screening due to instances in which no additional privatized screening airports are added or airports currently using privatized screening convert to Federal screeners. TSA shall adjust its PPAs within 10 days of any changes to personnel, compensation, or benefit levels resulting from the award of SPP contracts, a change in such contracts, or conversion of airports from SPP to federalized screening, and notify the Committees on Appropriations on such changes.

The Committee is concerned that airports whose applications for participation in the Screening Partnership Program (SPP) have been denied did not receive adequate guidance on criteria for SPP participation, nor any feedback on why their applications were rejected. The Committee therefore recommends that TSA (1): provide airports that were denied participation in SPP, within 60 days of the date of enactment of this Act, the reasons such applications were rejected; (2) allow such airports the opportunity to re-apply to the SPP within one year of the date of enactment of this Act; (3) issue a decision on such re-applications within 90 days of their receipt; and (4) should such re-applications be denied, provide the applicants which a detailed explanation at the time a decision is issued.

SCREENER PERSONNEL, COMPENSATION, AND BENEFITS

The Committee recommends $3,030,167,000 for screener personnel, compensation, and benefits, $30,326,000 below the budget request. This funds the current services costs for all current screeners, including those needed for the 1,000 new AIT systems funded to date but does not include funding to expand the AIT inventory as requested nor the additional BDOs. The Committee recommends using the approach proposed by TSA to fund bomb appraisal officers (BAOs) from airport management and support funding, rather than from that for screener personnel, compensation and benefits, as had been past practice. TSA has advised that BAOs are not included in the same functional category as passenger and cargo screeners, as a BAO receives explosive ordinance disposal or civilian-equivalent training, which is not required for screeners. The Committee includes language that makes this funding available for one fiscal year. In addition, the Committee includes language that restricts funding from being used to hire additional full-time screeners if the result would be to exceed a total number of 46,000 full-time equivalent screeners. The Committee strongly supports

the work of dedicated TSA screener personnel, who are striving to ensure the safety of the traveling public and our civil aviation system; however, the rapid growth in staffing for checkpoint and related security operations needs to be tempered by balance with technology, and this limitation is intended to encourage TSA and the Department to work toward establishing an optimal balance between technology and screener personnel.

ADVANCED IMAGING TECHNOLOGY SCREENERS

AITs currently require more screeners than conventional magnetometers used to detect metal objects at airport checkpoints. The 1,000 AIT units funded in fiscal years 2009–11, however, are behind schedule in their deployment. In addition, TSA has made it clear that it will not acquire additional AITs until new advanced target recognition (ATR) capability is incorporated, and there remains uncertainty about when this ATR technology will be fielded from more vendors than the current, single provider of the ATR system. Given this uncertainty, the Committee recommends including the funding for the currently planned screener workforce to operate AIT systems funded to date but denies the request for $16,100,000 for an additional 510 screeners and supervisors. Furthermore, the Committee expects that the eventual deployment of ATR-equipped AIT systems will permit, as expected, a reduction in the number of screeners required to operate them.

BEHAVIOR DETECTION OFFICERS

The Committee denies the request of $14,224,000 to hire 350 additional BDOs under screener personnel, compensation, and benefits, although it is generally supportive of screening of passengers by observation techniques (SPOT). TSA deployed SPOT before scientific validation of the program was complete, and the Committee supports the efforts under way to develop such validation. The Committee expects TSA will follow on the recommendations of the Government Accountability Office that were outlined in its recent testimony (GAO–11–461T) and its 2010 report (GAO–10–157), which recommended adopting a risk-based strategy for selectively assigning BDOs and for a cost-benefit analysis. The Committee expects TSA to conduct a risk assessment that incorporates a comprehensive deployment strategy for the SPOT program for TSA-regulated airports and identifies and communicates the risks to aviation security if SPOT were not deployed at TSA-regulated airports. The Committee also recommends conducting a cost-benefit analysis before adding additional personnel to identify the best way to achieve goals at the lowest costs among potential alternatives. Currently, TSA has 3,000 BDOs deployed at 161 airports and funding for these officers is continued within the screener personnel, compensation, and benefits PPA.

Within the funding provided for BDOs, the Committee recommends that TSA conduct more frequent standardization testing at airports using the SPOT program than the current practice, which is every other year, to ensure program consistency and train BDOs on new practices.

SCREENER TRAINING AND OTHER

The Committee recommends $245,165,000 for screener training and other, $7,361,000 below the budget request. The Committee denies $7,361,000 proposed for training additional AIT operators and BDOs.

TSA's Office of Inspection and the Inspector General conduct periodic red team investigations to assess how well screeners are performing and if they are able to detect threat objects. Over the years, these tests have become increasingly difficult, as befits an effort to anticipate the adaptive nature of terrorist ingenuity. TSA must ensure screener training addresses current threats, is refreshed as frequently as possible within a screener's work schedule, and measurably reduces operational and technological vulnerabilities identified by red teams.

CHECKPOINT SUPPORT

The Committee recommends $181,285,000 for checkpoint support, $72,808,000 below the amount requested. The Committee denies $53,808,000 requested for 275 additional AIT systems, as well as $19,000,000 requested for portable explosives trace detector (ETD) systems that were funded in fiscal year 2011. While the need remains for expansion of AIT systems to address evolving threats to civil aviation, the shortfall created by the budgetary reliance on an unauthorized user fee increase, as well as the importance of ensuring that the new automated target recognition systems work with the AIT systems before their acquisition, compels the Committee to forgo funding this year. The Committee notes that when currently funded AIT systems are fully deployed (deployment which has been delayed), they will be at 75 percent of the country's largest airports and cover approximately 55 percent of all aviation passengers.

PASSENGER SCREENING WAIT TIMES

TSA established an objective to keep average passenger wait times to 10 minutes or less following its establishment in 2002, which served as an important management tool, informing the Staffing Allocation Model and other agency personnel and technology decisions. While TSA continues to have passenger processing goals, it no longer measures wait times at individual airport facilities, making it difficult to determine whether or not those goals are being met.

To address concerns with increased wait times related to the deployment of advanced technology at screening checkpoints and to ensure that the agency maximizes its utilization of screening resources, the Committee directs TSA to measure and report to the Committees on Appropriations, on a quarterly basis, passenger screening wait times at all screening checkpoints at which advanced passenger and/or carry-on baggage screening technology is deployed. TSA is further directed to brief the Committees within 90 days after the date of enactment of this Act on how the agency intends to meet a 10-minute passenger screening goal at screening checkpoints, including those where advanced technology is deployed. The Committee supports TSA efforts to develop innovative methods for measuring and displaying wait times in real time for

the traveling public, which can also support more efficient allocation of staffing and other checkpoint resources.

EXPLOSIVE DETECTION SYSTEMS PROCUREMENT AND INSTALLATION

The Committee recommends $222,738,000 for EDS procurement and installation, $50,000,000 below the budget request. Including the existing mandatory Aviation Security Capital Fund of $250,000,000, the total appropriation (both mandatory and discretionary) for EDS procurement and installations is $472,738,000 for fiscal year 2012. Within this total, $308,700,000 is for installation of electronic baggage screening equipment (including the mandatory funding); $140,500,000 is to procure EDS for deployment to support projects where facility modifications are completed from prior year funds and to recapitalize existing equipment; $5,000,000 is to install advanced surveillance systems; and $18,500,000 is for payroll.

The Committee acknowledges the progress of TSA in installing EDS systems. The recommended funding level reflects the reality that the Committee must find offsets for the unrealized aviation security fee increase that was built into the budget request. The Committee is also aware that TSA is studying the potential of maximizing its limited resources and consolidating checkpoint and baggage screening at such airports. TSA should move forward in such consolidation of efforts at Category 3 and 4 airports and brief the Committee no later than December 15, 2011 on its progress.

The Committee includes new language to permit funds in the Aviation Security Capital Fund to be used for acquisition of new and replacement EDS systems. Without this authority, limitations on the use of such funding would result in most of the funding going unused and airports remaining reliant on aging EDS systems.

SCREENING TECHNOLOGY MAINTENANCE AND UTILITIES

The Committee recommends $332,265,000 for screening technology maintenance and utilities, the same as the amount requested. The Committee expects that two-year warranty contracts that TSA is negotiating for its new AIT machines will generate savings in fiscal year 2013 for new systems deployed in fiscal years 2011–12.

FREEDOM OF INFORMATION ACT

The Committee directs TSA and the Department to comply fully with their obligations under the Freedom of Information Act and to provide requested materials, as required, without undue delay.

AVIATION SECURITY DIRECTION AND ENFORCEMENT

The Committee recommends $1,068,743,000 for aviation security direction and enforcement, $16,114,000 below the budget request and $156,990,000 above the amount provided in fiscal year 2011. The following table highlights funding levels by program, project, and activity:

| | Budget estimate | Recommended |
|---|---|---|
| Aviation, Regulation and Other Enforcement | $373,239,000 | $354,294,000 |

| | Budget estimate | Recommended |
|---|---|---|
| Airport Management and Support | 571,503,000 | 568,334,000 |
| Federal Flight Deck Officer and Flight Crew Training | 25,461,000 | 25,461,000 |
| Air Cargo | 114,654,000 | 120,654,000 |
| Subtotal, Aviation Security Direction and Enforcement | $1,084,857,000 | $1,068,743,000 |

AVIATION REGULATION AND OTHER ENFORCEMENT

The Committee recommends $354,294,000 for aviation regulation and other enforcement, $18,945,000 below the budget request. This does not include funding for the requested addition of twelve Visible Intermodal Prevention and Response (VIPR) teams, to be added to the 25 teams currently deployed around the country. It includes $4,000,000 in new funding to accelerate air cargo security efforts in response to the vulnerabilities exposed by the Yemen cargo attack, with additional inspection, regulation, and security specialists to ensure compliance with screening requirements, improve risk assessment, and strengthen air cargo operations overseas.

This recommendation not to fund the VIPR increase is made without prejudice to the potential benefits of additional VIPR units, which the Committee is prepared to consider in future years, but is unavoidable due to the budgetary shortfall created by the proposal to offset this and other initiatives with a proposed, but not enacted, aviation security fee increase. Any future expansion of VIPR units should be accompanied by a clear strategic plan for how such teams will be introduced, with respect to the responsibilities of State and local law enforcement and transportation authorities, in order to ensure VIPR units are coordinated with and do not duplicate such activities.

AIRPORT MANAGEMENT AND SUPPORT

The Committee recommends $568,334,000 for airport management and support, $3,169,000 below the budget request. This level fully funds the transition of bomb appraisal officers from screener personnel, compensation, and benefits to this PPA and the move of explosive security specialists from the Federal Air Marshals (FAMs) to this PPA, as originally proposed in fiscal year 2011. The Committee believes this is an appropriate action since BAOs are trained in recognition and disposal of explosive ordinance, and thus not categorized as screeners. BAOs report to Federal Security Directors, not screening managers, and provide rapid response and resolution when a screener finds an item of concern at major airports. Explosive security specialists, unlike FAMs, are responsible for the conduct of regional vulnerability assessments in all modes of transportation.

AIR CARGO

The Committee recommends $120,654,000 for air cargo, $6,000,000 above the budget request. This increase, in combination with additional funding under Aviation Regulation and Other Enforcement described above, is for accelerated security efforts in the wake of recent threats in the air cargo environment and will support enhanced air cargo inspection and other security oversight and improvements. While TSA has met its goal of 100 percent of domes-

tic air cargo screening, this increase is recommended to ensure TSA achieves its stated target of 100 percent system-wide screening of air cargo on passenger aircraft, including those originating from last point of departure airports overseas. It may also be used to enhance inspection, investigation, and monitoring efforts, including on all-cargo airlines. The Committee includes a requirement for an expenditure plan for air cargo investments.

TSA is working with foreign governments and air carriers to comply with the 9/11 Act requirement to screen all air cargo bound for the United States, striving to align their cargo screening methods to meet TSA standards. The Committee wishes to monitor progress in achieving the 9/11 Act requirements and has included statutory language requiring TSA to report on its progress in meeting the screening deadline for air cargo coming from overseas. This first report is due 180 days after the date of enactment of this Act and biannually thereafter until the deadline is met.

A significant obstacle to meeting the 9/11 Act mandate is that no current system can screen palletized or oversized air cargo. Despite years of study, TSA and S&T do not expect this capability will be developed for several more years—well past the statutory deadline. Thus, these forms of air cargo will continue to require human and canine screeners. The Committee encourages TSA, in coordination with S&T, to maintain efforts at developing, approving, and thereafter adding to the qualified products list large aperture and mobile screening devices that could be brought to the cargo instead of requiring the cargo to be run through a fixed system. To help meet the 100 percent screening deadline, the Committee expects TSA will consider scheduling explosives detection canine teams with U.S. passenger airlines to be deployed to screen cargo at peak times before it is consolidated into Unit Load Devices too large for canine teams to screen.

### CALL CENTERS

The Committee is concerned that West Coast passengers have limited access to the Transportation Security Administration Contact Center (TCC), which provides support to all TSA offices, programs, and airports by responding to inquiries and handling complaints during standard business hours in Eastern Standard Time. The Committee requests that the TSA examine the feasibility or desirability of expanding TCC operating hours to accommodate additional contacts and inquiries from the West Coast. The Committee directs the Administrator to provide a report on the capacity and volume history of the TCC, focusing on the difference between East and West Coast inquiries, not later than 60 days after the date of enactment of this Act.

### RISK-BASED APPROACHES TO PASSENGER SCREENING

The Committee was encouraged this year to hear TSA testify on its plans to enhance aviation security and streamlining airport screening operations by using a more risk-based approach to screening aviation passengers and reinventing the checkpoint process. The Committee is aware that TSA is looking at a "trusted travelers" program that might allow certain passengers found to be "low-risk" expedited clearance at security checkpoints, possibly using information known about such travelers—such as data from

frequent-flier programs—to be used to help identify candidates for such a program. The Committee also understands that TSA will be initially looking at modified screening procedures for pilots and flight attendants as it determines where and when it might test such an approach with the traveling public.

The Committee recommends TSA use its existing statutory authority, under the Aviation Transportation Security Act, to develop and test a possible trusted traveler program for U.S. citizens who voluntarily submit to a security threat assessment and criminal history background check, including possibly a review of biometric data. Such threat assessments and background checks could be conducted by TSA as part of a trusted traveler enrollment process, utilize publicly-available commercial data, and include constitutional privacy and civil liberties protections. The Committee would encourage TSA to examine ways to provide participants in such a program with a streamlined and distinct checkpoint screening process. The Committee also recommends that TSA look at the potential of enrolling likely low-risk populations, such as U.S. citizens possessing current Top Secret Security clearances, in such a trusted traveler program and encourages DHS to coordinate development of the program with trusted traveler programs operated by CBP. The Committee directs TSA to provide a report as to its progress in developing such a trusted traveler program and any legal or budgetary impediments to its development no later than 90 days after the date of enactment of this Act.

STREAMLINING PROCESSING FOR INBOUND INTERNATIONAL TRAVELERS

The Committee is aware that current security regulations require air passengers traveling on an inbound commercial flight originating outside the U.S. to have their baggage and person screened by TSA prior to being allowed to board onward domestic flights. This is true even if the passengers arrive from countries whose passenger and baggage screening standards are certified as comparable to those used by TSA. The Committee recognizes that this apparent redundancy is complicated by the need to implement customs, immigration, and aviation security law at the point where travelers enter the U.S. for customs and immigration processing but would be interested to see TSA, in cooperation with U.S. Customs and Border Protection, explore ways to streamline the process at arrival airports to eliminate or greatly shorten the process of rescreening those onward traveling passengers who, with their baggage, had been screened previously at a location that meets TSA standards. The Committee therefore directs TSA, in consultation with CBP, to study the potential for eliminating some of this duplication of effort with regard to aviation security screening and report to the Committees not later than 90 days after the date of enactment of this Act on the feasibility of testing such an approach through a pilot effort at a Category X airport, including funding required and any legal issues or limitations.

CANINE TEAMS

The Committee is aware of the important role canine teams play in assisting in the screening of air cargo and in supporting efforts to prevent explosives from being introduced into mass transit and

other transportation systems. TSA has funded 518 local law enforcement officer-led units at 78 airports nationwide, where they divide their efforts between cargo screening and associated facilities. There are also 170 proprietary (federally handled) canine teams that focus on the top 20 domestic airports with the greatest passenger air cargo, and 117 teams dedicated to mass transit security. The Committee encourages TSA to sustain its current level of deployment and training to ensure the proficiency of these critical screening assets.

## SURFACE TRANSPORTATION SECURITY

| | |
|---|---|
| Appropriation, fiscal year 2011 | $105,961,000 |
| Budget estimate, fiscal year 2012 | 134,748,000 |
| Recommended in the bill | 129,748,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +23,787,000 |
| Budget Estimate, fiscal year 2012 | −5,000,000 |

### MISSION

Surface Transportation Security is responsible for assessing the risk of terrorist attacks for all non-aviation transportation modes, issuing regulations to improve the security of those modes, and enforcing regulations to ensure the protection of the transportation system.

### RECOMMENDATION

The Committee recommends $129,748,000 for Surface Transportation Security, $5,000,000 below the amount requested and $23,787,000 above the amount provided in fiscal year 2011. Within this total, $38,514,000 is for staffing and operations and $91,234,000 is for surface transportation security inspectors and canines. This effectively funds the increase in inspectors and mass transit canine teams originally provided in fiscal year 2010 and reflects a reduced fiscal year 2011 baseline for these programs. The Committee recognizes that TSA intends to increase its annual stipend for participants in TSA's National Explosives Detection Canine Team Program and will consider a reprogramming request should TSA find it necessary in order to meet commitments to local law enforcement agencies that deploy canine teams in partnership with TSA.

## TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING

| | |
|---|---|
| Appropriation, fiscal year 2011 | $162,999,000 |
| Budget estimate, fiscal year 2012 | 183,954,000 |
| Recommended in the bill | 183,954,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | 20,955,000 |
| Budget Estimate, fiscal year 2012 | ––– |

### MISSION

The mission of Transportation Threat Assessment and Credentialing (TTAC) is to reduce the probability of a successful attack on the transportation system through the application of threat assessment methodologies to identify known or suspected terrorist threats working in or seeking access to the Nation's transportation system. This appropriation consolidates management of all TSA

vetting and credentialing programs, including Secure Flight, Crew Vetting, Transportation Worker Identification Credential, Registered Traveler, Hazardous Materials, and Alien Flight School.

RECOMMENDATION

The Committee recommends a direct appropriation of $183,954,000 for Transportation Threat Assessment and Credentialing, the same as the budget request and $20,955,000 above the amount provided in fiscal year 2011. In addition, the Committee anticipates TSA will collect $40,320,000 in fees. A comparison of the budget estimate to the Committee's recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Direct Appropriation: | | |
| Secure flight | $92,414,000 | $92,414,000 |
| Crew and other vetting programs | 91,540,000 | 91,540,000 |
| Subtotal, direct appropriations | 183,954,000 | 183,954,000 |
| Fee Collections: | | |
| Transportation worker identification credential | 8,300,000 | 8,300,000 |
| Hazardous materials | 12,000,000 | 12,000,000 |
| Alien flight school (transfer from DOJ) | 4,000,000 | 4,000,000 |
| General aviation | 100,000 | 100,000 |
| Indirect air cargo | 1,400,000 | 1,400,000 |
| Certified cargo screening program | 5,200,000 | 5,200,000 |
| Large aircraft security program | 1,200,000 | 1,200,000 |
| Secure identification display area checks | 8,000,000 | 8,000,000 |
| Other security threat assessments | 100,000 | 100,000 |
| Sensitive security information | 20,000 | 20,000 |
| Subtotal, fee collections | $40,320,000 | $40,320,000 |

SECURE FLIGHT

The Committee recommends $92,414,000 for Secure Flight, the same as requested and $8,051,000 above the amount provided in fiscal year 2011. Within this funding is $8,764,000 for expanded watch list vetting to ensure uniform watch list matching as requested.

Since fiscal year 2004, GAO has reported to the Committees on Appropriations on numerous challenges the Secure Flight program has faced in its development and implementation, including protecting passenger privacy, completing performance testing, defining and testing security requirements, and establishing reliable cost and schedule estimates. GAO has recommended that TSA monitor the performance of Secure Flight system's name matching process, improve the system's ability to pre-clear individuals misidentified as being on the No Fly or Selectee lists, update the Secure Flight program's schedule and expected costs before TSA can take over the watch list matching function, and reduce the risk that a traveler could submit fraudulent information to avoid detection when making airline reservations.

The Committee recognizes Secure Flight as a key tool in protecting civil aviation from acts of terrorism and so directs TSA to brief the Committee on the status of its efforts to address the aforementioned GAO recommendations not later than 90 days after the date of enactment of this Act. The briefing should describe how the Secure Flight name matching system has performed, including its

accuracy in identifying passengers on the terrorist watch list while minimizing the number of passengers misidentified as being on the list, and how TSA would use this performance information to improve Secure Flight. TSA should also brief on the extent to which Secure Flight uses redress data to pre-clear passengers misidentified as being on the terrorist watch list and how it will ensure passengers cannot manipulate airline reservation information submissions to avoid detection.

### TTAC INFRASTRUCTURE MODERNIZATION

The largest component of the crew and other vetting appropriation consists of $57,800,000 requested for TTAC infrastructure modernization (TIM), an effort to consolidate and streamline duplicative vetting and credentialing services to current and future TSA screening populations and to eliminate redundant background checks. Those systems have vetted over 96,000,000 names, and TSA plans to initiate transition of those legacy TTAC systems to the TIM system in fiscal year 2012. The Committee recommends funding the request but notes its concerns with delays, including in completing a formal analysis of alternatives, gaining acquisition review board approval, and awarding its TIM development contract. The Committee directs TSA to brief the Committees on Appropriations on the status of TIM not later than 30 days after the date of enactment of this Act and to advise the Committees about any adverse developments in its project schedule or in the regulatory process for developing a Universal Rule that might significantly delay its plans to achieve its initial operating capacity in 2013, to align with the implementation of a Universal Fee Rule, and be fully operational in 2015.

### SECURITY IDENTIFICATION DISPLAY AREA (SIDA) ACCESS APPEALS PROCESS

The Committee directs TSA to submit a report to the Committee not later than December 1, 2011, on the number of instances in fiscal years 2010 and 2011 when individuals were denied unescorted access to the security identification display area (SIDA) of an airport based on their criminal history. The report should describe current options available to individuals, who have been disqualified from SIDA access based on non-security related offenses, to waive or appeal such denials. If no such appeal or waiver option is now available, the report should provide the Department position with regard to whether such an appeal process should be established.

## TRANSPORTATION SECURITY SUPPORT

| | |
|---|---|
| Appropriation, fiscal year 2011 | $988,638,000 |
| Budget estimate, fiscal year 2012 | 1,113,697,000 |
| Recommended in the bill | 1,032,790,000 |
| Bill compared with:. | |
| Appropriation, fiscal year 2011 | +44,152,000 |
| Budget Estimate, fiscal year 2012 | −80,907,000 |

### MISSION

The Transportation Security Support account includes financial and human resources support; the Transportation Security Intelligence Service; information technology support; policy development

and oversight; performance management and e-government; communications; public information and legislative affairs; training and quality performance; internal conduct and audit; legal advice; and overall headquarters administration.

RECOMMENDATION

The Committee recommends $1,032,790,000 for Transportation Security Support, $80,907,000 below the amount requested and $44,152,000 above the amount provided in fiscal year 2011. A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Headquarters administration | $320,794,000 | $289,798,000 |
| Human capital services | 264,299,000 | 250,000,000 |
| Information technology | 485,612,000 | 450,000,000 |
| Intelligence | 42,992,000 | 42,992,000 |
| Subtotal, Transportation Security Support | $1,113,697,000 | $1,032,790,000 |

HEADQUARTERS ADMINISTRATION

The Committee recommends $289,798,000 for headquarters administration, $30,996,000 below the budget request. The Committee has not included new administrative funding proposed to support requested increases in VIPR teams, BDO hires, and additional AIT acquisition and staffing, since those initiatives are not funded in the bill. The Committee includes half the proposed increase ($1,000,000) for enhanced acquisition management.

HUMAN CAPITAL SERVICES

The Committee recommends $250,000,000 for human capital services, $14,299,000 below the budget request. The Committee has not included approximately $10,000,000 in new funding proposed to support requested increases in VIPR teams, BDO hires, and additional AIT acquisition and staffing, since those initiatives are not funded in the bill. It further reduces funding as partial offset for the budget gap due to request's reliance on unauthorized fees.

INFORMATION TECHNOLOGY

The Committee recommends $450,000,000 for information technology, $35,612,000 below the budget request. This reflects a reduction of $1,000,000 from the request corresponding to the elimination of a proposed expansion of VIPR teams, BDOs, and AIT screeners; a reduction of $21,200,000 proposed for data center migration, which is being deferred this year due to budgetary constraints; and additional reductions to compensate for unrealistic revenue projections based on unauthorized aviation security fee increases.

COVERT TESTING

The Committee supports the continued use of covert testing to help identify vulnerabilities in critical systems and directs TSA to aggressively pursue innovative ways to probe and improve transportation security systems. As in past years, the Committee expects TSA to continue to brief the Committees semiannually on its red

teaming and covert testing activities, including testing results at airport checkpoints, in secure areas of airports, at air cargo facilities, and in other transportation modes, and should also report on trends in operational errors and equipment failures.

EXPENDITURE PLANS FOR PURCHASE AND DEPLOYMENT OF AIR CARGO, CHECKPOINT SUPPORT, AND EXPLOSIVE DETECTION EQUIPMENT

The Committee includes bill language similar to that used in previous appropriations requiring TSA to provide a detailed spending and deployment plan for air cargo, checkpoint support, and explosive detection equipment. This plan shall be submitted no later than 60 days after the date of enactment of this Act and shall include: expenditures on an airport-by-airport basis for fiscal year 2012, including details on technologies purchased; project timelines; obligation schedules; and a table displaying actual versus anticipated unobligated balances at the close of the fiscal year, with an explanation for any deviation from original plans. The Committee recognizes TSA may need to revise its plan and so directs TSA to notify the Committees on Appropriations prior to amending its expenditure plan and reallocating such funds, and to update the Committees quarterly on these expenditures.

## FEDERAL AIR MARSHALS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $920,802,000 |
| Budget estimate, fiscal year 2012 | 991,375,000 |
| Recommended in the bill | 961,375,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +40,573,000 |
| Budget Estimate, fiscal year 2012 | −30,000,000 |

MISSION

The Federal Air Marshals provide security for the Nation's civil aviation system through the effective deployment of armed Federal agents to detect, deter, and defeat hostile acts targeting U.S. air carriers, airports, passengers, and crews.

RECOMMENDATION

The Committee recommends $961,375,000 for the Federal Air Marshals (FAMs), $30,000,000 below the amount requested and $40,573,000 above the amounts provided in fiscal year 2011. Of the total funding provided, $845,260,000 is for management and administration and $116,115,000 is for travel and training. This funding increase, with the funding provided in the fiscal year 2011 appropriation, should enable FAMs to sustain domestic flight coverage and enhanced international flight coverage initiated in 2010 after the Christmas Day bombing attempt. This reduction from the request reflects realignment of the explosive operations division to aviation security as well as delays in bringing new FAMs on board.

The Committee expects FAMs staffing levels and deployment patterns to optimize coverage of flights so as to address known threats, minimize risk, and complement the full range of security resources available to TSA. It is therefore critical that TSA provide the Committee information about the analysis it uses to set its staffing, scheduling, and resource requirements, particularly in light of the sustained, enhanced levels of coverage that have be-

come the norm since the 2009 Christmas Day attempt. The Committee directs TSA to brief the Committees on Appropriations not later than November 1, 2011, on its optimal mix of staff, the types and frequency of flights for which FAMs coverage should be provided, and any legislative or regulatory changes that might be required to improve FAMs operations and overall aviation security. The Committee directs TSA to submit quarterly reports on mission coverage, staffing levels, and hiring rates as in past years.

## COAST GUARD

### OPERATING EXPENSES

| | |
|---|---|
| Appropriation, fiscal year 2011 [1] | $6,907,338,000 |
| Budget estimate, fiscal year 2012 [2] | 6,819,505,000 |
| Recommended in the bill [3] | 7,071,061,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +163,723,000 |
| Budget estimate, fiscal year 2012 | +251,556,000 |

[1] Includes $254,000,000 for the global war on terrorism.
[2] Does not include funds for global war on terrorism requested under Navy, Operations and Maintenance.
[3] Includes $258,278,000 for the global war on terrorism.

#### MISSION

The Coast Guard is the principal Federal agency charged with maritime safety, security, and stewardship. The Operating Expenses appropriation provides funding for the operation and maintenance of multipurpose vessels, aircraft, and shore units strategically located along the coasts and inland waterways of the United States and in selected areas overseas. This is the primary appropriation financing operational activities of the Coast Guard.

#### RECOMMENDATION

The Committee recommends a total appropriation of $7,071,061,000 for Operating Expenses. The recommended funding level is $251,556,000 above the amount requested and $163,723,000 above the amount provided in fiscal year 2011. The Committee's recommendation is $17,722,000 below the net request for Coast Guard Operating Expenses when excluding funds requested for support of the global war on terrorism.

The fiscal year 2012 budget request, as submitted by the President, was based upon the fiscal year 2011 rate under a continuing resolution rather than the enacted year-long appropriation for fiscal year 2011. Because the Coast Guard did not submit an updated estimate for fiscal year 2012 relative to enacted appropriations for the current year sufficiently prior to Subcommittee markup, the comparisons between the amounts estimated and those recommended in the bill may require subsequent refinement. Funding for the Coast Guard operations in support of the global war on terrorism was included in this appropriation in fiscal year 2011 and is included in the amount recommended for Operating Expenses in fiscal year 2012. However, the budget request for the Coast Guard's support of the global war on terrorism was included within the Department of Defense under the appropriation for Operations and Maintenance, Navy.

The Committee recommends funding for the following initiatives requested for fiscal year 2012: $10,666,000 for enhancements to

marine safety; $9,300,000 for military family child care; $39,000,000 in restoration of polar operations funding; $8,600,000 for network security upgrades; and $6,300,000 for the Distress Alerting Satellite System (DASS). Furthermore, the Committee concurs with the proposed decommissioning of three PC–179 patrol boats and one High Endurance Cutter.

The Committee recommends the following reductions from the budget request: a reduction of $10,000,000 in technical adjustments to pay, allowances, and operating expenses due to increases provided in the fiscal year 2011 enacted appropriation that were unaccounted for in the fiscal year 2012 budget submission; a reduction of $5,000,000 from the request for enhancements to marine environmental response due to an insufficient justification; a reduction of $5,000,000 in civilian pay due to a projected lapse in expected civilian hiring in fiscal year 2011; and reductions of $8,000,000 in data migration funding and $7,000,000 from Headquarters Directorates due to inadequate budget justification and the Department's decision to claim $645,000,000 in unrealized offsets from increase fee revenue that had not yet been authorized.

The Committee recommends the following increases above the budget request: an additional $20,300,000 to partially address the backlog in critical depot level vessel maintenance; an additional $6,000,000 for the purchase of replacement small boats for legacy cutters; and $4,000,000 for enhancements to boat crew pursuit and tactical training.

Of the funds recommended for the Coast Guard's Headquarters Directorates, $75,000,000 is withheld from obligation until the Commandant of the Coast Guard submits the following to the Committees on Appropriations of the Senate and House of Representatives: (1) a revised future-years Capital Investment Plan for fiscal years 2012 through 2016 that has been reviewed by GAO, as specified under the "Coast Guard Acquisition, Construction, and Improvements" heading in this Act; (2) the fiscal year 2012 second quarter quarterly acquisition report; and (3) the polar operations high latitude study.

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Military Pay and Allowances | $3,447,753,000 | $3,434,872,000 |
| Civilian Pay and Benefits | 780,556,000 | 775,063,000 |
| Training and Recruiting | 213,282,000 | 213,282,000 |
| Operating Funds and Unit Level Maintenance | 1,109,323,000 | 1,109,450,000 |
| Centrally Managed Accounts | 351,478,000 | 343,348,000 |
| Depot Level Maintenance | 917,113,000 | 936,768,000 |
| Global war on terrorism | — | 258,278,000 |
| Total, Operating Expenses | $6,819,505,000 | $7,071,061,000 |

MISSION REQUIREMENTS

The Coast Guard has not formally updated its mission requirements to the Committee since the 2004 Mission Needs Study. The Coast Guard informed the Committee that it uses an annual Standard Operational Planning Process (SOPP) to update current requirements; however, a SOPP finding has never been submitted to the Committee nor has a change in an acquisition program base-

line or an operational requirement been justified before the Committee as a result of a SOPP finding. Furthermore, the Coast Guard has stated that it has been conducting a Fleet Mix Analysis since 2004 and the results of this analysis will inform the fiscal year 2013 budget submission and fiscal years 2013 through 2017 Capital Investment Plan. The Committee finds this protracted delay in updating mission requirements for the Coast Guard's post-Deepwater era to be a major impediment to effective budget planning. The Coast Guard is directed to submit the most current Fleet Mix Analysis to the Committees on Appropriations of the Senate and House of Representatives and to brief the Committees on its process for formulating updated mission requirements no later than 30 days after the date of enactment of this Act.

MARITIME SURVEILLANCE

The Coast Guard shall include with its fiscal year 2013 budget submission a report to the Committees on Appropriations of the Senate and House of Representatives on how the existing gaps in required maritime surveillance hours and the operational hours requested by Joint Interagency Task Force-South (JIATF-South) are being addressed. This report shall include quantitative data on current maritime surveillance mission hours compared to the number of hours required under the 2004 Mission Needs Statement and the number of operational hours requested by JIATF-South over the past three fiscal years.

The Committee observes that Puerto Rico, because of its location in the Caribbean basin and its 360-degree maritime border, has become a key entry and transshipment point for the trafficking of illegal drugs into the United States that are produced in South and Central America. The Committee further observes that such trafficking is connected with other threats and crimes, particularly the increased incidence of homicide in Puerto Rico. The Coast Guard is directed to report to the Committee no later than November 1, 2011, on the number of maritime surveillance hours and assets that the Coast Guard has dedicated to countering the illicit trafficking of drugs and other related threats and crime throughout the Caribbean basin and how those resources satisfy the stated mission requirements of this region.

ADMINISTRATIVE SAVINGS AND REDUCTIONS TO PROGRAM SUPPORT

The Committee commends the Coast Guard's willingness to seek internal administrative savings and managerial efficiencies. In total, the Coast Guard claims more than $140,000,000 in reductions to program support and administrative functions within the fiscal year 2012 budget submission. However, the fiscal year 2012 budget justification included insufficient detail on these ambiguous reductions and failed to compare these reductions to current expenditures. The Committee directs the Coast Guard to include the following details with any such proposal for reductions in administrative functions or support services in future budget submissions, beginning with the fiscal year 2013 budget justification materials: (1) a detailed, itemized listing of all proposed reductions relative to current expenditures and (2) a detailed explanation of the potential impacts of these reductions upon operations and personnel.

PROPOSED REDUCTIONS TO OPERATING EXPENSES

Throughout this bill, the Committee has prioritized funding to frontline security operations and essential personnel across DHS. In fiscal year 2011, the Department requested a substantial reduction to the Coast Guard's operational capabilities and military workforce without a corresponding proposal to backfill depleted capacity through investments in recapitalized assets. This proposal had obvious, adverse implications upon the Coast Guard's ability to carry out its critical missions of maritime safety, coastal security, and drug interdiction which ignored current threat activity and the ramifications upon the Department's broader border security efforts. As evidenced by the enacted appropriations, the flawed request for fiscal year 2011 was resoundingly rejected by Congress. Within the fiscal year 2012 budget request, the Department has proposed a far more balanced approach to reducing the Coast Guard's operational costs in conjunction with investments in both targeted capabilities and new acquisitions and asset refurbishments. The Committee directs the Coast Guard to clearly present any known or expected adverse impacts to operational proficiency and Government Performance and Results Act (GPRA) goals created by proposed decreases in its Operating Expenses in future budget submissions, beginning with the fiscal year 2013 budget justification materials.

FINANCIAL MANAGEMENT

The Committee remains concerned with the Coast Guard's persistent challenges with its internal financial controls. The Committee notes the Coast Guard lags behind all other Departmental components in terms of addressing material weaknesses in its financial management systems. It is the single largest holder of unauditable balances in the Department, according to the OIG.

At the Committee's direction, in December 2008 the Coast Guard produced an extensive financial management improvement plan for fiscal years 2009 and 2010. The Committee believes the Financial Strategy for Transformation and Audit Readiness (FSTAR) plan should address the Coast Guard's financial management challenges and directs the Coast Guard to provide a briefing on the progress of this initiative no later than three months after the date of enactment of this Act, and every quarter thereafter. This briefing should focus on the progress achieved relative to the milestones outlined in the FSTAR plan; identification of remaining major roadblocks to achieving a clean audit; an explanation of the Coast Guard's efforts to examine and review the shortcomings of its current financial management system; and proposals on how to overcome identified challenges.

POLAR OPERATIONS

The Committee appreciates the restoration of $39,000,000 in operating expenses for polar operations within the Coast Guard's budget. However, the restoration of these operational costs to the operator of the Nation's polar icebreaker fleet does little to assure the Committee that national interests in the polar regions can be effectively served in coming years. The current Administration has failed to execute the existing National Arctic Policy, as stated in

National Security Presidential Directive-66 and Homeland Security Presidential Directive-25 (NSPD–66 / HSPD–25) released on January 9, 2009, and appears to be permitting the atrophy of national polar capabilities. As the sustainable service lives of the Coast Guard's heavy icebreakers rapidly approach their expiration, the need for polar capabilities is intensifying due to the presence of increased vessel traffic and energy exploration resources in the Arctic. Rather than address these issues with a cogent implementation plan, the Administration and Department are delaying the submittal of the Coast Guard's High Latitude Study and are requesting an additional $5,000,000 for further study of polar needs. As noted previously in this report, the Committee denies the request for the additional $5,000,000 under the Under Secretary for Management since the needs are well known and sufficiently documented. The Coast Guard is directed to submit the High Latitude Study and brief the Committee on the resources required to meet polar mission requirements and fulfill the policy directives set forth in NSPD–66 / HSPD–25 no later than 45 days after the date of enactment of this Act.

RESOURCES FOR THE GLOBAL WAR ON TERRORISM

The Committee includes $258,278,000 under this heading for the costs of the Coast Guard's support for the global war on terrorism. These funds in the past had been carried in supplemental appropriations bills under the Department of Defense and then transferred to the Coast Guard. Beginning with Public Law 111–32l, these funds were provided as a direct appropriation to the Coast Guard. For fiscal year 2012, the Administration has again requested these funds as a transfer from the Navy's Operations and Maintenance account. The Committee provides these funds to the Coast Guard directly rather than as a transfer to provide for better accountability and oversight of the Coast Guard's entire Operating Expenses. Consistent with the conference report accompanying the Homeland Security Appropriations Act for fiscal year 2010 and the enacted appropriations for fiscal year 2011, the Coast Guard may allocate these funds across its PPAs in the Operating Expenses account, as necessary and without regard to section 503 of this Act. The Coast Guard is directed to provide a plan no later than 45 days after the date of enactment of this Act on the distribution of these funds by PPA. For fiscal year 2013, the Committee strongly encourages these funds to be included as part of the Coast Guard's budget request, which should also include a detailed justification of the continued need for these funds and how they are allocated across PPAs.

THREATS ALONG THE SOUTHWEST BORDER

Increased violence on the waters of the Rio Grande has resulted in the armed robbery through piracy and murder of U.S. citizens. The Committee recognizes the Border Patrol and Coast Guard are laudably working to prevent these incidents and ensure the integrity of the U.S. border with Mexico. However, the Committee also notes the all too frequent occurrence of our Federal law enforcement professionals encountering boats used by drug smugglers and other armed criminals with far greater capabilities.

The Commandant of the Coast Guard testified before the Committee that ". . . some level of persistent presence is required on Falcon Lake, [Texas]." Given similar challenges present on Lake Amistad, the Committee also recommends an enhanced Coast Guard presence, as necessary, to counter persistent border incursion threats in this area. In light of recent events on Falcon Lake, the Committee recommends that the Coast Guard adhere to the Commandant's testimony and report within 90 days of the date of enactment of this Act on the efforts to comply with this security commitment and as to whether additional resources or authorities are needed to assist in achieving compliance.

ENHANCEMENTS TO LAW ENFORCEMENT CAPABILITIES

The Committee recommends an additional total of $4,000,000 above the amount requested for boat crew pursuit and tactical training. Additional funding for boat crew training will enable the Coast Guard to conduct tactical training for 24 shore-based, designated maritime law enforcement units.

The Committee also recommends an additional $6,000,000 above the amount requested for the purchase of replacement small boats for the Coast Guard's legacy cutters. Additional funds are intended to procure up to six small boats used in the major cutter fleet and increase the Coast Guard's interdiction capacity.

ENHANCEMENTS TO MARINE SAFETY AND ENVIRONMENTAL RESPONSE CAPABILITIES

The Deepwater Horizon catastrophe highlighted the need for a more robust marine safety capability and for dedicated personnel that have incident response as their primary focus so that the Coast Guard does not have to sacrifice mission performance in other areas when a crisis occurs. The Committee therefore recommends $10,666,000, as requested, for 105 marine safety positions including inspectors, investigators, and safety examiners. In addition, the Committee recommends $6,485,000 for marine environmental response enhancements, $5,000,000 below the amount requested. The request for marine environmental response (MER) is reduced due to an inadequate justification that lacked specific details on proposed resources and capabilities relative to current gaps in MER capacity. The Coast Guard is directed to brief the Committee no later than 45 days after the date of enactment of this Act on its expenditure plan for these increases in marine safety and environmental response. Furthermore, the Coast Guard is directed to provide an updated MER Mission Performance Plan no later than 90 days after the date of enactment of this Act to address the five-year strategy for providing personnel with the necessary skills to perform MER functions and enhance environmental response competencies. This plan should address resource enhancements necessary to meet mission requirements and be informed by lessons learned from the Deepwater Horizon oil spill response.

ENHANCEMENTS TO DEPOT LEVEL MAINTENANCE

The Committee recommends an additional $20,300,000 above the amount requested for critical depot level maintenance. Additional funds are intended to replenish repair parts and execute back-

logged and deferred critical depot level maintenance for vessels, including: $9,500,000 for 270-foot Medium Endurance Cutter maintenance and $10,800,000 for High Endurance Cutter maintenance. Funds shall be prioritized for critical operational repairs and unfunded crew habitability and welfare needs.

## ENVIRONMENTAL COMPLIANCE AND RESTORATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $13,198,000 |
| Budget estimate, fiscal year 2012 | 16,699,000 |
| Recommended in the bill | 10,198,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −3,000,000 |
| Budget estimate, fiscal year 2012 | −6,501,000 |

### MISSION

The Environmental Compliance and Restoration appropriation assists in bringing Coast Guard facilities into compliance with applicable Federal, State, and environmental regulations; preparing and testing facilities response plans; developing pollution and hazardous waste minimization strategies; conducting environmental assessments; and furnishing necessary program support. These funds permit the continuation of a service-wide program to correct environmental problems, such as through major improvements of storage tanks containing petroleum and regulated substances. The program focuses mainly on Coast Guard facilities, but also includes third-party sites where Coast Guard activities have contributed to environmental problems.

### RECOMMENDATION

The Committee recommends $10,198,000 for Environmental Compliance and Restoration, $6,501,000 below the amount requested and $3,000,000 below the amount provided in fiscal year 2011. A reduction is made to the budget request for this account due to operational priorities, the Department's flawed decision to claim offsets from unauthorized fee collections, and the lack of funding details included in the Coast Guard's Environmental Compliance and Restoration backlog report dated April 11, 2011. The Coast Guard is directed to submit an itemized expenditure plan for each project listed in the backlog report to the Committees on Appropriations of the Senate and House of Representatives with its annual budget submission.

## RESERVE TRAINING

| | |
|---|---|
| Appropriation, fiscal year 2011 | $133,632,000 |
| Budget estimate, fiscal year 2012 | 136,778,000 |
| Recommended in the bill | 131,778,000 |
| Bill compared with:. | |
| Appropriation, fiscal year 2011 | +3,146,000 |
| Budget estimate, fiscal year 2012 | −5,000,000 |

### MISSION

This appropriation provides for the training of qualified individuals who are available for active duty in time of war or national emergency or to augment regular Coast Guard forces in the performance of peacetime missions. Program activities fall into the following categories:

Initial training.—The direct costs of initial training for three categories of non-prior service trainees;

Continued training.—The training of officer and enlisted personnel;

Operation and maintenance of training facilities.—The day-to-day operation and maintenance of reserve training facilities; and

Administration.—All administrative costs of the reserve forces program.

RECOMMENDATION

The Committee recommends $131,778,000 for Reserve Training, $5,000,000 below the amount requested and $3,146,000 above the amount provided in fiscal year 2011. The Committee recommends a reduction to this program's persistent lapse of annual appropriations.

## ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $1,519,783,000 |
| Budget estimate, fiscal year 2012 | 1,421,924,000 |
| Recommended in the bill | 1,151,673,000 |
| Bill compared with:. | |
| Appropriation, fiscal year 2011 | −368,110,000 |
| Budget estimate, fiscal year 2012 | −270,251,000 |

MISSION

The Acquisition, Construction, and Improvements appropriation finances the acquisition of new capital assets, construction of new facilities, and physical improvements to existing facilities and assets. The appropriation covers Coast Guard-owned and operated vessels, aircraft, shore facilities, and other equipment such as computer systems, as well as the personnel needed to manage acquisition activities.

RECOMMENDATION

The Committee recommends $1,151,673,000 for Acquisition, Construction, and Improvements, $270,251,000 below the amount requested and $368,110,000 below the amount provided in fiscal year 2011.

The Committee recommends the following reductions from the amounts requested: a reduction of $77,000,000 requested for the National Security Cutter; a reduction of $118,000,000 from the amount requested for the Fast Response Cutter; a reduction of $19,309,000 from the amount requested for the Response Boat-Medium; a reduction of $97,692,000 from the amount requested for shore facilities, aids to navigation, housing, and infrastructure projects; a reduction of $5,000,000 from the amount requested for government program management; and a denial of the request for $2,250,000 for additional acquisition personnel.

The Committee recommends the following increases above the amount requested: an additional $37,000,000 for the replacement costs of two, HH–65 helicopters; an additional $10,000,000 for communication upgrades to legacy cutters; and an additional $2,000,000 for pre-acquisition activities of cutter-based unmanned aircraft systems.

The Committee removes the annual requirement for a Revised Deepwater Implementation Plan due to the dissolution of the Deepwater initiative and directorate. The Committee modifies and strengthens the requirements for the annual capital investment plan (CIP) and requires the submittal of the CIP, as specified in the bill, in conjunction with the annual budget submission.

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Vessels: | | |
| Cutter Small Boats | $5,000,000 | $5,000,000 |
| Fast Response Cutter (FRC) | 358,000,000 | 240,000,000 |
| In-Service Cutters Sustainment | 14,000,000 | 14,000,000 |
| Medium Endurance Cutter (MEC) Sustainment | 47,000,000 | 47,000,000 |
| National Security Cutter (NSC) | 77,000,000 | ––– |
| Offshore Patrol Cutter (OPC) | 25,000,000 | 25,000,000 |
| Response Boat-Medium | 110,000,000 | 90,691,000 |
| Survey and Design-Vessels and Boats | 6,000,000 | 6,000,000 |
| Subtotal, Vessels | 642,000,000 | 427,691,000 |
| Aircraft: | | |
| Long Range Surveillance Aircraft | 62,000,000 | 62,000,000 |
| HH–60 Acquisition/Conversion/Sustainment | 74,400,000 | 74,400,000 |
| HH–65 Acquisition/Conversion/Sustainment | 24,000,000 | 61,000,000 |
| Maritime Patrol Aircraft (MPA) | 129,500,000 | 129,500,000 |
| Unmanned Aircraft Systems (UAS) | ––– | 2,000,000 |
| Subtotal, Aircraft | 289,900,000 | 328,900,000 |
| Other Equipment: | | |
| C4ISR | 34,500,000 | 44,500,000 |
| Government Program Management | 35,000,000 | 30,000,000 |
| Interagency Operational Centers | 3,000,000 | 3,000,000 |
| Nationwide Automatic Identification System | 5,000,000 | 5,000,000 |
| CG–LIMS | 6,500,000 | 6,500,000 |
| Rescue 21 | 65,000,000 | 65,000,000 |
| System Engineering and Integration | 17,140,000 | 17,140,000 |
| Subtotal, Other Equipment | 166,140,000 | 171,140,000 |
| Shore Facilities and Aids to Navigation: | | |
| Major/Minor construction; Housing; ATON; and survey & design | 99,192,000 | 50,000,000 |
| Major Acquisition Systems Infrastructure | 94,500,000 | 66,000,000 |
| Subtotal, Shore Facilities and Aids to Navigation | 193,692,000 | 116,000,000 |
| Military Housing | 20,000,000 | ––– |
| Personnel and Related Support | | |
| Direct Personnel Costs | 109,592,000 | 107,342,000 |
| AC&I Core | 600,000 | 600,000 |
| Subtotal, Personnel and Related Support | 110,192,000 | 107,942,000 |
| Total, Acquisition, Construction, and Improvements | $1,421,924,000 | $1,151,673,000 |

## QUARTERLY REPORTS ON ACQUISITION PROJECTS AND MISSION EMPHASIS

The Commandant is directed to continue to submit to the Committee quarterly acquisition and mission emphasis reports consistent with deadlines articulated under section 360 of division I of Public Law 108–7. The Coast Guard shall continue submitting these reports in the same format as required in fiscal year 2010.

In addition, for each asset covered, the reports should present the objective for operational hours the Coast Guard expects to achieve, the gap between that objective, current capabilities, and stated mission requirements, and how the acquisition of the specific asset closes the gap. The information shall also include a discussion of how the Coast Guard calculated the operational hours, an explanation on risks to mission performance associated with the current shortfall, and the operational strategy to mitigate such risks.

CAPITAL INVESTMENT PLAN

The Committee directs the Commandant of the Coast Guard to revise and resubmit the fiscal years 2012–2016 Capital Investment Plan as specified in the bill. The CIP submitted with the fiscal year 2012 budget request fails to align capital investments to mission requirements; does not include current acquisition program baselines for each capital asset; does not include the associated infrastructure costs essential to the operation of each capital asset; and contains no background information or justification regarding the future-years funding assumptions. The Coast Guard is further directed to submit a CIP in accordance with the specified requirements listed in the bill in conjunction with the budget submission for fiscal year 2013 and thereafter. The Committee believes the CIP serves as the primary means of oversight for tracking the Coast Guard's recapitalization efforts and therefore must be substantially improved.

REVISED BUDGET STRUCTURE

The Committee has revised the Coast Guard's budget structure for the Acquisition, Construction, and Improvements account due to the dissolution of the Deepwater initiative and directorate. The Committee appreciates the Coast Guard's cooperation in aligning previously appropriated funds with this new PPA structure and directs the Coast Guard to submit both its fiscal year 2013 budget submission and revised and future CIPs in accordance with this new budgetary display. The Committee's standing reprogramming and transfer guidelines contained in section 503 of this Act shall be applied to these new PPAs.

NATIONAL SECURITY CUTTER

The Committee denies the request for $77,000,000 for the close-out costs of the fifth National Security Cutter (NSC) because these funds were provided in fiscal year 2011 along with funding for the full production costs of the fifth NSC. The Coast Guard has not submitted a budget amendment proposing to re-purpose these requested funds towards the pre-acquisition and long-long material costs of the sixth NSC; has currently budgeted for the full cost of the sixth NSC in fiscal year 2013, as per the capital investment plan submitted with the fiscal year 2012 budget submission; and has not informed the Committee on whether the Office of Management and Budget (OMB) would grant an exception from the full funding policy contained in OMB Circular A–11 and allow for the application of incremental funding (as has been done for the previous five NSCs).

Due to OMB's application of this Circular A–11 full funding policy upon the acquisition of NSCs five through eight, the entire NSC acquisition program baseline will be extended by several years and the unit cost for NSCs six through eight will increase by an estimated $45,000,000 to $60,000,000 per cutter (an estimated increase of six to eight percent to total acquisition cost per cutter). The Committee believes the application of a policy that results in higher costs and in the undue delay of critical operational capabilities to be illogical and counterproductive to our Nation's security needs as well as current budgetary realities. Furthermore, delays in the acquisition of the NSC will exacerbate the already escalating operating and maintenance costs of the Coast Guard's aging High Endurance Cutter fleet. Due to these undisputed adverse impacts, the Committee believes the Administration's management of the NSC acquisition program baseline to be failing in its responsibility to deliver a cost-effective capability for maritime safety and security. The Committee directs the Department's Office of the Chief Financial Officer and the Coast Guard to brief the Committee within 30 days of the date of enactment of this Act on a revised NSC acquisition strategy that addresses all known adverse impacts resulting from the application of OMB's full funding requirements for the NSC pursuant to OMB Circular A–11.

FAST RESPONSE CUTTER

The Committee recommends $240,000,000 for the acquisition of four Fast Response Cutters (FRCs), $118,000,000 below the amount requested and the same as the amount provided in fiscal year 2011. Funding for two, additional FRCs is denied due to concerns regarding structural deficiencies found during the production of the first FRC and the resulting delay in delivery of the first FRC due to the required structural modifications. The Committee is also very concerned that the Coast Guard is applying funds reserved for FRC antecedent liabilities to address the costs of these structural modifications and that this decision will likely result in future, unfunded liabilities. Because the Coast Guard has yet to conduct its operational test and evaluation (OT&E) of the first FRC, the Committee believes it is prudent to examine the empirical OT&E results before accelerating the acquisition of FRCs from four to six per year. The Committee also denies the request for the re-procurement package and data rights (RDLP) at this time because, according to the Coast Guard's fiscal year 2012 budget submission, the RDLP option of the contract is not scheduled to be executed until fiscal year 2013 and the current contract for FRC production does not expire until the end of fiscal year 2014. The Committee remains committed to the FRC acquisition, and believes replacement of the Coast Guard's aging, 110-foot Island Class patrol boat fleet to be among the Department's highest acquisition priorities. The Committee will re-consider the request for funding to support an increase in the annual production rate of FRCs and the purchase of the RDLP once outstanding issues have been fully resolved.

RESPONSE BOAT—MEDIUM

The Committee recommends $90,691,000 for the Response Boat—Medium (RB–M), $19,309,000 below the amount the requested and $48,691,000 above the amount provided in fiscal year

2011. Due to the need to address other, unfunded acquisition priorities for the Coast Guard, the Committee recommendation funds only the cost of annual full rate production of 30 RB–Ms for fiscal year 2012, rather than the requested 40 RB–Ms. The Committee's recommendation for fiscal year 2012 triples the production of 10 RB–Ms funded in fiscal year 2011.

ACQUISITION PERSONNEL

The Committee recommends $107,942,000 for direct costs of acquisition personnel, $2,250,000 below the amount requested and $1,769,000 above the amount provided in fiscal year 2011. The Committee denies the requested increase in support of the Administration's Acquisition Workforce Initiative because of an inadequate justification. The Acquisition Workforce Initiative and the requested increase for this activity does not sufficiently demonstrate the fulfillment of a needed capability the Coast Guard does not currently possess within its acquisition workforce of approximately 750 FTE. The Committee has been a consistently strong proponent of building a robust acquisition management capacity within the Coast Guard. In fact, since fiscal year 2006, funding for the Coast Guard's acquisition workforce has increased by nearly 50 percent. The Coast Guard's portion of the Acquisition Workforce Initiative neither acknowledges previously funded capacity enhancements nor identifies an unfunded capability.

MAJOR/MINOR SHORE CONSTRUCTION, HOUSING, AND AIDS TO NAVIGATION

The Committee recommends a total of $50,000,000 for shore facilities, military housing, and aids to navigation, $69,192,000 below the amount requested and $19,200,000 below the amount provided in fiscal year 2011. The recommended reduction is due to inadequate justifications and the fact that many of the requested projects require only funding for design in fiscal year 2012. The Committee has combined the funding for military housing with major and minor shore construction projects as it did in the fiscal year 2011 enacted appropriation and directs the Coast Guard to prioritize the recommended funds toward immediate operational requirements and the most pressing needs of enlisted personnel and their families. The Coast Guard is directed to submit an expenditure plan for these funds to the Committees on Appropriations of the Senate and House of Representatives no later than 30 days after the date of enactment of this Act. This expenditure plan shall also include an exhaustive list of all military housing needs, listed in priority order with associated costs for completion.

MAJOR ACQUISITION SYSTEMS INFRASTRUCTURE

The Committee recommends $66,000,000 for major acquisition systems infrastructure, $28,500,000 below the amount requested and $10,000,000 above the amount provided in fiscal year 2011. The Committee denies the request for two of the FRC port upgrades due to an insufficient budget justification; projected delays in FRC deliveries; the protracted delay in the Coast Guard's delivery of a revised FRC master schedule to the Committee; and due to serious concerns regarding the significant cost per port upgrade

that amount to nearly a 24 percent increase in the cost of each FRC. As previously stated and directed, the Coast Guard shall include the associated costs of major acquisition systems infrastructure with each capital asset, as applicable, in the CIP. Furthermore, the Coast Guard is directed to brief the Committee no later than 45 days after the date of enactment of this Act on the cost control and estimation tools it is employing to contain the costs of infrastructure modifications needed to accommodate re-capitalized and new assets.

GOVERNMENT PROGRAM MANAGEMENT

The Committee recommends $30,000,000 for government program management, $5,000,000 below the amount requested and $15,000,000 below the amount provided in fiscal year 2011. The Committee recommends this reduction due to the complete lack of detail provided by the Coast Guard in their fiscal year 2012 Congressional budget justification for this function. While Committee strongly supports the activities carried out within this function, the lack of detail provided in the budget request is inadequate to warrant a recommendation for funding the amount requested. The Coast Guard is directed to provide a detailed subdivision of funding requested for government program management in its justification materials accompanying the fiscal year 2013 budget submission.

COMMUNICATION UPGRADES OF LEGACY CUTTERS

The Committee recommends an additional $10,000,000 above the amount requested to support the costs of installation of communications systems on legacy cutters. These enhancements will improve surveillance, secure networking, and operational coordination among Coast Guard and other blue force assets. Furthermore, this increase in funding is consistent with recent DHS OIG recommendations to upgrade current maritime satellite communication equipment to provide high-speed transmission capabilities to enable cutters that interdict migrants to collect and screen certain biometric data.

HH–65 HELICOPTER RESET

The Committee recommends an additional $37,000,000 above the amount requested for the acquisition of two, replacement HH–65 helicopters that were lost in the line of duty over the past two years. The Coast Guard is directed to brief the Committee within 60 days of the date of enactment of this Act on its reset plans for irrecoverable assets lost in the line of duty.

CUTTER-BASED UNMANNED AIRCRAFT SYSTEMS

The Committee recommends an additional $2,000,000 above the amount requested for the pre-acquisition activities for cutter-based unmanned aircraft systems (UAS). The Committee supports the use of cutter-based UAS to maximize the surveillance and interdiction capabilities of the Coast Guard's cutters, but is concerned that the fiscal years 2012 through 2016 CIP submitted with the fiscal year 2012 budget request contains no funding for UAS. In the justification materials accompanying the fiscal year 2013 budget submission, the Coast Guard shall clearly outline its plans for further

investment in the acquisition and deployment of a cutter-based UAS, to include estimated acquisition costs and delivery schedule. The Committee advises that any such plan should align with the Coast Guard's CIP and should clearly identify the costs of acquisition, cutter integration, and missionization per asset, as well as a delivery and activation schedule of UAS capability per cutter. The Coast Guard shall also include with its fiscal year 2013 budget submission a report to the Committee on the impact of the absence of deployed UAS upon NSC capability and mission performance.

LAND-BASED MARITIME UNMANNED AIRCRAFT SYSTEMS

The Committee commends CBP and the Coast Guard for its collaboration on the development and deployment of a land-based, maritime unmanned aircraft system. However, the Committee notes with concern the lack of progress on this interagency coordination or subsequent acquisition of additional land-based, maritime UAS. In fact, the Coast Guard's fiscal years 2012 through 2016 Capital Investment Plan submitted with the fiscal year 2012 budget request includes no funding for land-based UAS. The Committee believes there is considerable potential in the use of persistent surveillance tools in the maritime approaches to the continental United States, namely in the Eastern Pacific and Caribbean basin. In the justification materials accompanying the fiscal year 2013 budget submission, the Coast Guard shall clearly outline its plans for further investment in the acquisition and deployment of a land-based UAS in collaboration with CBP, to include estimated acquisition costs and delivery schedule. The Committee advises that any such plan should align with the Coast Guard's CIP and should clearly identify the costs of acquisition, integration, and missionization per asset, as well as a delivery and activation schedule of UAS capability.

LONG-RANGE SURVEILLANCE AIRCRAFT

The Committee has renamed and combined the PPAs for HC–130J introduction and HC–130H refurbishment in order to allow the Coast Guard to leverage its limited funding for these activities for the most cost-effective budgeting for Long Range Surveillance (LRS) Aircraft. The Coast Guard is directed to brief the Committee no later than 45 days after the date of enactment of this Act on its evaluation of options presented in the recently completed Naval Air Systems Command business case analysis of the optimal mix of refurbished HC–130Hs and new HC–130Js.

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $24,745,000 |
| Budget estimate, fiscal year 2012 | 19,779,000 |
| Recommended in the bill | 12,779,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −11,966,000 |
| Budget estimate, fiscal year 2012 | −7,000,000 |

MISSION

The purpose of Research, Development, Test and Evaluation is to allow Coast Guard to maintain its non-homeland security research

and development capability, while also partnering with DHS and the Department of Defense to leverage beneficial initiatives.

RECOMMENDATION

The Committee recommends $12,779,000 for Research, Development, Test, and Evaluation (RDT&E), $7,000,000 below the amount requested and $11,966,000 below the amount provided in fiscal year 2011. The recommended reduction is due to an unacceptable lack of detail provided by the Coast Guard in the fiscal year 2012 Congressional budget justification for this program. While the Committee strongly supports the activities carried out within this function, the detail provided in the budget request is insufficient to warrant a recommendation for fully funding the amount requested. The Coast Guard is directed to provide a detailed subdivision of funding requested for RDT&E, to include a prioritized listing of planned activities relative to stated mission requirements, in its justification materials accompanying the fiscal year 2013 budget submission.

PACE OF RESEARCH

The Committee notes with concern the slow pace of several research and development efforts highlighted in previous reports, including development of technology to control the spread of invasive species through ballast water and development of a cutter-based UAS.

MEDICARE ELIGIBLE RETIREE HEALTH CARE FUND CONTRIBUTION [1]

| | |
|---|---|
| Appropriation, fiscal year 2011 | $265,321,000 |
| Budget estimate, fiscal year 2012 | 261,871,000 |
| Recommended in the bill | 261,871,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −3,450,000 |
| Budget estimate, fiscal year 2012 | −−− |

[1] This account is a permanent indefinite discretionary budgetary activity and is not carried in the bill.

MISSION

The Medicare-eligible retiree health care fund contribution provides funding to the Department of Defense Medicare-eligible health care fund for the health benefits of future Medicare-eligible retirees currently serving active duty in Coast Guard, retiree dependents, and their potential survivors. The authority for Coast Guard to make this payment on an annual basis was provided in the Department of Defense Appropriations Act for Fiscal Year 2005.

RECOMMENDATION

While this account requires no annual action by Congress, the Committee provides $261,871,000 to fund the Medicare-eligible retiree health care fund contribution, the same amount included in the budget submission and $3,450,000 below the amount provided in fiscal year 2011.

## RETIRED PAY

| | |
|---|---|
| Appropriation, fiscal year 2011 | $1,400,700,000 |
| Budget estimate, fiscal year 2012 | 1,440,157,000 |
| Recommended in the bill | 1,440,157,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +39,457,000 |
| Budget estimate, fiscal year 2012 | ––– |

### MISSION

This appropriation provides for the retired pay of Coast Guard military personnel and Coast Guard Reserve personnel, as well as career status bonuses for active duty personnel. In addition, it provides payments to members of the former Lighthouse Service and beneficiaries pursuant to the retired serviceman's family protection plan and survivor benefit plan, as well as payments for medical care of retired personnel and their dependents under the Dependents' Medical Care Act.

### RECOMMENDATION

The Committee recommends $1,440,157,000 for Retired Pay, the same as the amount requested and $39,457,000 above the amount provided in fiscal year 2011. The Committee includes bill language allowing funds to remain available until expended. The Coast Guard's Retired Pay appropriation is a mandatory budgetary activity.

## UNITED STATES SECRET SERVICE

## SALARIES AND EXPENSES

| | |
|---|---|
| Appropriation, fiscal year 2011 | $1,514,361,000 |
| Budget estimate, fiscal year 2012 | 1,691,751,000 |
| Recommended in the bill | 1,666,451,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +152,090,000 |
| Budget estimate, fiscal year 2012 | –25,300,000 |

### MISSION

The United States Secret Service has statutory authority to carry out two primary missions: protection of the Nation's leaders and investigation of financial and electronic crimes. The Secret Service protects and investigates threats against the President and Vice President, their families, visiting heads of state, and other designated individuals; protects the White House, Vice President's Residence, foreign missions, and other buildings within Washington, D.C.; and manages the security at National Special Security Events. The Secret Service also investigates violations of laws relating to counterfeiting of obligations and securities of the United States; financial crimes that include, but are not limited to, access device fraud, financial institution fraud, identity theft, and computer fraud; and computer-based attacks on financial, banking, and telecommunications infrastructure. The agency also provides support for investigations related to missing and exploited children.

### RECOMMENDATION

The Committee recommends $1,666,451,000 for Secret Service Salaries and Expenses, $25,300,000 below the amount requested

and $152,090,000 above the amount provided in fiscal year 2011. This includes substantial increases for the 2012 Presidential campaign season, including a $72,800,000 increase for costs associated with the core protective missions and $123,500,000 to support candidate and nominee protection (the latter number is offset by shifting, as requested, $39,000,000 from core investigative and field operations in 2012). It includes $11,307,000 for planning and advance costs associated with an unusual combination of National Special Security Events that will take place in fiscal year 2012, with the exception that it does not include $7,300,000 for the Asia-Pacific Economic Cooperation summit, for which funding is expected to be provided in fiscal year 2011. It also includes $371,000 for enhanced acquisition management support, as requested.

The Committee recommendation includes the requested $43,843,000 for Information Integration and Transformation (IIT), including $9,883,000 requested to begin IIT design and development to replace dated information technology infrastructure, provide new cyber security tools, acquire mission critical communications and classified messaging systems, and deploy the Protective Threat Management System to centralize protective intelligence and threat assessment activities, and requires the CIO to certify that the funding for IIT is consistent with DHS enterprise architecture. The recommendation does not include $18,000,000 requested for data center migration, which is not funded this year due to the need to offset the budget shortfall created by the Department's reliance on increased aviation security fees and customs fees that are yet to be authorized.

A comparison of the budget estimate to the Committee recommended levels, by budget activity, is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Headquarters Management and Administration | $246,602,000 | $228,302,000 |
| Protection: | | |
| Protection of persons and facilities | 847,693,000 | 847,693,000 |
| Protective intelligence activities | 68,125,000 | 68,125,000 |
| Presidential candidate nominee protection | 113,462,000 | 113,462,000 |
| National Special Security Event fund | 19,307,000 | 12,307,000 |
| White House mail screening | 24,315,000 | 24,315,000 |
| Subtotal, Protection | 1,073,172,000 | 1,066,172,000 |
| Investigations: | | |
| Domestic field operations | 223,991,000 | 223,991,000 |
| International field office administration, operations, and training | 30,971,000 | 30,971,000 |
| Electronic Crimes Special Agent Program and Electronic Crimes Task Forces | 53,051,000 | 53,051,000 |
| Support for missing and exploited children | 8,366,000 | 8,366,000 |
| Subtotal, Investigations | 316,379,000 | 316,379,000 |
| Training: | | |
| Rowley training center | 55,598,000 | 55,598,000 |
| Total, Salaries and Expenses | $1,691,751,000 | $1,666,451,000 |

## 2012 PRESIDENTIAL CAMPAIGN

The bill includes $113,462,000, as requested, to prepare for and support protection of presidential candidates in the 2012 campaign. If recent history is a guide, the campaign will draw an extraordinary level of national attention, involve extensive travel by the

candidates and their Secret Service details, and demand significant manpower and financial resources to ensure the Presidential election is not disrupted by those who would seek to harm our country or its leaders. The Committee supports funding this critical program but expects the Secret Service to execute its spending of these enhanced resources in a disciplined and transparent manner, and to avoid problems seen in past years. The Committee therefore directs the Secret Service, in consultation with the DHS CFO, to submit its financial control plan for 2012 campaign costs and spending not later than 30 days after the date of enactment of this Act and to provide regular updates on its implementation of such plan.

### INFORMATION TECHNOLOGY AND CRITICAL PROTECTIVE INFRASTRUCTURE

The Committee supports the efforts underway in 2011 and proposed in 2012 to invest in upgrading the information and communication infrastructure and technology systems on which the Secret Service depends to enable it to combat sophisticated criminals and increasingly sophisticated security threats. The Committee would also like better insight into Secret Service requirements to upgrade and improve its critical protective infrastructure. To those ends, the Committee directs the Secret Service to develop a revised account structure to include two new PPA categories, technology investments and base infrastructure, associated with its dual, core missions. The Committee would expect to see this new breakout reflected in the Secret Service fiscal year 2013 budget submission. The Committee encourages the Secret Service to make a clear distinction between unit cost elements associated with staffing or equipment for officers and agents (weapons, communications, transportation), which should be built into the budgets for field office and protective operations, as opposed to site-specific infrastructure.

### INTERNATIONAL FIELD INVESTIGATIONS

The Secret Service has experienced significant success in its efforts at combating counterfeiting of U.S. currency, in concert with those of its counterparts in the Government of Colombia. To build on this success, the Secret Service is seeking to establish a permanent presence in neighboring Peru, where identification and seizure of high-quality counterfeit U.S. currency rose 26 percent in 2010, and where the Peruvian National Police rely heavily on the Secret Service for support. The Committee also understands that the Secret Service is considering intensified efforts in Eastern Europe. The Committee directs the Secret Service, in conjunction with the DHS Office of International Affairs, to keep it informed of plans to establish new field operations in Lima, Peru and in other locations, particularly in light of the competing demands of the protective mission in 2012.

### STAFFING AND RETENTION

Given its unique dual-mission model, the Secret Service has a critical need to sustain the right numbers and mix of skills and experience in its Agent and Officer ranks, particularly given the in-

tense scheduling demands and the influx of younger personnel into the workforce over the past decade. The upcoming 2012 Presidential campaign will place additional demands on the Secret Service workforce. The Committee therefore directs the Secret Service to provide a briefing to the Committee no later than 90 days after the date of enactment of this Act on steps it is taking to ensure that it is meeting all the human capital challenges affecting its ability to retain key personnel, including any issues concerning compensation or retirement benefits.

### ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

| | |
|---|---|
| Appropriation, fiscal year 2011 | $3,975,000 |
| Budget estimate, fiscal year 2012 | 6,780,000 |
| Recommended in the bill | 6,780,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | 2,805,000 |
| Budget estimate, fiscal year 2012 | --- |

#### MISSION

This account supports the acquisition, construction, improvement, equipment, furnishing, and related cost for maintenance and support of Secret Service facilities, including the Secret Service Memorial Headquarters Building and the James J. Rowley Training Center (JJRTC).

#### RECOMMENDATION

The Committee recommends $6,780,000, the same level as requested in the budget and $2,805,000 above the amount provided in fiscal year 2011. This increase will go to infrastructure improvements at the JJRTC, including repairs for driving courses.

## TITLE III—PROTECTION, PREPAREDNESS, RESPONSE, AND RECOVERY

### NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

### MANAGEMENT AND ADMINISTRATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $43,577,000 |
| Budget estimate, fiscal year 2012 | 55,156,000 |
| Recommended in the bill | 42,511,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −1,066,000 |
| Budget estimate, fiscal year 2012 | −12,645,000 |

#### MISSION

The National Protection and Programs Directorate (NPPD) includes programs focused on the security of the country's physical and cyber infrastructure and interoperable communications systems. NPPD also supports biometric identity services through the US–VISIT program. The Management and Administration account funds the immediate office of the Undersecretary for National Protection and Programs; provides for administrative overhead costs such as IT support and shared services; includes a national planning office for development of standard doctrine and policy for infrastructure protection and cyber security; and includes a Risk

Management and Analysis office (RMA), which develops standard doctrine and policy for DHS risk analyses.

RECOMMENDATION

The Committee recommends $42,511,000 for the Office of the Under Secretary for NPPD, $12,645,000 below the amount requested and $1,066,000 below the amount provided in fiscal year 2011. This includes a reduction for data center migration and maintains the RMA at the fiscal year 2011 level.

RISK MANAGEMENT AND ANALYSIS

A recent study of RMA by the National Academy of Sciences (NAS) highlighted several shortcomings in this program, the success of which is critical not only to the NPPD mission but to the proper operation of the entire Department. While the NAS study concluded that the basic risk framework used by the Department is a sound approach to assess risk, other significant deficiencies mean that DHS risk analyses can only be used with a low level of confidence. Because the validity and reliability of DHS risk models are untested, NAS found that the Department's risk analysis capabilities and methods are inadequate to support DHS decision making. The NAS panel also concluded that the risks presented by terrorist attacks and natural disasters cannot be combined in one meaningful indicator of risk, and so an all-hazards risk assessment is not practical. The panel recommended major reforms to the DHS approach to risk modeling, including expert, external peer review of risk models, integration of more sophisticated threat probabilities that simulate intelligent adversaries, and incorporation of a wider range of social, health, and economic variables into existing risk models. The panel also recommended DHS develop a strategic plan to improve employees' risk analysis skills across the Departmental components most affected by such products. The Committee directs NPPD to brief the Committee within 90 days of the date of enactment of this Act on its work to implement the results of the NAS study.

## INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

| | |
|---|---|
| Appropriation, fiscal year 2011 | $840,444,000 |
| Budget estimate, fiscal year 2012 | 936,485,000 |
| Recommended in the bill | 891,243,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +50,799,000 |
| Budget estimate, fiscal year 2012 | −45,242,000 |

MISSION

Infrastructure Protection and Information Security (IPIS) works to reduce the vulnerability of the nation's critical infrastructure, key resources, information technology networks, and telecommunications systems to terrorist attacks and natural disasters. IPIS is also responsible for maintaining effective telecommunications for government users in national emergencies and for establishing policies and promoting solutions for interoperable communications at the Federal, State, and local level.

RECOMMENDATION

The Committee recommends $891,243,000 for IPIS, $45,242,000 below the amount requested and $50,799,000 above the amount provided in fiscal year 2011. The Committee does not support funding for the Acquisition Workforce Initiative. Additionally, the Committee recommends making these funds available for one year due to the lack of justification for two-year availability. After repeated inquiries by the Committee for justification of the requested two-year funds, the Department failed to provide adequate justification for the continued practice for even a portion of the funds. Based on a review of the proposed budget, it is apparent that a significant portion of the funding requested supports operation- and sustainment-type activities that do not warrant two-year obligation availabilities. Further reductions are included due to low execution and lack of justification for the proposed increases.

At the request of the Directorate, the Committee has reorganized the budget display for the Cyber Security and Communications and the Office of Infrastructure Protection programs to reflect more appropriate programmatic groupings of the activities funded in those areas. The Committee recommends further subdivision of each of these categories into additional PPA's based on details provided in the budget addendum in order to provide an additional level of oversight. The Committee contends that this level of oversight is required for programs of such national importance.

A comparison of the budget estimate to the Committee recommended level, organized in the new budget activity structure, is as follows:

| | Request | Amended request | Recommendation |
|---|---|---|---|
| Infrastructure Protection and Information Security: | | | |
| Infrastructure Protection: | | | |
| Identification and Analysis | $83,948,000 | | |
| Coordination and Information Sharing | 48,354,000 | | |
| Mitigation Programs | 189,977,000 | | |
| Infrastructure Analysis & Planning: | | | |
| Vulnerability Assessments | | | $21,268,000 |
| Infrastructure Sector Analysis | | | 26,693,000 |
| Bombing Prevention | | | 13,551,000 |
| Incident Planning and Exercises | | | 10,006,000 |
| Subtotal, Infrastructure Analysis & Planning | | 74,518,000 | 71,518,000 |
| Sector Management & Governance: | | | |
| NIPP Management | | | 10,334,000 |
| SSA Management | | | 22,732,000 |
| Management, Planning & Administration | | | 7,326,000 |
| MPA Facilities | | | 10,666,000 |
| Critical Infrastructure Technology & Architecture | | | 30,487,000 |
| Subtotal, Sector Management & Governance | | 87,045,000 | 81,545,000 |
| Regional Field Operations: | | | |
| National Infrastructure Coordinating Center (NICC) | | | 13,341,000 |
| Protective Security Advisors | | | 25,499,000 |
| Partnerships and Information Sharing | | | 18,527,000 |
| Subtotal, Regional Field Operations | | 61,367,000 | 57,367,000 |
| Infrastructure Security Compliance | | 99,348,000 | 91,848,000 |

| | Request | Amended request | Recommendation |
|---|---|---|---|
| Total, Infrastructure Protection | 322,279,000 | 322,279,000 | 302,278,000 |
| National Computer Security Division: | | | |
| US Computer Incident Response Team (US–CERT) | 391,406,000 | | |
| Strategic Initiatives | 65,339,000 | | |
| Outreach and Programs | 7,096,000 | | |
| Cybersecurity Coordination | | 5,000,000 | 4,000,000 |
| US–CERT Operations | | | |
| Mission Management | | | 23,612,000 |
| Business, Performance & Planning | | | 3,980,000 |
| Analysis | | | 27,175,000 |
| Cyber Mission Integration | | | 1,253,000 |
| Detection | | | 23,096,000 |
| Subtotal, US–CERT Operations | | 81,114,000 | 79,116,000 |
| Federal Network Security: | | | |
| Requirement and Acquisition Support | | | 3,021,000 |
| Network & Infrastructure Security (TIC) | | | 6,036,000 |
| Compliance & Assurance | | | 14,668,000 |
| Security Management | | | 1,542,000 |
| FISMA Enterprise Performance | | | 3,657,000 |
| Subtotal, Federal Network Security | | 35,050,000 | 28,924,000 |
| Network Security Deployment: | | | |
| Systems Engineering & Integration | | | 24,932,000 |
| Deployment, Logistics, & Sustainment | | | 138,677,000 |
| Program Management & Acquisition | | | 37,792,000 |
| Business, Investment & Budget | | | 27,700,000 |
| Data Center Migration. | | | 0 |
| Subtotal, Network Security Deployment | | 233,602,000 | 229,101,000 |
| Global Cyber Security Management: | | | |
| Cyber Education | | | 14,876,000 |
| Software Assurance | | | 2,147,000 |
| Research & Standards Integration | | | 2,225,000 |
| Supply Chain Risk Management | | | 5,279,000 |
| Subtotal, Global Cyber Security Management | | 24,527,000 | 24,527,000 |
| Critical Infrastructure Cyber Protection & Awareness: | | | |
| Control Systems Security | | | 28,927,000 |
| CIP-Cyber Security | | | 12,901,000 |
| Outreach & Awareness | | | 8,012,000 |
| Cyber Exercises | | | 11,524,000 |
| Subtotal, Critical Infrastructure Cyber Protection & Awareness | | 61,364,000 | 61,364,000 |
| Business Operations: | | | |
| Business Operations | | | 5,467,000 |
| Facilities | | | 6,101,000 |
| Subtotal, Business Operations | | 11,500,000 | 11,568,000 |
| Subtotal, NCSD | 463,841,000 | 463,841,000 | 438,600,000 |
| Office of Emergency Communications | 43,495,000 | 43,495,000 | 43,495,000 |
| National Security/Emergency Preparedness Telecommunications: | | | |
| Priority Telecommunications | 56,824,000 | | 56,824,000 |
| Next Generation Networks | 25,253,000 | | 25,253,000 |
| Programs to Study and Enhance Telecommunications | 13,441,000 | | 13,441,000 |
| Critical Infrastructure Protection | 11,352,000 | | 11,352,000 |

| | Request | Amended request | Recommendation |
|---|---|---|---|
| Subtotal, NS/EP | 106,870,000 | 106,870,000 | 106,870,000 |
| Total, Infrastructure Protection and Information Security | $936,485,000 | $936,485,000 | $891,243,000 |

OFFICE OF INFRASTRUCTURE PROTECTION

The Committee provides $302,278,000 for Infrastructure Protection, $20,001,000 below the request for fiscal year 2012 and $20,819,000 below the amount provided in fiscal year 2011. These decreases are due to significant unobligated balances within Infrastructure Protection programs. In addition to failing to obligate $27,959,664 of the funds provided in fiscal year 2010, Infrastructure Protection had only obligated $36,417,826 of the $323,037,000 available for obligation in fiscal year 2011 as of the end of March, 2011, or only 11 percent of their funds through the first half of the fiscal year. This low execution rate for such a critical mission is unacceptable.

INHERENTLY SAFER TECHNOLOGY (IST)

The Committee directs the Department of Homeland Security to study and report the findings of the impact of inherently safer technology (IST) requirements on chemical facilities under the purview of the Chemical Facility Anti-Terrorism Standards (CFATS) program. The report shall detail the Department's definition of IST; the cost to the Department to implement and oversee statutory or regulatory requirements; and the financial and economic cost to facilities required to implement such requirements. Finally, the report shall include findings detailing unintended consequences of implementing IST related to security and effects on other Federal agencies.

CHEMICAL FACILITY ANTI-TERRORISM STANDARDS AND AMMONIUM NITRATE

Public Law 109–295 authorized DHS to regulate security at high-risk chemical plants and other locations that maintain large quantities of potentially dangerous chemicals. Further authority to regulate the sale or transfer of ammonium nitrate fertilizer was granted to DHS in the Public Law 109–329. Since that time, DHS has established a robust screening and inspection program for facilities covered under the 2007 law, but the Department has made less progress carrying out its regulatory responsibilities for ammonium nitrate products. The Committee directs NPPD to expedite publication of its Final Rule for ammonium nitrate regulations and provide an immediate briefing on the anticipated timeline for full implementation of the program.

CYBER SECURITY

The Committee provides $438,600,000 for the National Cyber Security Division (NCSD), $25,241,000 below the amount requested and $75,547,000 above the amount provided in fiscal year 2011, based on the reconfigured Cyber Security budget structure recommended by the Committee. The Committee denies the requested technical adjustment to transfer the National Computer Forensic

Institute to the Federal Law Enforcement Training Center and directs NPPD to sustain the current program within NCSD. Reductions to the DHS cyber security program are attributable to the continued inability of the NCSD to obligate fully the funds provided by Congress and the failure to fully justify the requested funds. In fiscal year 2010, NCSD carried over $129,592,000 of the funds, or 32.6 percent, provided for fiscal year 2010. Further, as of the end of March, the program has only obligated slightly more than $59,000,000 of the over $350,000,000 available for obligation in fiscal year 2011. This continual history of failing to fully obligate funds in the year they are provided is concerning, particularly for such a critical mission.

Additionally, a proviso has been included directing the Secretary to develop a multi-year investment and management plan for the National Cybersecurity Protection System also known as EINSTEIN that provides the current and proposed acquisition, deployment and operation, and sustainment plans for the system. EINSTEIN is the Department's integrated intrusion detection and prevention system that supports the Department's responsibilities under the Comprehensive National Cybersecurity Initiative. With the threat to our Nation's cyber infrastructure growing every day, the acquisition and deployment of EINSTEIN cannot fail. The development of a thorough investment and management plan allows the Committee the level of detail required to ensure that the Department has adequately planned, programmed, and budgeted for such a significant and vital acquisition.

### CONTROL SYSTEMS SECURITY

The Committee provides $28,927,000 for the Control Systems Security Program, as requested. The Committee is aware of promising efforts to develop manufacturing standards, guidelines, and compliance procedures for industrial automation and control systems. Integrating agreed-upon industry standards into industrial automation and control systems promises a much higher likelihood of successfully countering cyber vulnerabilities. Since the development of these standards is projected to take up to 10 years, the Committee encourages DHS, in conjunction with industry partners, to accelerate the development timeline for control system security standards and to brief the Committee within 60 days of the date of enactment of this Act on its plans to meet this directive.

## FEDERAL PROTECTIVE SERVICE

| | |
|---|---|
| Appropriation, fiscal year 2011 | $1,115,000,000 |
| Budget estimate, fiscal year 2012 | 1,261,537,000 |
| Recommended in the bill | 1,261,537,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +146,537,000 |
| Budget estimate, fiscal year 2012 | ––– |

### MISSION

The Federal Protective Service (FPS) is responsible for the protection of federally owned and leased buildings and properties, particularly those under the charge and control of the General Services Administration (GSA). Funding for FPS is provided through a security fee charged to all GSA building tenants in FPS-protected

buildings. FPS has three major law enforcement initiatives: Protection Services to all Federal facilities throughout the United States and its territories; expanded intelligence and anti-terrorism capabilities; and Special Programs, including weapons of mass destruction detection, hazardous material detection and response, and canine programs.

RECOMMENDATION

The Committee recommends $1,261,537,000 for FPS, the same as the amount requested and $146,537,000 above the amount provided in fiscal year 2011. All of these expenditures will be paid by fees collected from FPS customer agencies.

## UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR TECHNOLOGY

| | |
|---|---|
| Appropriation, fiscal year 2011 | $334,613,000 |
| Budget estimate, fiscal year 2012 | 302,271,000 |
| Recommended in the bill | 297,402,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −37,211,000 |
| Budget estimate, fiscal year 2012 | −4,869,000 |

MISSION

The mission of the United States Visitor and Immigrant Status Indicator Technology (US–VISIT) program is to enhance the security of U.S. citizens and visitors; facilitate legitimate travel and trade; ensure the integrity of the immigration system; and improve and standardize the processes, policies, and systems utilized to collect information on foreign nationals who apply for visas at an embassy or consulate overseas, attempt to enter the country at established ports of entry, request benefits such as change of status or adjustment of status, or depart the United States. US–VISIT provides biometric services across the Department and more broadly to law enforcement, other agencies, and foreign partners through the automated Biometric Identification System.

RECOMMENDATION

The Committee recommends $297,402,000 for US–VISIT, as requested, though the Committee does not support funding for the Acquisition Workforce Initiative or "US–VISIT 1.0". The Committee includes: $107,976,000 for Business Support Services; $128,126,000 for Operations and Maintenance; $32,600,000 for Identity Management and Screening Services; and $28,700,000 for Unique Identity/Interoperability. The Committee is concerned that the request for US–VISIT 1.0 is duplicative of system engineering activities under Business Support Services and other efforts US–VISIT has undertaken in recent years. While the Committee supports IDENT modernization activities, the request for US–VISIT 1.0 is further study rather than actual enhancements.

Additionally, the Committee notes that the President's budget request assumed administrative savings and technical adjustments of $29,139,000. While these proposed cuts are not well-defined, the Committee believes the funding level is appropriate for US–VISIT's operational budget. Any further cuts without detailed explanation would cause concerns about US–VISIT's ability to provide critical

biometric support services to its stakeholders in essential operations.

CONGRESSIONAL BUDGET JUSTIFICATION

In fiscal year 2012, the Committee continues the requirement for an expenditure plan consistent with prior years. With the delivery of the fiscal year 2013 budget request, the Committee directs the Secretary to submit a budget that fully justifies changes from the prior year, current year, and any changes for new initiatives in order to describe and fully justify the request for US–VISIT.

In addition, the bill includes a requirement for a multi-year investment and management plan to be provided at the time of the President's budget submission and updated on an annual basis to fully justify requested funds for US–VISIT as well as project future year requirements and funding levels for projects that cross multiple years. The requirement for better justification at time of request not only instills more discipline in planning processes and enables more effective oversight but also eliminates the need for expenditure plans and withholding of funds well into the fiscal year of budget execution. US–VISIT, in conjunction with the Chief Financial Officer, is encouraged to work with the Committee in developing new materials for the Congressional Budget Justifications.

COMPREHENSIVE BIOMETRIC EXIT SOLUTION

Since 2007, this Committee has asked the Department to take a realistic approach to implementing an exit solution, and, if a decision is made to proceed, to provide a strategy and five-year implementation plan. At this time, US–VISIT has a balance of approximately $25,000,000 in prior year funding to devote to planning, designing, and implementing an exit solution. However, no plan has been submitted, and while two relatively brief and narrowly structured pilot programs for air exit were conducted in 2009 with results provided to the Committees, no action has been taken to modify or implement the proposed rule for air exit. Furthermore, the President's budget request for fiscal year 2012 proposed to allocate $24,358,000 to eliminate the overstay data analysis backlog rather than hold funds for biometric air exit.

The Committee understands that the obstacles to consensus on an exit solution are not primarily technical, though cost and design are major factors. The greatest hindrance to progress on an exit solution is the lack of a coherent, comprehensive policy on the issue, which has been languishing within the Department. It is not for lack of ideas by US–VISIT, which continues to work on options to compensate for the lack of a biometric exit. It is also not for lack of legislative direction, which is provided by the 9/11 Act mandate for a biometric system to be implemented before visa requirements can be waived for additional countries. It is due to a lack of leadership by the Department to either provide a plan or propose statutory changes. Therefore, the Committee has restricted funds within Office of the Secretary and Executive Management until the Secretary has made a decision on the path for biometric air exit and the Department has briefed the Committee on this decision.

As noted in previous reports, the Committee recognizes the actions being taken by CBP and others that could facilitate exit solutions, such as the extension of Electronic System for Travel Author-

ization information as a substitute for the paper-based I–94 entry form; major renovations underway at ports of entry, to include expanded outbound inspection infrastructure and processes; proposals to incorporate trusted traveler concepts and biometrics into aviation screening by the Transportation Security Administration; and activities by airlines to incorporate personal electronic devices and biometrics into the check-in and boarding process. Each of these presents opportunities for incorporating exit data collection—including biometric data—into the outbound and departure processes.

The Committee directs US–VISIT to continue providing quarterly briefings on its biometric exit planning, to include data sharing with Canada and Mexico, as well as any plans for incorporating exit considerations in the redesign of ports of entry and outbound inspection operations now underway. However, without a plan for action on exit, and given that the remaining balances are too low to actually implement an exit solution, the Committee finds it difficult to support maintenance of a balance that could be applied to eliminate the backlog of potential overstays, thereby enhancing biographic exit data.

The Committee therefore concurs with the proposal in the President's budget request to apply the remaining balance of funds for biometric air exit to eliminating the overstay analysis backlog. The Committee directs US–VISIT to brief the Committee not later than October 1, 2011, on its plan to eliminate the backlog of "unvetted" overstay records.

Through the Arrival and Departure Information System (ADIS), US–VISIT matches traveler departures with arrivals to ascertain compliance. The records within ADIS that do not include a departure form the basis for US–VISIT's analysis of potential overstays and eventual referral to ICE for further analysis and investigation. Optimizing ADIS for overstay identification should be the primary focus for investments into ADIS. The Committee directs US–VISIT to maintain its focus for the use of ADIS on overstay identification and reporting, particularly while a backlog of overstay analysis exists.

BUSINESS SUPPORT SERVICES

The budget request includes $107,976,000 for Business Support Services. The budget assumes a savings of $10,179,000 as a result of converting 200 contractor positions to full-time Federal employees by the end of fiscal year 2011. The Committee directs US–VISIT to continue its quarterly briefings on its hiring and staffing progress to ensure that the conversions stay on track.

OPERATIONS AND MAINTENANCE

The Committee includes $128,126,000 for Operations and Maintenance. IDENT supports absolutely essential services to the immigration and border management enterprise, managing the needs of partner agencies across the Department, other Federal agencies, State and local law enforcement, and international partners. The Committee encourages US–VISIT to continue efforts to reduce operating costs of the IDENT infrastructure, while ensuring that operations are supported. However, the Committee cannot support the $4,869,000 increase requested, as it seems to support further study rather than actual enhancements. The Committee expects

that the US–VISIT multi-year investment and management plan will outline the projected funds needed for system modernization.

IDENTITY MANAGEMENT AND SCREENING SERVICES

The Committee includes $32,600,000 for Identity Management and Screening Services, as requested, including a $1,600,000 increase to ensure that the Data Integrity Group (DIG) is able to manage the current workload of overstay records. This funding supports the Biometric Support Center, DIG, intelligence and law enforcement analysis support, and information and technical support for biometric cooperation with partner countries. The workload continues to increase for these operations, while requested funding levels have seen only slight increases. However, as the budget request states that US–VISIT will maintain current service levels to stakeholders, the Committee expects US–VISIT to sustain that service level. The Committee therefore directs US–VISIT to provide quarterly briefings on its workload and service levels, including any backlogs that may result from an influx of transactions or new users.

UNIQUE IDENTITY

The Unique Identity program was established to collect 10-print biometric information from travelers to the United States; share and compare biometric information collected and held by the Department of Justice in the Integrated Automated Fingerprint Identification System, as well as other law enforcement agencies; and enhance multi-modal capabilities in IDENT for all users. In the past three years, the Department of Defense has become an increasingly significant partner in this effort. The Department of State continues to support the interagency effort as well.

The Committee is pleased with the excellent coordination and cooperation among Federal agencies in enhancing interoperability, accelerating the response times, and sharing biometric information for national security and law enforcement purposes.

The Committee therefore includes $28,700,000 for Unique Identity. The Committee directs US–VISIT and its counterparts at the Justice, State, and Defense Departments to continue providing quarterly briefings on the progress in implementing system interoperability, operational impacts resulting from remaining gaps, and steps being taken to close such gaps.

FACIAL RECOGNITION CAPABILITY

In US–VISIT's efforts to incorporate multi-modal biometrics into IDENT, the Committee encourages continued review of operational applications for the millions of facial images in IDENT. As part of US–VISIT's next quarterly briefing, US–VISIT is directed to brief the Committee on the number of records within IDENT that do not include fingerprint data and the uses of facial images in stakeholder operations.

## OFFICE OF HEALTH AFFAIRS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $139,734,000 |
| Budget estimate, fiscal year 2012 | 160,949,000 |
| Recommended in the bill | 165,949,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +26,215,000 |
| Budget estimate, fiscal year 2012 | +5,000,000 |

### MISSION

The Office of Health Affairs (OHA) serves as the Department of Homeland Security's principal agent for all medical and public health matters. Working across Federal, State, local, tribal, and territorial governments and with the private sector, OHA has the lead DHS role in the establishment of a scientifically rigorous, intelligence-based, medical and biodefense architecture that ensures the health and medical security of our Nation.

### RECOMMENDATION

The Committee recommends $165,949,000 for OHA, $5,000,000 above the amount requested. The Committee commends OHA for requesting a significant portion of their funding as one-year funds with only $45,615,000 requested as two-year funds but notes that the request for two-year availability should contain detailed justification for the two-year requirement.

### BIOSURVEILLANCE ACTIVITIES

The Committee recommends $115,164,000 for the BioWatch program, the same as the amount requested. The Committee continues to require OHA to notify the Committee 15 days prior to deploying any BioWatch device to a new location.

In the National Academies of Sciences' recent evaluation of BioWatch and the public health surveillance systems, the NAS found that a network of sensors in strategic locations offered potential advantages in terms of the early detection of airborne agents, but BioWatch's current methods of testing and evaluation needed improvement. Moreover, a system of this sort has inherent limitations, both in geographical reach and the range of agents it might be programmed to detect. The Committee recognizes that OHA has responded to some of the recommendations of the NAS report as they pertain to the development of the Generation 3 technology. The NAS report also stated that BioWatch would need to be complemented by improved intake and analysis of data through the public health system, which is inherently broader and more flexible than BioWatch's system of detection. Therefore, the Committee has included an increase to OHA's National Biosurveillance Integration System to diversify DHS's biosurveillance capabilities and to provide BioWatch with contextual data and signals to better understand its alerts. Moreover, OHA should continue to invest in robust biosurveillance systems which incorporate Federal, State, and local partners and integrate data from a variety of health, food, social, environmental, and animal sources to provide early outbreak detection and improved situational awareness of health events.

NATIONAL BIOSURVEILLANCE INTEGRATION CENTER

The Committee recommends $7,024,000 for the National BioSurveillance Integration Center (NBIC), the same as the amount requested. The Committee remains concerned with the progress of the NBIC in defining its goals and objectives, implementing its mission, and demonstrating its value to the wider biosurveillance community of Federal partners. While the Committee believes a central location for the integration of biosurveillance information and analysis is important, the Department has not proven its ability to carry out this objective. The Committee understands that OHA plans to move forward with a new vision for the NBIC but remains concerned that this vision is vague and undefined. The Committee expects that OHA will either communicate a well-formulated strategic plan—complete with milestones—for attaining a fully functional integration center not later than the date on which the fiscal year 2013 budget request is submitted to Congress, or that the Department will no longer request funding for this activity.

CHEMICAL DEFENSE PROGRAM

The Committee recommends $2,439,000 for the Chemical Defense Program, the same as the amount requested.

PLANNING AND COORDINATION

The Committee recommends $6,162,000 for planning and coordination activities, the same as the amount requested and $2,436,000 above the amount provided in fiscal year 2011. From within these funds, the Committee recommends $2,200,000 for programs that address the wellness and resiliency of the DHS workforce. These funds will allow for the planning, production, and distribution of training and information focused on workforce health and medical support throughout the Department.

## FEDERAL EMERGENCY MANAGEMENT AGENCY

### MANAGEMENT AND ADMINISTRATION

| | |
|---|---|
| Appropriation, fiscal year 2011 [1] [2] | $1,070,311,000 |
| Budget estimate, fiscal year 2012 [3] | 1,000,099,000 |
| Recommended in the bill [1] [4] | 982,898,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −87,413,000 |
| Budget estimate, fiscal year 2012 | −17,201,000 |

[1] The fiscal year 2011 bill and the fiscal year 2012 recommendation include an additional $105,600,000 through a transfer from the Disaster Relief Fund.
[2] The fiscal year 2011 bill includes $176,311,000 through a transfer from State and Local Programs.
[3] The fiscal year 2012 request includes $185,000,000 through a transfer from State and Local Programs and Assistance to Firefighter programs.
[4] The fiscal year 2012 recommendation includes $170,000,000 through a transfer from State and Local Programs, Assistance to Firefighters and Emergency Management Performance Grants.

MISSION

The Federal Emergency Management Agency (FEMA) manages and coordinates the Federal response to major domestic disasters and emergencies of all types in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act. It supports the effectiveness of emergency response providers at all levels of government in responding to terrorist attacks, major disasters, and

other emergencies. FEMA also administers public assistance and hazard mitigation programs to prevent or reduce the risk to life and property from floods and other hazards. Finally, FEMA leads all Federal incident management preparedness and response planning through a comprehensive National Incident Management System that involves Federal, State, tribal, and local government personnel, agencies, and regional authorities.

FEMA provides for the development and maintenance of an integrated, nationwide capability to prepare for, mitigate against, respond to, and recover from the consequences of major disasters and emergencies of all types in partnership with other Federal agencies, State, local and tribal governments, volunteer organizations, and the private sector. Management and Administration supports all of FEMA's programs by coordinating all policy, managerial, resource, and administrative actions between headquarters and regional offices.

RECOMMENDATION

The Committee recommends $982,898,000 for Management and Administration, $17,201,000 below the amount requested and $87,413,000 below the amount provided in fiscal year 2011, of which $3,000,000 is for unfunded maintenance and capital improvements at national training centers. The recommendation includes a decrease of $7,200,000 for data migration and a direct appropriation increase of $5,000,000 to offset reductions in the requested amount transferred from grant programs. This recommendation includes a transfer of $105,600,000 from the Disaster Relief Fund, consistent with previous years. In addition, the bill transfers 10 percent of the funding provided to State and Local Grants, Firefighter Assistance Grants, and Emergency Management Performance Grants to this account for the administrative functions related to these programs. Similar transfers have occurred in previous years.

The Committee takes seriously its responsibility to provide FEMA with the support the agency needs to fulfill its mission. This commitment to a strong FEMA is evident in part through the appropriations provided over the last few fiscal years. In fact, funding for management and administrative functions has more than doubled since fiscal year 2006. The Committee believes, however, that with this growth in funding, transparency into the workings of the agency has diminished. It is for this reason that the Committee directs FEMA to provide an expenditure plan for fiscal year 2012, by office and including staffing data, for the Management and Administration account within 60 days of the date of enactment of this Act. FEMA shall provide a quarterly report detailing obligations against the expenditure plan and a justification for any changes in spending. Furthermore, language has been included that directs FEMA to include the same plan for fiscal year 2013 with the delivery of the budget.

The Committee is aware that there are limitations after major disasters when reaching out to rural areas. The Committee strongly encourages FEMA to work with rural communities and have plans for timely outreach to rural communities after disasters.

CONGRESSIONAL JUSTIFICATION

The Committee continues bill language requiring FEMA to submit its fiscal year 2013 budget request by office. The Committee is pleased that this year's budget submission provided fiscal year 2012 budget request levels for many priority programs. For the fiscal year 2013 budget submission, the Committee directs FEMA to continue to provide the same level of budget information for programs and activities identified in the fiscal year 2012 budget request.

FEMA CHIEF INFORMATION OFFICE

The Committee recommends $96,274,000 for the office of the Chief Information Officer, the same as the amount requested. While the Committee commends the CIO for the gains they have made in the transformation of information technology (IT) programs at FEMA, concern remains about the amount of work yet to be accomplished. In a recent audit by the Department's Office of Inspector General, the Chief Information Officer for FEMA was cited for lacking control over the agency's IT structure and modernization of programs. Included in the audit were the following recommendations:

1. Develop a comprehensive IT strategic plan with clearly defined goals and objectives to support program IT initiatives.
2. Complete and implement a FEMA-enterprise architecture to establish technical standards and guidelines for systems acquisitions and investment decisions.
3. Establish and maintain a complete, comprehensive enterprise IT systems inventory.
4. Establish an agency-wide IT budget planning process to include all FEMA program technology initiatives and requirements.
5. Obtain agency-wide IT investment review authority to ensure that all IT initiatives and systems development efforts align with FEMA's mission.
6. Establish a consolidated modernization approach for FEMA's mission-critical IT systems, to include DHS plans for integrated asset management, financial, and acquisition solutions.

The Committee directs the Administrator to provide a briefing to the Committee within 30 days of the date of enactment of this Act on the corrective procedures underway to address the Inspector General's recommendations.

NATIONAL CAPITAL REGION

The Committee provides $5,493,000 for the Office of National Capital Region Coordination, the same amount as requested and $1,502,000 below the amount provided in fiscal year 2011.

MOUNT WEATHER EMERGENCY OPERATIONS CENTER

The Committee recommends $5,863,000 for the Mount Weather Emergency Operations Center facility, $6,137,000 below the amount requested. The Committee recommends a reduction from the request due to concerns over the lack of execution of funds. The funds available for obligation in fiscal year 2011 include $91,669,816 from prior year appropriations after only obligating $9,116,445 in fiscal year 2010. The Committee understands that

managerial changes have been made and that FEMA plans to execute funds more rapidly in fiscal year 2011, but based on the current execution reports, this has yet to occur. The Committee requests FEMA keep it apprised of any changes to the plan and progress in its implementation.

EMERGENCY MANAGEMENT INSTITUTE

The Committee recommends $9,000,000 for the Emergency Management Institute (EMI), the same as the amount requested and the amount provided in fiscal year 2011. EMI provides training to Federal, State, local, tribal, public, and private sector officials to strengthen emergency management core competencies. The Committee again requires FEMA to clearly show the amount requested for EMI in the budget justification in future years.

URBAN SEARCH AND RESCUE

The Committee recommends $35,250,000 for Urban Search and Rescue (US&R) from within the amount requested for Management and Administration, $6,137,000 above the amount requested and the same as the amount provided in fiscal year 2011. The Committee remains concerned with the readiness level of US&R teams and, therefore, recommends additional funding to ensure the teams are properly trained and equipped to respond to future disasters.

## STATE AND LOCAL PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

| | |
|---|---|
| Appropriation, fiscal year 2011 | $2,229,500,000 |
| Budget estimate, fiscal year 2012 [1] | 3,844,663,000 |
| Recommended in the bill | 1,000,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −1,229,500,000 |
| Budget estimate, fiscal year 2012 | −2,844,663,000 |

[1] The Administration proposed moving Emergency Management Performance Grants and Firefighter Assistance Grants under State and Local Programs.

MISSION

State and Local Programs help build and sustain the preparedness and response capabilities of the first responder community. These programs include support for various grant programs, training programs, planning activities, and technical assistance.

RECOMMENDATION

The Committee recommends $1,000,000,000 for State and Local Programs, $2,844,663,000 below the amount requested and $1,229,500,000 below the amount provided in fiscal year 2011. These reductions are due to the persistent lack of quantifiable metrics that measure the additional capability that our Nation has gained for the billions that have been invested and the inability of programs to expend their funds in a timely manner. These concerns, combined with the inadequacy of the Department's request for a number of other programs, such as ignoring $4,900,000,000 in known disaster costs and $650,000,000 in offsets from aviation security and customs fee revenue that has not yet been authorized, force the Committee to make tough decision on all programs.

Due to a historical pattern of poor execution and management, the Committee is recommending significant reform to the DHS grants process. For years, the Committee has asked question after question of the Department regarding grants and the returns the taxpayers are getting for the funds invested. Today, these questions remain largely unanswered. Therefore, the Committee is making three significant recommendations on first responder grants.

First, the Committee recommends reorganizing the grant program to allow funds to be directed towards the highest need. In the wake of recent terrorist activity, this reorganization will allow the Secretary the discretion to apply limited funds to the programs that have the highest need based on the threat and risk. To address urban areas with the highest threat, the Committee has included language specifically limiting Urban Area Security Initiative funds to the top 10 highest risk urban areas.

Second, the Committee has addressed the massive amounts of unexpended balances in programs. Based on the latest estimates, the Department currently has almost $13,000,000,000 in previously appropriated funds that remain unspent dating back to fiscal year 2005. This level of unexpended balances is unacceptable. To encourage a sense of urgency, the Committee includes a proviso directing the Administrator of the FEMA to submit within 60 days of the date enactment of this Act, a plan to expend all unexpended balances by the end of fiscal year 2012 from funds appropriated prior to fiscal year 2008 under the heading "State and Local Programs".

Third, the Committee has included language directing the submission of the National Preparedness Goal and National Preparedness System consistent with the directions within the recently signed Presidential Policy Directive—8. Funds have been fenced within the funding provided for the Office of the Secretary until information on these programs are provided to the Committee.

As part of the budget request, the Administration proposed including the Firefighter Assistance Grants and Emergency Management Performance Grants under this program. The Committee has again denied this proposal and provides funding for both of these grant programs as separate appropriations, consistent with prior years. A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| State and Local Programs | | $807,337,000 |
| Basic State Formula Grants | $1,050,000,000 | |
| Operation Stonegarden | [50,000,000] | [55,0000,000] |
| REAL ID/Drivers' License Security Grants | | |
| Citizen Corps | | |
| Metropolitan Medical Response System | | |
| Citizen Corps | 13,000,000 | |
| Emergency Management Performance Grants [1] | 350,000,000 | |
| Firefighter Assistance Grants [1] | 670,000,000 | |
| Fire Grants | [265,000,000] | |
| Staffing for Adequate Fire and Emergency Response (SAFER) Grants | [405,000,000] | |
| Urban Area Security Initiative | 920,000,000 | |
| Public Transportation Security Assistance and Railroad Security Assistance | 300,000,000 | |
| Intercity (Over the Road) Bus Security Grants Amtrak | [20,000,000] | |
| Port Security Grants | 300,000,000 | |
| Buffer Zone Protection Plan Grants | 50,000,000 | |

| | Budget estimate | Recommended |
|---|---|---|
| National Programs: | | |
| Center for Domestic Preparedness | 62,500,000 | 62,500,000 |
| National Domestic Preparedness Consortium | 44,500,000 | 44,500,000 |
| Continuing Training Grants | 20,663,000 | 25,663,000 |
| Technical Assistance | 10,000,000 | 10,000,000 |
| Evaluations and Assessments | 14,000,000 | 10,000,000 |
| National Exercise Program | 40,000,000 | 40,000,000 |
| Subtotal, National Programs | 191,663,000 | 192,663,000 |
| Total, State and Local Programs | $3,844,663,000 | $1,000,000,000 |

[1] Funded in a separate account.

In accordance with the 9/11 Act, at least 25 percent of SHSGP and Urban Area Security Initiative funds shall be used for Law Enforcement Terrorism Prevention activities. Each State and Puerto Rico shall pass on no less than 80 percent of their grant funding to local units of government within 45 days of receiving the funds.

Within the funds available, the Committee recommends $55,000,000 for Operation Stonegarden. All awards under Operation Stonegarden shall be made on a competitive basis to tribal governments and units of local government, including towns, cities, and counties along borders of the United States to enhance the coordination between local and Federal law enforcement agencies. Operation Stonegarden's eligible costs include, but shall not necessarily be limited to: overtime; vehicle maintenance; vehicle and equipment rental costs; reimbursement for mileage; fuel costs; equipment replacement costs; and travel costs for law enforcement entities assisting other local jurisdictions in law enforcement activities. The Committee directs that only CBP and FEMA make award decisions. No administrative costs shall be deducted from Operation Stonegarden award totals by States.

Operation Stonegarden has been a successful program aimed at targeting resources to local law enforcement supporting Federal operations along the border. In order to continue to monitor the program's efficiency and ensure funding is being allocated to areas of greatest need and risk, the Committee requires FEMA and CBP undertake a thorough analysis using the most current data and brief the Committee on the information it will use to assess which areas are in greatest need of funding.

The Committee includes bill language allowing the transfer of up to 10 percent of State and Local program dollars to FEMA's Management and Administration account for costs associated with administering grants and training programs. FEMA is required to submit an expenditure plan not later than 60 days after the date of enactment of this Act on the use of the administrative funds. In the judgment of the Committee, the fiscal year 2010 expenditure plan included items that may not be directly associated with the management and administration of these programs. The Committee strongly cautions FEMA to adhere to the intent of this funding.

The Committee is aware that previous grant guidance conflicts with the 9/11 Act by further limiting the amount of funds that can be used to pay the salaries and expenses for intelligence analysts. The Committee directs FEMA to fully comply with the 9/11 Act.

The Committee continues bill language mandating timeframes for the application process of certain grants to ensure that funds do not languish at DHS.

For the purposes of determining eligibility for funds, any county, city, village, town, district, borough, parish, port authority, transit authority, intercity rail provider, commuter rail system, freight rail provider, water district, regional planning commission, council of government, Indian tribe with jurisdiction over Indian country, authorized tribal organization, Alaskan Native village, independent authority, special district, or other political subdivision of any State shall constitute a "local unit of government".

The Committee includes a general provision requiring FEMA to brief the Committee five days prior to any announcement of State and local grants awards. Such briefings shall include detailed information on the risk analysis employed, the process for determining effectiveness, the process or formula used for selecting grantees, and any changes to methodologies used in the previous fiscal year.

The Committee is aware of the changes that DHS and FEMA have implemented in fiscal year 2011 with regards to the risk formulas for the State Homeland Security Program and Urban Area Security Initiative. The new formulas introduce new criteria that has significantly impacted risk scoring of numerous State and urban areas. The Department is encouraged to consider prior acts of terrorism such as the attack on the Alfred P. Murrah Building Federal Building and recent domestic plots and homegrown threats when refining the risk formulas. Further, the Committee directs the Department to brief the Committee on the method use to develop the current formula within 30 days of the date of enactment of this Act.

Lastly, The Committee directs the Administrator of the FEMA to publish on the Agency's website, on a biannual basis, a summary of the quarterly financial status reports that grantees are required to submit to the Agency. The summary shall, at a minimum, include for each grant the name of the grantee; a brief description of the project carried out with the grant; the percentage of such project that is completed; and other relevant information at the discretion of the Director.

MEASURING CAPABILITY

A continuing concern of this Committee has been the Department's failure to assess capabilities and identify gaps within the Nation's preparedness systems. These concerns are not new and are shared by others, including the Department's own Inspector General and the Government Accountability Office. Since 9/11, Congress has appropriated almost $38,000,000,000 for grants to enhance the capability of State, territory, local and tribal governments to prepare for, prevent, respond to, and recover from disasters. However, there is currently no comprehensive, objective assessment of national capability developed with this funding or the gaps that remain between current capability and documented requirements.

Dating back to the 2003 signing of Homeland Security Presidential Directive–8, DHS and FEMA have been directed to establish a national, all-hazard preparedness goal to include action to strengthen preparedness capabilities. Later, in the Department of

Homeland Security Appropriations Act, 2007, Congress included further reform directing DHS and FEMA to develop a national preparedness goal and a national preparedness system with clear and quantifiable performance metrics, measures, and outcomes. These were to include capability levels at the time of assessment against target capability levels and the resource needs to meet the desired levels. Three years later, Congress again addressed national preparedness in the Department of Homeland Security Appropriations Act, 2010, directing the creation of a Local, State, Tribal and Federal Preparedness Task Force and specified that the Task Force expressly address the most appropriate way to collectively assess our capabilities and our capability gaps. More recently on March 31, 2011, the President issued a new Presidential Policy Directive addressing National Preparedness.

However, even with all these efforts, the Department and FEMA have failed to develop a valid system to measure national preparedness. Even though the taxpayers have invested almost $38,000,000,000 in a multitude of grant programs, the Department is unable to assess to what degree the Nation's preparedness has been improved. When pressured by Congress, the Department replies with excuses and plans for new studies that thus far have failed to measure any level of preparedness. Today, our Nation's fiscal crisis compels the Committee to discontinue robust funding for programs that do not have quantifiable metrics.

In a recent report, GAO raised concerns over grants and the lack of assessment capabilities. GAO suggested that Congress consider limiting funding until FEMA completes an assessment of capability gaps, which should identify the potential cost for establishing and maintaining those capabilities. The report further notes that Congress could limit the use of Federal preparedness grant programs to fund only projects that support the development of identified, validated, and documented capability gaps.

The Committee concurs with the findings of the GAO and is recommending substantially reduced levels for the various grant programs due to continued concerns with the lack of metrics. The Committee can no longer fund these programs at such high levels without knowing the results in improved preparedness.

As noted in March, the President signed Presidential Policy Directive–8 (PDD–8), which includes many of the same directives previously issued. The Committee hopes this will place renewed focus on national preparedness. Similar to the Post-Katrina Emergency Management Reform Act, the new PDD–8 directs the Secretary of Homeland Security to develop a National Preparedness Goal and a National Preparedness System. The PDD also directs the Department to have a comprehensive approach to measuring capabilities to include clear, objective, and quantifiable performance measures against the target capability levels indentified by the national preparedness goals. PDD–8 directs the Department to submit to the President the National Preparedness Goal within 180 days and National Preparedness System within 240 days of the President signing the directive.

The Committee commends the President for directing DHS and FEMA to measure capabilities with quantifiable metrics. The Committee directs the Secretary of Homeland Security to brief the Committee within 15 days after the Department's submission to

the President of the National Preparedness Goal and the National Preparedness System to include information on timelines and budgetary impacts.

As outlined in PDD–8, the brief on the National Preparedness Goal shall include the risks of specific threats and the associated vulnerabilities—taking into account regional variations—and include concrete, measurable, and prioritized objectives to mitigate risk. It shall define the core capabilities necessary to prepare for the specific types of incidents that pose the greatest risk to the security of the Nation and shall emphasize actions aimed at achieving an integrated and layered approach.

Consistent with PDD–8, the brief on the National Preparedness System shall include the guidance for planning, organization, equipment, training, and exercises to build and maintain domestic capabilities; the corresponding resource and equipment guidance; and the methodology used to develop the target capability levels and comprehensive approach to assess national preparedness that uses consistent methodology to measure the operational readiness of national capabilities at the time of assessment, with clear quantifiable performance measures, against the target capability levels identified in the National Preparedness Goal.

To further emphasize the importance of these requirements, funds within the Office of the Secretary and Executive Management have been restricted until the Committee has been fully briefed on both the National Preparedness Goal and the National Preparedness System.

NATIONAL PROGRAMS

The Committee recommends $192,663,000 for National Programs, $1,000,000 above the amount requested and $56,837,000 below the amount provided in fiscal year 2011. The Committee is aware of the unique capabilities of regional training centers that provide training for first responders where they can receive initial training and additional training related to new techniques and technologies. The Committee encourages the Department to continue to work with regional training centers in future funding requests. Further, the Committee encourages the Department to review the need for additional university-based centers that could provide medical readiness training and research, and community resiliency for public health and healthcare critical infrastructure.

NATIONAL DOMESTIC PREPAREDNESS CONSORTIUM

Included within the amount provided for National Programs, the Committee recommends $44,500,000 for the National Domestic Preparedness Consortium, NDPC, the same as the amount requested and $48,500,000 below the amount provided in fiscal year 2011. The Department's National Training Program targets the essential elements needed for the protection of our Nation, our emergency response providers and their leadership. The Committee encourages the Department to continue to build on past successes with NDPC by continuing to support the program.

CENTER FOR DOMESTIC PREPAREDNESS

Included within the amount provided for National Programs, the Committee recommends $62,500,000 for the Center for Domestic Preparedness, the same as the amount requested and the same as the amount provided in fiscal year 2011.

NATIONAL EXERCISE PROGRAM

Included within the amount provided for National Programs, the Committee recommends $40,000,000 for the National Exercise Program, the same as the amount requested and $2,000,000 above the amount provided in fiscal year 2011. This program provides the opportunity for key leaders at the Federal, State, local, territory, and tribal levels, along with representatives of nongovernmental organizations and the private sector, to gauge the effectiveness of plans, policies, and procedures for responding to natural disasters and terrorist attacks.

TECHNICAL ASSISTANCE

Included within the amount provided for National Programs, the Committee recommends $10,000,000 for technical assistance, the same as the amount requested and $3,000,000 below the amount provided in fiscal year 2011. The Committee recognizes that State and local officials require technical assistance to ensure that equipment is used properly and to support effective planning.

CONTINUING TRAINING GRANTS

Included within the amount provided for National Programs, the Committee recommends $25,663,000, $5,000,000 above the amount requested and $3,337,000 less than the amount provided in fiscal year 2011. The budget request was a significant decrease to the continuing training programs from prior years. The Committee partially restores the funding for this vital program. As stated earlier, the Committee is concerned with FEMA's interaction with rural and hard to reach areas and encourages FEMA to work with these populations to enhance training for first responders in rural, tribal, and small communities.

EVALUATIONS AND ASSESSMENTS

Included within the amount provided for National Programs, the Committee recommends $10,000,000 for evaluations and assessments, $4,000,000 below the amount requested and $4,000,000 below the amount provided in fiscal year 2011 due to the lack of progress in the assessments of the grant programs.

The Committee continues to be concerned with an apparent lack of ability to develop and implement a framework to assess national preparedness capabilities. The GAO reports that between fiscal years 2008 and 2010, FEMA spent approximately $58,000,000 to develop and implement seven evaluation efforts. Still, the Committee is unable to extract information regarding the Nation's state of preparedness, the ability to measure increases in preparedness, or any assessment of the impact of the tens of billions of dollars that have been appropriated in preparedness grants since fiscal year 2003.

GAO shall continue to monitor the development of any DHS system to measure the effectiveness of grant programs and report quarterly to the Committee with updates.

EMERGENCY MANAGEMENT ASSISTANCE COMPACT

The Committee recommends $2,000,000 for the Emergency Management Assistance Compact (EMAC), the same as the amount requested. These funds shall have a one-year period of performance. EMAC is a mutual aid system that provides a critical contribution to the Nation's disaster response capacity, allowing a State to quickly and efficiently request and receive assistance from other States when disaster strikes.

## FIREFIGHTER ASSISTANCE GRANTS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $810,000,000 |
| Budget estimate, fiscal year 2012 [1]. | |
| Recommended in the bill | 350,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −460,000,000 |
| Budget estimate, fiscal year 2012 | +350,000,000 |

[1] The budget request includes $670,000,000 for Firefighter Assistance Grants within State and Local Programs.

MISSION

Firefighter Assistance Grants are provided to local fire departments for the purpose of protecting the health and safety of the public and protecting fire fighting personnel, including volunteers and emergency medical service personnel, against fire and fire-related hazards.

RECOMMENDATION

The Committee recommends $350,000,000 for Firefighter Assistance Grants, $350,000,000 above the amount requested and $460,000,000 below the amount provided in fiscal year 2011. The budget request did not include a separate appropriation for Firefighter Assistance Grants but instead proposed $670,000,000 for this activity within State and Local Programs. Within this level, the Committee recommends $200,000,000 for the Assistance to Firefighters Grant program (AFG), which provides firefighter equipment, training, vehicles, and other resources. The Committee also recommends $150,000,000 for firefighter jobs under the Staffing for Adequate Emergency Response (SAFER) program.

The Committee notes that the cost per fighter is extremely high. In fiscal year 2012, the budget requests $405,000,000 to enable the hiring of more than 2,200 firefighter positions, or $184,000 per firefighter. The Committee urges the Department to review the costs associated with this program.

FEMA is directed to continue granting funds directly to local fire departments and to include the United States Fire Administration during the grant decision process. FEMA is also directed to maintain an all-hazards focus and is prohibited from limiting beyond current law the list of eligible activities, including those related to wellness. Funds are available until September 30, 2013, and no more than 10 percent may be used for administrative expenses. FEMA is required to submit an expenditure plan not later than 60

days after the date of enactment of this Act on the use of the administrative funds.

The Committee continues the requirement for FEMA to peer review AFG and SAFER grant applications that meet criteria established by FEMA and the Fire Service to clearly define the criteria for peer review in the grant application package; to rank order applications according to peer-review; and to fund applications according to their rank order. For those applicants whose grant applications are not reviewed, FEMA must provide an official notification detailing why the application did not meet the criteria for review.

## EMERGENCY MANAGEMENT PERFORMANCE GRANTS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $340,000,000 |
| Budget estimate, fiscal year 2012 [1] | ––– |
| Recommended in the bill | 350,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +10,000,000 |
| Budget estimate, fiscal year 2012 | +350,000,000 |

[1] The budget request includes $350,000,000 for Emergency Management Performance Grants within State and Local Programs.

### MISSION

Emergency Management Performance Grant (EMPG) funds are used to support comprehensive emergency management at the State and local levels and to encourage the improvement of mitigation, preparedness, response, and recovery capabilities for all hazards.

### RECOMMENDATION

The Committee recommends $350,000,000 for EMPG, $350,000,000 above the amount requested and $10,000,000 above the amount provided in fiscal year 2011. The request did not include a separate appropriation for EMPG, but instead proposed $350,000,000 for this activity within State and Local Programs. Consistent with past years, the Committee again does not agree to transfer EMPG to State and Local Programs, continuing instead to fund the EMPG program as a separate appropriation. EMPG is the one true source of funding for emergency managers that is focused on preparing for all hazards. EMPG is the only grant program within FEMA that requires a 50/50 match at the State and local level, which is evidence of the commitment by State and local governments to make emergency management a top priority, especially while most are experiencing financial crisis. Many of the EMPG funds help pay for the personnel to run key programs, and funds for this program must remain flexible to ensure they support the full gamut of responsibilities required of emergency managers.

The Committee directs FEMA to continue EMPG grant practices used in fiscal year 2007, including a continued emphasis on all-hazards activities and the inclusion of personnel expenses and Emergency Operations Centers as eligible uses of funding.

## RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

| | |
|---|---|
| Appropriation, fiscal year 2011 | −$265,000 |
| Budget estimate, fiscal year 2012 | −896,000 |
| Recommended in the bill | −896,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −631,000 |
| Budget estimate, fiscal year 2012 | −−− |

### MISSION

The Radiological Emergency Preparedness Program (REPP) ensures that the public health and safety of citizens living near commercial nuclear power plants will be adequately protected in the event of a nuclear power station incident. In addition, the program informs and educates the public about radiological emergency preparedness. REPP provides funding only for emergency preparedness activities of State and local governments that take place beyond nuclear power plant boundaries.

### RECOMMENDATION

The Committee provides for the receipt and expenditure of REPP fees, which are collected as authorized by Public Law 105–276. The request estimates that fee collections will exceed expenditures by $361,000 in fiscal year 2011.

## UNITED STATES FIRE ADMINISTRATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $45,588,000 |
| Budget estimate, fiscal year 2012 | 42,538,000 |
| Recommended in the bill | 42,538,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −3,050 |
| Budget estimate, fiscal year 2012 | −−− |

### MISSION

The mission of the United States Fire Administration (USFA) is to reduce economic losses and loss of life due to fire and related emergencies through leadership, coordination, and support. USFA trains the Nation's first responder and health care leaders to evaluate and minimize community risk, enhance the security of critical infrastructure, and better prepare communities to react to emergencies of all kinds.

### RECOMMENDATION

The Committee recommends $42,538,000 for USFA, the same as the amount requested and $3,050,000 below the amount provided in fiscal year 2011. The Committee requests that future budget justifications identify funding levels for the National Fire Incident Reporting System and National Fire Academy, as well as any other initiatives.

## DISASTER RELIEF

(INCLUDING TRANSFERS OF FUNDS)

| | |
|---|---|
| Appropriation, fiscal year 2011 | $2,650,000,000 |
| Budget estimate, fiscal year 2012 | 1,800,000,000 |
| Recommended in the bill | 2,650,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | ––– |
| Budget estimate, fiscal year 2012 | +850,000,000 |

### MISSION

FEMA is responsible for administering disaster assistance programs and coordinating the Federal response following presidential disaster declarations. Major activities under the Disaster Relief Fund (DRF) include: providing aid to families and individuals; supporting the efforts of State and local governments to take emergency protective measures, clear debris, and repair infrastructure damage; mitigating the effects of future disasters; and helping States and local communities manage disaster response, including the assistance of disaster field office staff and automated data processing support.

### RECOMMENDATION

The Committee recommends $2,650,000,000 for Disaster Relief, $850,000,000 above the amount requested and the same as the amount provided in fiscal year 2011. The recommendation continues to include a transfer of $16,000,000 from Disaster Relief to the Office of Inspector General and a transfer of $105,600,000 to FEMA Management and Administration for program costs.

The Committee strongly urges FEMA to work with rural, hard-to-reach populations when responding to disasters. In many cases, rural areas with the least infrastructure and access to communications are the forgotten populations due to the inaccessibility of the locations. The Committee commends FEMA on its efforts in responding to disasters but recommends they work to provide additional outreach to rural areas.

FEMA spends approximately $300,000,000 annually on disaster readiness and support costs from the DRF. FEMA shall submit an expenditure plan to the Committees detailing the use of funds for disaster readiness and support costs not later than 60 days after the date of enactment of this Act. FEMA shall provide a quarterly report detailing obligations against the expenditure plan and a justification for any changes in spending.

The Committee directs FEMA to continue to submit a monthly report detailing allocations, obligations, and undistributed amounts related to all disasters, including Hurricanes Katrina, Rita, and Wilma that shall maintain the same level of data as currently presented to the Committees on Appropriations.

The Committee includes a proviso which directs the submission of a quarterly report providing estimates of funding requirements for disaster relief for the current fiscal year and the succeeding three fiscal years which shall include: (a) an estimate, by quarter, for the costs of all previously designated disasters; (b) an estimate, by quarter, for the cost of future disasters based on a five-year average, excluding catastrophic disasters; (c) an estimate, by quarter,

for the costs of catastrophic disasters, subdivided by disaster and including the amount already obligated and the remaining cost; and (d) an estimate of the date on which the "Disaster Relief" balance will reach $800,000,000.

To enable improved validity of requests for disaster relief in the future budget submissions, the Administrator of FEMA shall develop a policy that defines the five-year average used to develop the budget estimates for the DRF not later than 60 days after the date of enactment of this Act. The policy shall include a clear definition of the five-year average used as a basis for the request, the responsible official who develops the average, and the data source(s) used. In addition, the policy should note any permitted adjustments made to each year's gross obligation totals such as which "catastrophic" disasters are excluded from obligation totals; inflation adjustments; and the source of recoveries applied against the obligation total. The Administrator of FEMA shall brief the Committee within 90 days of date of enactment of this Act on the policy and its guidelines.

The Committee further directs that FEMA include in its fiscal year 2013 budget submission for disaster relief a clear statement of the five-year average used as a basis for the request, the fiscal years included in the average, and a list of the obligations for each of the five fiscal years. In addition, FEMA should note all adjustments made to each year's gross obligation total, including a record of which "catastrophic" disasters are excluded from each year's obligation total and the amount excluded; inflation adjustments; and the amount and source of recoveries applied against the obligation total.

FISCAL YEAR 2012 DISASTER RELIEF FUNDING

The fiscal year 2012 request includes $1,800,000,000 for Disaster Relief. FEMA based this request upon a rolling, five-year average of obligations for non-catastrophic disaster activities which are disaster activities that are in excess of $500,000,000. DHS claims a funding level made up of the five-year average—combined with prior year recoveries and carryover funds—will support the obligation level for non-catastrophic disaster activity in fiscal year 2012 (this excludes funding for extraordinary events, such as the series of 2004 hurricanes in Florida, Hurricanes Katrina and Rita in 2005, and the California Wildfires in 2007). Even though FEMA is aware of additional funding requirements for prior year events, they did not request discretionary funding for them, and based on testimony by the Secretary, FEMA plans to rely upon emergency supplemental appropriations later in the year to pay for the known but unfunded costs.

The $1,800,000,000 request significantly underfunds known requirements for current and past events. FEMA states that it uses a rolling five-year average; however, the current monthly average is $383,000,000 per month, or $4,600,000,000 per year for non-catastrophic disasters. The budget assumes $900,000,000 in recovered, unobligated balances from prior year disasters. However, this $900,000,000 in estimated recoveries does not offset the amount required—it still leaves $1,900,000,000 unfunded for new disasters in fiscal year 2011. FEMA has stated in testimony that efforts are underway to fund portions of this through additional recovered, unob-

ligated balances but thus far have not been able to detail how much may be recovered.

Additionally, as noted above, FEMA has only requested funding for non-catastrophic disaster activity, even though there are known requirements for prior year events in excess of $3,000,000,000 in fiscal year 2012. Combined with the requirement for non-catastrophic activity, the Disaster Relief requirement for fiscal year 2012 exceeds $7,500,000,000.

When faced with a similar situation in fiscal year 2011, Congress reallocated funds from within other Homeland Security programs to fund Disaster Relief. However, due to the significant amount unfunded in fiscal year 2012 and the assumption of increases in aviation passenger fee collections and customs user fees that have yet to be authorized and that are not in the jurisdiction of the Committee on Appropriations, the Committee is unable to do the same in fiscal year 2012. Instead, the Committee recommends $2,650,000,000, $850,000,000 above the request to cover the cost of expected non-catastrophic events and assumes the Department's estimates for additional recoveries of unobligated balances to fund the remaining portion of the non-catastrophic requirements.

To address the known catastrophic requirement that may exceed $3,000,000,000 in fiscal year 2012 for which the Department failed to request funding, the Committee includes a new proviso. Under the heading for Disaster Relief, the Committee directs that the President shall submit a budget amendment, offset from within discretionary funds, not later than three months prior to the date that the Administrator of the FEMA estimates that the total amount remaining unallocated in Disaster Relief will reach $800,000,000, and that the request shall account for all estimated funding requirements for that fiscal year.

## DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT SUBSIDY

| | |
|---|---|
| Appropriation, fiscal year 2011 | $295,000 |
| Budget estimate, fiscal year 2012 | 295,000 |
| Recommended in the bill | 296,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +1,000 |
| Budget estimate, fiscal year 2012 | ––– |
| Limitation on Direct Loans: | |
| Appropriation, fiscal year 2011 | $25,000,000 |
| Budget estimate, fiscal year 2012 | 25,000,000 |
| Recommended in the bill | 25,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | ––– |
| Budget estimate, fiscal year 2012 | ––– |

### MISSION

Beginning in 1992, loans made to States under the cost-sharing provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act were funded in accordance with the Federal Credit Reform Act of 1990. The Disaster Assistance Direct Loan Program Account, which was established as a result of the Federal Credit Reform Act, records the subsidy costs associated with the direct loans obligated beginning in 1992 to the present.

RECOMMENDATION

The Committee recommends $25,000,000 as requested for the limitation on direct loans from the Disaster Assistance Direct Loan Program, pursuant to Section 319 of the Stafford Act, and a subsidy of $296,000 to cover the cost of loans.

## FLOOD HAZARD MAPPING AND RISK ANALYSIS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $182,000,000 |
| Budget estimate, fiscal year 2012 | 102,712,000 |
| Recommended in the bill | 102,712,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −79,288,000 |
| Budget estimate, fiscal year 2012 | ––– |

MISSION

The mission of the Flood Hazard Mapping and Risk Analysis fund is to modernize, maintain, and digitize the inventory of maps and develop a more integrated process of identifying, assessing, communicating, and mitigating flood related risks. This information is used to determine appropriate risk-based premium rates for the National Flood Insurance Program, complete hazard determinations required for the Nation's lending institutions, and develop appropriate mitigation and disaster response plans for Federal, State, and local emergency management personnel.

RECOMMENDATION

The Committee recommends $102,712,000 for Flood Hazard Mapping and Risk Analysis, the same as the amount requested and $79,288,000 below the amount provided in fiscal year 2011. The Committee notes that an additional $107,320,000 is available for flood plain management and mapping activities within the National Flood Insurance Fund. While the Committee commends the Department for requesting a fiscally austere budget, there is concern that the Department has forsaken its legislative requirement for flood mapping. This decrease will significantly delay the mandated flood mapping process to 2020.

The Committee endorses FEMA's Risk Mapping, Assessment, and Planning (Risk MAP) vision to develop a more integrated process of identifying, assessing, communicating, and mitigating flood related risks. To support this goal, FEMA is directed to provide no less than 20 percent of the funds provided under this heading be made available for development of flood hazard and risk related data and risk communication products conducted by Cooperating Technical Partners that provide a 25 percent cash match and have a strong record of working effectively with FEMA on floodplain mapping activities. With the fiscal year 2013 budget request, FEMA shall submit to the Committee a status report on the progress made towards the five-year Risk MAP strategy.

When allocating map modernization funds, the Committee encourages FEMA to prioritize as criteria the number of stream and coastal miles within the State and the participation of the State in leveraging non-Federal contributions.

The Committee lauds FEMA's progress in transitioning the flood mapping program to a digital environment. The Committee believes significant savings can be achieved through further reduction

or elimination of costly cartographic map making. Therefore, FEMA is directed to report within six months after the date of enactment of this Act on its timetable and efforts to transition from cartographic Flood Insurance Rate Map panel grids to a database-generated digital display environment. In transitioning from a cartographic to digital display environment, FEMA shall collaborate with key Federal, State, private, and association stakeholders.

The Committee believes that ongoing stakeholder engagement is critical to successful implementation of FEMA's Risk MAP vision. Therefore, the Committee directs FEMA to establish a Risk Map Advisory Committee to provide FEMA with sustained, ongoing advisory input and feedback on Risk Map implementation including, but not limited to: flood risk assessment and communication; national digital elevation data acquisition; database-generated, paperless map display; data standards, models, and methodologies; and cooperative funding strategies. The Risk MAP Advisory Committee shall include representation from Federal, State, and local governments; national non-government organizations; and private sector lending, insurance, and service providers that are considered direct stakeholders and/or contributors to the Risk MAP vision. The Committee strongly encourages FEMA to include State and local Cooperating Technical Partners on the Advisory Committee. Members of the Advisory Committee shall be selected by the FEMA Administrator, or his designee, based on their demonstrated knowledge and competence regarding surveying, remote sensing, geographic information systems, or the technical aspects of preparing, using, and communicating flood hazard and risk data. FEMA should submit an annual report to the Committee documenting the activities and recommendations of the Advisory Committee and actions taken by FEMA.

## NATIONAL FLOOD INSURANCE FUND

| | |
|---|---|
| Appropriation, fiscal year 2011 | $169,000,000 |
| Budget estimate, fiscal year 2012 | 171,000,000 |
| Recommended in the bill | 171,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +2,000,000 |
| Budget estimate, fiscal year 2012 | ––– |

### MISSION

The National Flood Insurance Fund (NFIF), which was established in the Treasury by the National Flood Insurance Act of 1968, is a fee-generated fund that supports the National Flood Insurance Program. The Act, as amended, authorizes the Federal Government to provide flood insurance on a national basis.

### RECOMMENDATION

The Committee includes bill language providing up to $22,000,000 for salaries and expenses to administer the NFIF, the same as the amount requested and $145,000 below the amount provided in fiscal year 2011. Consistent with the budget request, the Committee provides no funding for the severe repetitive loss property mitigation pilot program under section 1361A of the National Flood Insurance Act; $10,000,000 for the repetitive insurance claims properties under section 1323 of the National Flood Insur-

ance Act; and $60,000,000 for Flood Mitigation Assistance under section 1366 of the National Flood Insurance Act. No less than $149,000,000 is available for flood plain management and flood mapping. Flood mitigation funds are available until September 30, 2012, and funding is offset by premium collections. The Committee also includes a general provision to authorize the program through fiscal year 2012.

## NATIONAL PREDISASTER MITIGATION FUND

| | |
|---|---|
| Appropriation, fiscal year 2011 | $50,000,000 |
| Budget estimate, fiscal year 2012 | 84,937,000 |
| Recommended in the bill | 40,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −10,000,000 |
| Budget estimate, fiscal year 2012 | −44,937,000 |

### MISSION

The National Predisaster Mitigation Fund provides technical assistance and grants to State, local, and tribal governments, and to universities to reduce the risks associated with disasters. Resources support the development and enhancement of hazard mitigation plans, as well as the implementation of disaster mitigation projects.

### RECOMMENDATION

The Committee recommends $40,000,000 for the National Predisaster Mitigation Fund, $44,937,000 below the amount requested and $10,000,000 below the amount provided in fiscal year 2011. The Committee recommends a reduction due to a continued practice of carrying over significant funds. In fiscal year 2012, the program plans to carry over $105,967,000 from funds previously appropriated. Even with the proposed reduction, there are sufficient funds to continue the program due to the amounts still unobligated from previous years.

## EMERGENCY FOOD AND SHELTER

| | |
|---|---|
| Appropriation, fiscal year 2011 | $120,000,000 |
| Budget estimate, fiscal year 2012 | 100,000,000 |
| Recommended in the bill | 120,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | ––– |
| Budget estimate, fiscal year 2012 | +20,000,000 |

### MISSION

The Emergency Food and Shelter National Board Program was created in 1983 to supplement the work of local social service organizations within the United States, both private and governmental, to help people in need of emergency assistance. The program provides funds to local communities for homeless programs, including soup kitchens, food banks, shelters, and homeless prevention services.

### RECOMMENDATION

The Committee recommends $120,000,000 for the Emergency Food and Shelter Program, $20,000,000 above the amount requested and the same as the amount provided in fiscal year 2011.

# TITLE IV—RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES

## UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

| | |
|---|---|
| Appropriation, fiscal year 2011 | $146,593,000 |
| Budget estimate, fiscal year 2012 | 369,477,000 |
| Recommended in the bill | 132,361,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −14,232,000 |
| Budget estimate, fiscal year 2012 | −237,116,000 |

### MISSION

The mission of the United States Citizenship and Immigration Services (USCIS) is to process all immigrant and non-immigrant benefits provided to visitors to the United States; adjudicate naturalization requests; promote national security as it relates to immigration issues; eliminate immigration adjudication backlogs; and implement solutions to improve immigration customer services. USCIS also maintains substantial records and data related to the individuals who have applied for immigration benefits.

### RECOMMENDATION

The Committee recommends $132,361,000 in discretionary appropriations for USCIS, $237,116,000 below the requested level and $14,232,000 below the amount provided in fiscal year 2011. The decrease is largely due to the Committee's belief that the costs for processing asylum claims and refugee applications, as well as providing immigrant integration grants, should be supported through fee revenues. Further, the Committee does not include funds for data center migration activities. While the Committee supports these activities, the President's budget request assumed an increase in aviation security fees in order to fund this program at the requested levels. This fee is not within the jurisdiction of the Committee on Appropriations, and the Committee has adjusted its fiscal year 2012 recommendation for this account accordingly.

No funding is provided for the cost of military naturalizations, which the Committee believes should be paid by the Department of Defense (DoD), as proposed in the budget. The Committee strongly encourages USCIS and DoD to negotiate a memorandum of understanding for reimbursement of naturalization costs as soon as possible to ensure that military naturalizations are not interrupted due to delays in payments from DoD.

### USER FEE FUNDED PROGRAMS

The budget estimates that USCIS will utilize $2,537,389,000 in fee-funded expenditures in fiscal year 2012. The Committee recommendation adds an additional $207,000,000 to that amount for asylum and refugee processing, for a total of $2,744,389. Revenues from fees paid by persons applying for immigration benefits constitute the majority of USCIS's resources, and support adjudication of applications for immigration benefits as well as government investigations aimed at preventing fraud within the immigration system.

In the current fiscal crisis, the Committee cannot ignore significant cash balances as potential offsets for other USCIS needs.

While fee revenues have been lower in recent years, this year's projected fees are higher. It is critical that USCIS continue to monitor its fee revenues and obligations against those fee collections. The Committee directs USCIS to continue to brief the Committee quarterly on fee revenues and obligations.

USCIS TRANSFORMATION

The Committee is disappointed with the lack of progress on the USCIS Transformation program to date. USCIS has assured the Committee that the first application type will be online by the end of calendar year 2011. The Committee directs USCIS to provide quarterly briefings to the Committee on progress related to USCIS Transformation, including tracking cost and schedule for all milestones and noting any performance issues.

VALIDATION INSTRUMENT FOR BUSINESS ENTERPRISES

Within 60 days of the date of enactment of this Act, USCIS shall report to the Committee on a plan to appropriately and timely check on the eligibility of agricultural employers to participate in the H2A visa program, recognizing the difficulties these particular employers have faced under the current system. It is the Committee's intention to ensure that participating agricultural employers can be verified through the Validation Instrument for Business Enterprises program prior to actual submission of the I–129 to the USCIS. In the past, agricultural employers' workers have been delayed for multiple weeks while these employers jumped through seemingly unnecessary, bureaucratic hoops, so they can participate in the H2A visa program.

ELECTRONIC ACCESS TO IMMIGRATION INFORMATION

Within the total fees collected, the Committee directs USCIS to provide no less than $29,000,000 to continue conversion of immigration records to digital format. The efficiencies and cost savings associated with electronically maintaining this information for immediate access for appropriate users across the immigration continuum, rather than shipping A-Files across the country, as needed, and retaining millions of pages of paper files, should be realized. The occurrence of losing an applicant's personal history and information through a shipping error—or waiting for the file in the mail to document a simple decision and move a case forward—must be eliminated. That is the rationale for directing USCIS to provide A-Files in a digital format to those who need to access them, particularly within USCIS, for ICE, and for immigration law proceedings.

The Committee has become aware that ICE and the Executive Office for Immigration Review have requested paper files despite access to digital records. Two reasons cited are the preference for original documents and the difficulty of accessing files through the Enterprise Document Management System (EDMS). While the Committee examines the question of original documents—whether that is a mere preference due to antiquated rules or a true need, the Committee directs USCIS to document the concerns its users have with EDMS. Further, the Committee notes that ICE is formalizing its internal policy to utilize digital records. The Com-

mittee encourages ICE to expedite issuance of such a policy and work with EOIR to address their concerns or barriers to the use of digital records in proceedings. The Committee directs USCIS, in conjunction with ICE and EOIR, to brief the Committee on their progress and concerns no later than October 1, 2011.

REFUGEE APPLICATIONS AND ASYLUM CLAIMS

The Committee cannot recommend appropriated funds to offset the cost of processing refugee applications and asylum claims. As in prior fiscal years, the Committee directs USCIS to continue utilizing fee revenue to cover the cost of these activities. While USCIS does not charge applicants directly to process refugee or asylum claims, the cost has traditionally been supported through USCIS fee collections for other immigration applications. Although the current fee rule, issued in December 2010, does not include this cost, the Committee directs USCIS to include the cost of processing refugee and asylum applications in its current study to develop the next fee rule. Given the current fiscal crisis and the operational costs borne by taxpayers across the Department, the Committee expects USCIS to include the cost of processing refugee applications and asylum claims into the new fee rule, as has traditionally been the practice.

E-VERIFY

The Committee provides $102,424,000 for the E-Verify system, as requested. The Committee commends USCIS on its progress in incorporating additional data sets and capability to improve the rate of employees automatically, and accurately, confirmed as work authorized. That includes the addition of photo verification for passports and the upcoming availability of certain driver's license photos for photo verification. The Committee encourages USCIS to continue introducing additional data sets for document verification to ensure the accuracy, efficiency, and fraud prevention capabilities of E-Verify. It is also important for USCIS to continue its outreach to increase the number of employers participating in E-Verify. For that purpose, the Committee encourages USCIS to promote E-Verify participation, including publishing on its website the names of participating employers for access by employees, patrons, and the public. The Committee acknowledges privacy considerations associated with small business participants that may operate out of personal residences; information regarding such businesses can be withheld from publication.

USCIS must also ensure that there are appropriate controls and analytical systems in place to identify inappropriate use of the E-Verify system by employers. As a result, the Committee directs USCIS to provide regular briefings on its progress implementing a robust compliance review program for E-Verify, including any instances of misuse of the system and actions taken to address those instances. The Committee also directs USCIS to report on any case of an authorized worker being fired erroneously as a result of misuse or system error, as well as what USCIS is doing to ensure such incidents do not occur. The Committee also requests information on how many individuals placed calls to the national toll-free number and how the issues raised on those calls were resolved.

SYSTEMATIC ALIEN VERIFICATION FOR ENTITLEMENTS

As requested in the budget, the Committee provides $29,937,000 in appropriated funds for the Systematic Alien Verification for Entitlements (SAVE) program. SAVE is an electronic system to provide Federal, State, and local agencies that award various public benefits such as driver's licenses, public housing subsidies, and Federal education grants with eligibility verification. Although SAVE has previously been financed by collections from the public benefits agencies that use the system, the revenue from these fees has not been adequate to offset the full operating costs of the program. Furthermore, the Department makes a compelling argument that by eliminating user fees levied on Federal, State, and local agencies, more agencies will be able to enroll in the program and thus ensure that the benefits they are providing are only made available to individuals who qualify for them.

The Committee remains concerned, however, that adequate protections must be put in place to ensure the SAVE system is used as designed and intended, namely as a means to certify eligibility for public benefits. In light of these concerns, the Committee directs OIG to review the systems and processes the SAVE program has in place to monitor compliance by users with the program's rules, what enforcement actions have been undertaken in cases where noncompliance has been determined, the processes USCIS and user agencies have in place to enable applicants for benefits to request correction of records where they believe they have been subject to any erroneous SAVE determination, and the average length of time taken to adjudicate such requests. The OIG report should be completed no later than 270 days after the date of enactment of this Act.

REAL ID

The Department has consistently put forward unobligated balances from the USCIS REAL ID funds for rescission, refusing to identify appropriate purposes for these funds. The Committee strongly supports the goals of securing identification documents, particularly driver's licenses. There are unfunded needs for enhancing the security of driver's licenses, and the Department has significant flexibility in applying the funds to the best possible purposes toward this end. The Committee directs the Screening Coordination Office, in conjunction with USCIS, to brief the Committee no later than July 1, 2011, on its intentions for obligating the $10,000,000 remaining in unobligated balances for REAL ID. Further, the Committee is disappointed at the failure of the States to draw down the Driver's License Security Grant funds provided in recent years. The Department is directed to brief the Committee, before October 1, 2011, on the steps being taken to encourage the States to draw down these funds, the progress on draw down, and the specific reasons by jurisdiction for the delay in draw down.

The Committee also notes that the security of breeder documents used to obtain a driver's license remains an important issue. The 9/11 Commission recommended that the Federal Government set standards for the issuance of sources of identification, specifically calling out birth certificates and driver's licenses. While the government has failed to issue standards for birth certificates, this is an

eligible use of certain DHS grant funds, and REAL ID funds appropriated to USCIS have been used for enhancements to the Electronic Verification of Vital Events (EVVE) system. The Committee supports the use and further development of EVVE.

IMMIGRANT INTEGRATION PROGRAMS

The Department requested appropriated funds to fully support the Office of Citizenship and grants to organizations that provide citizenship preparation services. While the Committee supports the efforts of the Office of Citizenship to promote civic education through the naturalization process, the Committee recommends the use of fee funds for this purpose. Active civic participation is critical to continuing the American way of life, which is why individuals seeking citizenship must take the naturalization test to assess their knowledge of these topics. The legal permanent residents who are seeking citizenship preparation services are the direct beneficiaries of this funding. USCIS has sufficient cash balances in its fee accounts to support these grants, if it chooses to prioritize its use of fee funds for this purpose. Due to concerns about whether the immigrant integration grants could be funded through fee collections, the bill includes a general provision clarifying the availability of fee funds for that purpose. At the same time, the Committee notes that private, non-profit organizations across the country have been performing these services without support from USCIS grants for many years.

NATURALIZATION CEREMONIES

The Committee directs USCIS to identify, in the 2013 budget submission, all funds allocated to naturalization and oath of allegiance ceremonies. In addition, the Committee directs USCIS to work with local public and private groups to hold naturalization and oath of allegiance ceremonies as part of community Independence Day celebrations. The Committee also encourages USCIS to review internal policies that limit its ability to use fee revenues to make small grants and to provide agency employee support to local community groups that would otherwise be financially unable to host such ceremonies.

STATELESS PERSONS

The Committee has become aware of the tragedy of approximately 4,000 individuals in the United States who may be classified as "stateless" because they have no legal claim to U.S. residency but are unable to return to their country of origin. This situation can arise because of changes in political structures such as the collapse of the Soviet Union, destruction of citizenship records due to revolution or civil unrest, and other geopolitical changes outside of their control. In such cases, there is no legal pathway for stateless persons in the United States to gain lawful status, and therefore they remain unable to participate fully in society. The Committee encourages USCIS to work with CBP, ICE, and the Office of Immigration Statistics to review DHS records and attempt to quantify the number of stateless persons in the country. The Committee also encourages USCIS to provide recommendations to the relevant Congressional committees of jurisdiction that are de-

veloping immigration reform legislation so that USCIS has legal methods to address statelessness in the future.

## FEDERAL LAW ENFORCEMENT TRAINING CENTER

### SALARIES AND EXPENSES

| | |
|---|---|
| Appropriation, fiscal year 2011 | $235,919,000 |
| Budget estimate, fiscal year 2012 | 238,957,000 |
| Recommended in the bill | 238,957,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +3,038,000 |
| Budget estimate, fiscal year 2012 | ––– |

#### MISSION

The Federal Law Enforcement Training Center (FLETC) provides the necessary facilities, equipment, and support services to conduct advanced, specialized, and refresher training for Federal law enforcement personnel. Specifically, FLETC serves as an interagency law enforcement training organization for over 80 Federal agencies with personnel located throughout the United States and its territories. FLETC also provides services to State, local, and international law enforcement agencies, and on a space available basis, to other Federal agencies with related law enforcement missions.

FLETC is headquartered in Glynco, GA and has facilities in Artesia, NM and Charleston, SC. Each of these facilities is designed primarily for residential training operations. A fourth training facility is located in Cheltenham, MD, and provides in-service and re-qualification training for officers and agents in the Washington, D.C. area.

#### RECOMMENDATION

The Committee recommends $238,957,000 for FLETC, as requested. Within the funds provided is $29,716,000 for Management and Administration and $1,304,000 for the Federal Law Enforcement Training Accreditation Board.

### ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

| | |
|---|---|
| Appropriation, fiscal year 2011 | $35,456,000 |
| Budget estimate, fiscal year 2012 | 37,456,000 |
| Recommended in the bill | 35,456,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | ––– |
| Budget estimate, fiscal year 2012 | −2,000,000 |

#### MISSION

This account provides for the acquisition, construction, improvements, equipment, furnishings, and related costs for expansion and maintenance of facilities of the Federal Law Enforcement Training Center.

#### RECOMMENDATION

The Committee recommends $35,456,000 for Acquisition, Construction, Improvements, and Related Expenses, $2,000,000 below the amount requested and the same as the amount provided in fis-

cal year 2011. While the Committee understands FLETC has facility needs to support their customers, the President's budget request assumed an increase in aviation security and COBRA fees in order to fund this program at the requested levels. This fee is not within the jurisdiction of the Committee on Appropriations and the Committee has adjusted its fiscal year 2012 recommendation for this account accordingly.

## SCIENCE AND TECHNOLOGY

### MANAGEMENT AND ADMINISTRATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $141,200,000 |
| Budget estimate, fiscal year 2012 | 149,365,000 |
| Recommended in the bill | 140,565,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −635,000 |
| Budget estimate, fiscal year 2012 | −8,800,000 |

#### MISSION

The Management and Administration appropriation provides for the salaries and expenses of the Science and Technology Directorate (S&T).

#### RECOMMENDATION

The Committee recommends $140,565,000 for Science and Technology Management and Administration, $8,800,000 below the amount as requested, and $635,000 below the amount provided in fiscal year 2011. Within this total, the Committee provides $10,000 for reception and representation costs. The Committee does not include $3,800,000 requested for data center migration. In addition, the Committee does not include the proposed $3,000,000 increase to support moving the staff for the transformational research and development for radiological and nuclear technology from the Domestic Nuclear Detection Office (DNDO), although it expects S&T to work collaboratively with DNDO and share its particular R&D capacity with DNDO, as discussed below. Finally, an additional $2,000,000 decrease is recommended in light of the contraction of the research portfolio recommended in the bill and described below.

### RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $688,036,000 |
| Budget estimate, fiscal year 2012 | 1,027,067,000 |
| Recommended in the bill | 398,213,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −289,823,000 |
| Budget estimate, fiscal year 2012 | −628,854,000 |

#### MISSION

The mission of the Science and Technology Directorate is to develop and deploy technologies and capabilities to secure our Homeland. This Directorate conducts, stimulates, and enables research, development, testing, evaluation, and the timely transition of homeland security capabilities to Federal, State, and local operational end users. This activity includes investments in both evolutionary and revolutionary capabilities with high-payoff potential; early deployment of off-the-shelf, proven technologies to provide for

initial defense capability; near-term utilization of emerging technologies to counter current terrorist threats; and development of new capabilities to thwart future and emerging threats.

RECOMMENDATION

The Committee recommends $398,213,000 for Research, Development, Acquisition and Operations (RDA&O), $628,854,000 below the amount requested and $289,823,000 below the amount provided in fiscal year 2011.

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Research, Development, and Innovation | $659,900,000 | $106,500,000 |
| RD&I: APEX | [17,900,000] | |
| RD&I: Border Security | [43,000,000] | |
| RD&I: Chem/Bio/Radiological/Nuclear/Explosives Defense | [342,500,000] | |
| RD&I: Disaster Resilience | [165,700,000] | |
| RD&I: Cyber Security | [64,100,000] | |
| RD&I: Counter Terrorist Research and Development | [26,700,000] | |
| Acquisition and Operations Support | 54,154,000 | 53,650,000 |
| Laboratory Facilities | 276,500,000 | 201,500,000 |
| University Programs | 36,563,000 | 36,563,000 |
| Total, Research, Development, Acquisition, and Operations | $1,027,067,000 | $398,213,000 |

BUDGET ACCOUNT REORGANIZATION

This bill marks a turning point for Science and Technology and for its core research activity, with the Committee recommending a reduction for RDA&O that is 57 percent below the request and 42 percent below the fiscal year 2011 levels (after excluding transformational research and development on radiological and nuclear threats, which the Committee recommends funding through the Domestic Nuclear Detection Office appropriation).

The Committee believes that S&T must more clearly demonstrate significant contributions to the homeland security mission and should prioritize the development of near-term, operational projects that promise substantive gains to our Nation's security. S&T will be required to do this under the funding levels proposed above. The Committee believes that S&T has a meaningful role to play within DHS and affirms that this reduction will change the nature and scope of S&T's research. Nevertheless, the Committee was forced to find offsets to make up for a budget gap created by the budget request's reliance on unauthorized and unrealized aviation security and customs fees, as well as inadequate disaster funding. When faced with such difficult choices, the Committee chose to keep DHS frontline missions and capabilities robust while taking a harder look at components that have had difficulty demonstrating their immediate contributions to the homeland security enterprise. S&T has not fully justified the billions of taxpayer dollars that it has spent on R&D, and the Committee believes these revised funding levels will force the Directorate to concentrate its efforts on its highest priority projects.

The Committee rejects the Directorate's proposal to reorganize its R&D funding into a single Research, Development and Innovation (RD&I) PPA. Such an all-encompassing category is too large

and vague, even at the level recommended in this bill, to permit meaningful oversight. This lack of transparency would outweigh the benefits to S&T of flexibility in administering such funds. The justification provided for granting such discretion is inadequate. The Committee does, however, agree that existing PPAs could be adjusted to more accurately reflect S&T's current structure and research priorities.

Accordingly, the Committee recommends a revised PPA structure within the RD&I construct that aligns the PPAs with the RD&I thrust categories displayed in the table above. The Committee does not recommend specific funding levels for these PPA categories but instead directs S&T to re-estimate how it would spread the RD&I funding across those categories, given significant funding changes and a need to prioritize the Directorate's most promising investments. The Committee directs S&T to submit its funding plan for these PPAs not later than 30 days after the date of enactment of this Act and strongly encourages S&T to set funding for the APEX program at or near the requested level, since it is directly linked to accelerated development of near-term, operational technology improvements.

SCIENCE AND TECHNOLOGY CONTRIBUTIONS TO HOMELAND SECURITY

The Directorate is in the midst of a watershed period. RDA&O funding grew steadily until 2010, going to a wide variety of research areas and resulting in multiple studies and interim work products. Yet for the billions of dollars spent, the impact of S&T investment and research has not been sufficiently demonstrated, as many projects remain in the development stage. Thus, it is timely that the Under Secretary has made it her priority to streamline the model of S&T to shorten the time to delivery of its R&D efforts. This is critical, since there is very limited awareness throughout Congress, the interagency community, and among the general public that the work S&T has done—and is doing—has demonstrated value or tangible products and outputs that improve the homeland security mission.

The Committee supports the mission of S&T and believes in the need to leverage R&D throughout government, academia, and the private sector to strengthen and support homeland security missions. But S&T must demonstrate how its R&D efforts are timely, with results relatively well-defined, and above all, make investment decisions based on clear and sensible priorities. Focusing on innovation, putting cutting-edge research to work, and communicating its successes more effectively should be top priorities, and the Committee fully expects the proposed funding levels will force S&T to make more focused, high-return investment decisions.

PORTFOLIO REVIEWS

The Committee applauds S&T's initiation of annual portfolio reviews to measure the performance and potential of its R&D programs to produce results. While some risk is inherent in R&D, timely reviews of project effectiveness can help make such risk manageable. The Committee directs S&T to brief it on the conclusion of the annual portfolio reviews including, but not limited to, an assessment of S&T's most promising projects, an appraisal of

those that scored poorly, and any plans to modify or reallocate funding from underperforming initiatives.

IN-Q-TEL PARTNERSHIP

The Committee understands that S&T has entered into an $11,000,000 partnership on homeland security challenges with In-Q-Tel, a nonprofit organization that has demonstrated success in helping the intelligence community identify technology solutions to meet national security needs. Other U.S. Government agencies have found partnering with In-Q-Tel to be of high value, and the Committee is eager to determine whether DHS can achieve similar gains. Because the Committee seeks to ensure that projects funded under this effort are not duplicative or conflict with existing S&T research, it directs S&T to provide a briefing not later than 60 days after the date of enactment of this Act detailing the terms of its engagement with In-Q-Tel and the research areas in which they are collaborating.

AVOIDING DUPLICATIVE RESEARCH

The Federal Government spends billions of dollars each year on R&D and faces a responsibility to taxpayers to be certain that those funds are not wasted on programs that duplicate similar efforts being conducted elsewhere, either in a different agency or in the private sector. The Committee understands that S&T currently lacks the ability to certify—before embarking on a new research initiative—that technology solutions or similar R&D programs in a given subject area do not already exist elsewhere. This is unacceptable and leaves open the possibility that research programs could be duplicative or wasteful. However, the Committee notes that S&T leadership plans to close this gap by improving its "tech foraging" capability to assess the state-of-play in its research areas—both inside and outside of government—before initiating new projects. The Committee directs S&T to provide a briefing no later than 120 days after the date of enactment of this Act on its tech foraging efforts and their impact on the R&D process at S&T.

APEX PROJECTS

The Committee, as noted above, is looking to the Department to re-estimate how it would apply its RD&I funding. However, the Committee strongly supports funding S&T's APEX projects as close as possible to the requested level of $17,900,000, which is $10,400,000 above the amount provided in fiscal year 2011. The APEX initiative gives special attention to high-priority, high-value projects expected to quickly produce results to solve a homeland security challenge. It is not yet clear that elevating these projects to a higher status produces better or more rapid results, but the Committee is interested in following the program's progress. S&T has so far initiated only one APEX project, which focuses on helping the U.S. Secret Service better integrate technology into its protective mission. The Committee recommends fully funding this effort, given its relevance to current operational needs and its role as a pilot effort for the APEX approach.

Given the flexibility associated with APEX funds, the Committee intends to exercise special oversight over the use of the mechanism,

and directs S&T to: (1) brief the Committee before initiating any new APEX project to include, but not be limited to, information on the goals and costs of the proposed effort; and (2) provide quarterly updates on existing APEX projects to include, but not be limited to, the status of the initiative, project costs, and approximate project completion date.

LABORATORY FACILITIES

The Committee recommends $201,500,000 for laboratory facilities, $75,000,000 below the amount requested. This includes $75,000,000 (instead of $150,000,000) to fund initial construction efforts at the National Bio- and Agro-defense Facility (NBAF) in Manhattan, Kansas. While the recommended funding is below the request due to the need to find offsets for unauthorized aviation security fees and customs user fees, the Committee believes it will enable S&T to initiate meaningful segments of the NBAF project, for which only partial funding was included in the request. The Committee directs S&T to submit a detailed update of its fiscal year 2012 NBAF construction plan and schedule not later than 60 days after the date of enactment of this Act.

The Committee expects to receive the National Academy of Sciences assessment of the Department's revised, site-specific biosafety and biosecurity mitigation risk evaluation required in the fiscal year 2011 Appropriations Act and will use its observations and recommendations to help inform the Committee's continued oversight of this important project.

RADIOLOGICAL AND NUCLEAR RESEARCH

The Committee recommends no funding for radiological and nuclear research, instead of the $98,700,000 requested. The Committee instead recommends that this research remain within the Domestic Nuclear Detection Office. While the Committee recognizes that S&T is the lead agency for homeland security research, and that it has established a network of diverse research communities, it is not yet clear that the transformational and basic research related to nuclear detection is better removed from the agency with primary responsibility for nuclear detection policies and investments. In fact, the Committee is concerned that DNDO may find significantly reduced support for its research mission, given the shift in S&T to quicker payoff investments. Therefore, the Committee is not persuaded that the proposed realignment is optimal and finds the Department's justification for the shift to have been insufficient. At the same time, the Department expects S&T to work closely with DNDO and bring to bear its unique research and development expertise and resources on the specific challenges of radiation and nuclear detection.

CRITICAL NATIONAL INFRASTRUCTURE PROTECTIVE TECHNOLOGIES

The Committee is encouraged by recent advances in new, miniaturized protective technology, such as nanotechnology or microelectromechanical systems, that could reduce risk for major national infrastructure systems, such as energy distribution, industrial control systems, communication networks, power pumping stations, and similar critical infrastructure. The Committee encour-

ages Science and Technology to investigate the development and testing of such technologies for disaster mitigation.

The Committee is also aware of the potential of technology used in defense applications to provide anomaly detection, which can provide early prediction and prevention of natural and manmade threats to physical infrastructure components such as roadways, dams, waterways, and power plants. The Committee encourages the Department to explore the potential of such technology to collect and analyze resonant, surface, and temperature data; permit remote assessment of infrastructure; and identify priority inspection points.

RURAL RESILIENCY

It is a matter of national importance that rural communities recover quickly after both manmade and natural disasters, be able to restore their commerce and re-establish the quality of life. That such capacity is critical is evident in the terrible storm and flood damage that struck rural America this year. The Committee strongly encourages S&T to ensure that its Disaster Resilience projects address the requirements of rural communities and include research and outreach efforts on rural resiliency. Such efforts should include identifying resilience capacity and the development of education and resilience mitigation measures that could be standardized and used as a model for communities across the country.

FIRST RESPONDER COMMON OPERATING PICTURE

Given the wide variety of threats that face the Nation's critical infrastructure and population, and the need to share information rapidly across all levels of government, there would be value in having a real-time, common operating picture for first responders that could facilitate information dissemination and sharing. The Science and Technology Directorate is conducting research related to chemical, biological, radiological, nuclear, and explosive defense for first responders, and is also developing improved information sharing systems for first responders through its disaster resilience research portfolio efforts. The Committee encourages the Directorate to build on these research activities and explore ways to convey information through a common operating picture that could include mobile capability for first responder command, control, communications, computer, intelligence, surveillance and reconnaissance capability.

FIRST RESPONDER TECHNOLOGY

The ability of first responders to provide emergency medical care to casualties with acute lung injury and acute respiratory distress syndrome is vital to casualty survivability. However, existing technology is too complicated or large to use at disaster sites. In keeping with Department efforts to identify and support technology to improve the capacity and equipment of first responders, the Committee encourages the Department to explore the potential of developing rugged, portable, and minimally invasive technology that can be administered by first responders in disaster incidents.

CHEMICAL AND BIOLOGICAL AGENT DETECTION

The Committee encourages the Department of Homeland Security to develop powerful, lightweight, and cost-effective surveillance capabilities for detection and identification of concealed chemical and biological agents.

FIRST RESPONDER COMMUNICATIONS EQUIPMENT STANDARDS

When applicable, Federal funding for first responder communications equipment should be compliant with common system standards for digital public safety radio communications (Project 25 standards) to ensure interoperability. S&T, in conjunction with the Director of the National Institute of Standards and Technology, shall continue assessing the compliance of first responder communications equipment with Project 25 standards.

WIDE AREA AERIAL SURVEILLANCE

The Committee is aware that the Science and Technology Directorate issued a request for information to demonstrate wide area aerial surveillance systems in an operational environment along the Southwest border. It is also aware that the Department of Defense has been supporting the development and deployment of similar technology. The Committee therefore urges S&T to work with the Department of Defense as it moves ahead with its project to demonstrate and evaluate this technology, including its potential for use in near-border urban areas.

## DOMESTIC NUCLEAR DETECTION OFFICE

### MANAGEMENT AND ADMINISTRATION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $36,992,000 |
| Budget estimate, fiscal year 2012 | 41,120,000 |
| Recommended in the bill | 40,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +3,008,000 |
| Budget estimate, fiscal year 2012 | −1,120,000 |

MISSION

The Management and Administration appropriation provides for the salaries and expenses of Domestic Nuclear Detection Office (DNDO) employees. This is a jointly-staffed office that consists of both Federal employees and interagency detailees.

RECOMMENDATION

The Committee recommends $40,000,000 for Management and Administration, $1,120,000 below the amount requested and $3,008,000 above the amount provided in fiscal year 2011.

STRATEGIC POSTURE

The Committee intends to exercise robust oversight of DNDO's plans to move towards a more threat-driven strategic posture. The organization has emphasized that this approach will include "surge" capabilities and other "diverse solutions" to respond quickly to short-notice threats and situations where there may be limited or imperfect intelligence information. DNDO will not live up to its

mission by focusing only on the scanning of containerized cargo, and the Committee applauds the organization for this broader focus on tackling nuclear threats, particularly through its ongoing work to analyze and strengthen the Global Nuclear Detection Architecture (GNDA). The Committee directs DNDO to provide timely updates on changes to its programs and operations aimed at developing a more threat-driven posture, including but not limited to, providing the Committee with significant architectural studies and analysis that DNDO produces in support of the GNDA.

## RESEARCH, DEVELOPMENT, AND OPERATIONS

| | |
|---|---|
| Appropriation, fiscal year 2011 | $275,437,000 |
| Budget estimate, fiscal year 2012 | 206,257,000 |
| Recommended in the bill | 245,194,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | −30,243,000 |
| Budget estimate, fiscal year 2012 | +38,937,000 |

### MISSION

The Research, Development, and Operations appropriation funds all DHS nuclear detection research, development, test, evaluation, and operational support activities. DNDO is responsible for overseeing the GNDA, a worldwide network of systems used to detect and report attempts to import or transport a nuclear device or fissile or radiological material intended for illicit use. DNDO is continuing to improve the domestic portion of this architecture through an integrated research, development, test, and evaluation program, while providing support to current operations.

### RECOMMENDATION

The Committee recommends $245,194,000 for Research, Development, and Operations, $38,937,000 above the amount requested, and $30,243,000 below the amount provided in fiscal year 2011. A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

| | Budget estimate | Recommended |
|---|---|---|
| Systems Engineering and Architecture | $31,857,000 | $30,000,000 |
| Systems Development | 69,689,000 | 69,000,000 |
| Transformational Research and Development | --- | 45,000,000 |
| Assessments | 43,104,000 | 40,000,000 |
| Operations Support | 36,837,000 | 36,424,000 |
| National Technical Nuclear Forensics Center | 24,770,000 | 24,770,000 |
| Total, Research, Development, and Operations | $206,258,000 | $245,194,000 |

### TRANSFORMATIONAL AND APPLIED RESEARCH PROGRAM

The Committee recommends denial of the Department's request to move the Transformational and Applied Research (TAR) program out of DNDO and into S&T. The Department has provided insufficient justification for the move, and the Committee will take a closer look at the proposal over the coming year. Moreover, the Committee notes with concern the possibility that radiological and nuclear research could be de-emphasized in S&T when placed among many other, competing research priorities.

The Committee recommends that the funding for TAR be $45,000,000. While it understands that this is more than 50 percent below the level requested, the Congressional justification did not provide the Committee sufficient detail on how much funding would be required for its efforts, including details of work included in the Science and Technology Directorate justification materials for basic research (formerly the academic research initiative), exploratory research, near-term research, and algorithm development. The Committee therefore directs DNDO to provide, not later than 60 days after the date of the enactment of this Act, a detailed breakout of how it intends to fund these activities at the reduced appropriation level.

SYSTEMS ENGINEERING AND ARCHITECTURE

As it explores a broad range of potential threat pathways, DNDO has instituted a matrix approach to the architecture development, between cross-cutting functions (systems engineering and standards, information technology, and architecture) and geographic pathways (land borders, aviation, maritime, and interior). The Committee supports additional research on these pathways and includes $30,000,000 for Systems Engineering and Architecture, $1,857,000 below the amount requested. The Committee directs DNDO to continue its quarterly program and threat briefings and, as part of them, provide details on proposed additional engineering and architectural studies to include any potential implications for new technology deployments.

SYSTEMS DEVELOPMENT AND ON-DOCK RAIL

The Committee recommends $69,000,000 for Systems Development, $689,000 below the amount requested. The Committee is aware that DNDO is looking at solutions to the problems of on-dock rail and transshipment port environments and has focused on testing straddle portal prototypes and mobile radiation detection systems. While the Committee understands these configurations are nearing readiness for operational testing, it is also aware that the GNDA has significant problems at other ports, where the challenges include the risk of transshipment or ship-to-rail ports being used to smuggle materials, including possibly the components of radioactive or nuclear devices. The Committee urges DNDO to look at all options to address these GNDA gaps, including some that may not be the exclusive or ideal solution, but which may help close significant vulnerabilities in the near term.

ASSESSMENTS AND RED TEAMING

The Committee recommends $40,000,000 for assessments, $3,104,000 below the amount requested. Within the assessments category, the Committee believes that work by DNDO on red teaming and net assessments (RTNA), through the use of modeling, open source and covert testing, cooperative assessments, and adversarial red teaming, helps States and localities gain better awareness of their capabilities to detect and respond to radiological and nuclear sources and further informs their decisions for improving their systems and procedures. DNDO should continue to report on its RTNA efforts in its periodic briefings to the Committees on

Appropriations, including vulnerabilities identified and recommendations for addressing such vulnerabilities.

NATIONAL TECHNICAL NUCLEAR FORENSICS

The Committee recommends $24,770,000 for the National Technical Nuclear Forensics Center, the same as the amount requested. The Committee strongly supports efforts to build up the capacity of government agencies—individually, jointly, and internationally—to be able to render accurate attribution should any nuclear or radiological incident ever occur, and thus help buttress deterrence against such a threat.

RADIOLOGICAL AND NUCLEAR CHALLENGE

DNDO has proposed to launch a new initiative in fiscal year 2012, the "Rad/Nuc Challenge" to expose industry to DNDO's needs, enhance State and local coordination on radiological and nuclear detection issues, and advance industry efforts in the field through competition. The Committee strongly supports DNDO's efforts to reach out to the broader detection community and improve cooperation. However, limited detail was provided on DNDO's plans for the Challenge in the fiscal year 2012 budget submission. The Committee approves funding for this, but it directs DNDO to provide a detailed spend plan and program development plans for the Rad/Nuc Challenge no later than 60 days after the date of enactment of this Act, as well as updates on the effort during its quarterly briefings to the Committees on Appropriations.

MISSION CRITICAL MESSAGING

The Committee recommends full funding within the Systems Engineering and Architecture PPA for a new initiative, the Mission Critical Messaging (MCM) program, to enhance situational awareness of the GNDA by filling in connectivity gaps between thousands of nuclear detection assets nationwide. This will assist DNDO in achieving real-time access to information when radiological and nuclear alarms are triggered, allowing for more rapid Federal assistance, if needed. The Committee strongly supports improving connectivity of the GNDA to DNDO's Joint Analysis Center. If DNDO is to lead the charge in protecting the United States from radiological and nuclear threats, it must know promptly when detection assets pick up suspicious substances. The Committee directs DNDO to provide an on-site briefing at the Joint Analysis Center focused on the current situational awareness gaps in the GNDA and how the MCM will address those gaps no later than 30 days after the date of enactment of this Act, and the Committee further directs DNDO to provide a spend plan for the MCM program no later than 90 days after the date of enactment of this Act.

SYSTEMS ACQUISITION

| | |
|---|---|
| Appropriation, fiscal year 2011 | $30,000,000 |
| Budget estimate, fiscal year 2012 | 84,361,000 |
| Recommended in the bill | 52,000,000 |
| Bill compared with: | |
| Appropriation, fiscal year 2011 | +22,000,000 |
| Budget estimate, fiscal year 2012 | −32,361,000 |

MISSION

The Systems Acquisition appropriation provides for acquisition and deployment of radiation detection technologies for other components of the Department, in particular the Coast Guard, U.S. Customs and Border Protection, and the Transportation Security Administration. It also supports DNDO provision of systems engineering and test and evaluation programs in support of fielded systems, and prior to acquisition and ensures acquisition includes appropriate training, exercise, and alarm response protocols. To carry out this mission, DNDO acquires a range of radiation detection technologies, including fixed, mobile, and relocatable radiation portal monitors and a range of human portable radiation detection systems.

RECOMMENDATION

The Committee recommends $52,000,000 for Systems Acquisition, $32,361,000 below the amount requested and $22,000,000 above the amount provided in fiscal year 2011.

| | Budget estimate | Recommended |
|---|---|---|
| Radiation Portal Monitor Program | $37,361,000 | $20,000,000 |
| Securing the Cities | 27,000,000 | 22,000,000 |
| Human Portable Radiation Detection Systems | 20,000,000 | 10,000,000 |
| Total, Systems Acquisition | $84,361,000 | $52,000,000 |

RADIATION PORTAL MONITOR PROGRAM

The Committee includes $20,000,000 for the Radiation Portal Monitor Program, $17,361,000 below the amount requested, to enable additional purchases and deployment of radiation portal monitors at ports of entry modernized pursuant to P.L. 111–5, or for use in other pathways, such as air cargo terminals. Although the funding is not restricted here to polyvinyl toluene portal monitors, the Committee does not expect DNDO to deploy the advanced spectroscopic portal (ASP), even for the currently proposed secondary inspection use, until such systems have been certified by the Secretary. The Committee reduces the level of funding for procurement of replacement systems, given this uncertainty.

SECURING THE CITIES

The threat of a radiological or nuclear attack on the United States persists, with terrorist organizations like al Qaeda continuing their quests to attack the U.S. Homeland in dramatic fashion. DNDO is charged with protecting the United States from such an attack by deterring adversaries and detecting illicit movements of nuclear and radiological material. The Securing the Cities (STC) program aims to add a critical detection layer to the GNDA within America's most populated areas. The Committee recommends $22,000,000 for the STC program, $5,000,000 below the amount requested, of which $20,000,000 is to be provided for continuing STC efforts in the New York City region, including supporting a transition to a model for sustaining the program past the initial, pilot phase; and $2,000,000 to begin establishment of an STC program in a new U.S. city.

The STC program has improved radiological and nuclear detection capabilities and preparedness in the New York metropolitan area. However, the Committee has reviewed the recent external assessment of the program and understands that several key elements of the program still need to be addressed before it can be fully evaluated. For example, the governing concept of operations remains in draft and has yet to be signed by participating State and local government agencies. Further still, DNDO has not yet established effective metrics and a more comprehensive cost-benefit analysis by which STC can be evaluated. Thus, work remains to be done on developing the "interior architecture" for such programs and assessing overall effectiveness, long-term costs, and the Federal Government's funding relationship with host cities. The Committee strongly urges DNDO to develop comprehensive metrics to determine STC effectiveness in the New York City region and conduct an assessment of program life-cycle costs.

Before DNDO commits funding to a new STC location, the Committee directs it to provide a report that: (1) details its progress on assessing lifecycle costs; (2) provides a more complete evaluation of the New York STC project, with information on conclusions and corrective actions taken following recent exercises; and (3) delineates the metrics by which the proposed STC expansion site or sites will be evaluated. The Committee also directs DNDO to provide updates thereafter during its quarterly briefings. Finally, in light of the need for sustainment but also transition, DNDO is urged to work with the New York City region, the Committees on Appropriations, and the appropriate authorizing committees to determine a way forward for sustaining STC projects, to include establishing a funding mechanism through the normal FEMA grant making process beyond the current dependence on DNDO. Because of the uncertainty about the STC model (with respect to metrics and cost estimates), lingering technology questions, and long-term costs involved in committing to a second location, the Committee reduces funding by $5,000,000. The Committee leaves $2,000,000 for initial steps towards developing a new STC location but hopes to work with DNDO to ensure that a full commitment to a new site is only undertaken with a robust plan for implementation and better means to assess STC effectiveness.

### HUMAN PORTABLE RADIATION DETECTION SYSTEMS

The Committee includes $10,000,000 for Human Portable Radiation Detection Systems, $10,000,000 below the amount requested, because the Committee was forced to find offsets for unauthorized aviation security fees and customs user fees assumed by the Administration in the 2012 request.

## TITLE V—GENERAL PROVISIONS—THIS ACT

### (INCLUDING RESCISSIONS OF FUNDS)

Section 501. The Committee continues a provision providing that no part of any appropriation shall remain available for obligation beyond the current year unless expressly provided.

Section 502. The Committee continues a provision providing that unexpended balances of prior appropriations may be merged with

new appropriation accounts and used for the same purpose, subject to reprogramming guidelines.

Section 503. The Committee continues and modifies a provision providing reprogramming authority for funds within an account and not to exceed five percent transfer authority between appropriations accounts with the requirement for a 15-day advance Congressional notification. A detailed funding table identifying each Congressional control level for reprogramming purposes is included at the end of this Report. These reprogramming guidelines shall be complied with by all agencies funded by the Department of Homeland Security Appropriations Act, 2012.

The Department shall submit reprogramming requests on a timely basis and provide complete explanations of the reallocations proposed, including detailed justifications of the increases and offsets, and any specific impact the proposed changes will have on the budget request for the following fiscal year and future-year appropriations requirements. Each request submitted to the Committees on Appropriations should include a detailed table showing the proposed revisions at the account, program, project, and activity level to the funding and staffing (full-time equivalent position) levels for the current fiscal year and to the levels requested in the President's budget for the following fiscal year.

The Department shall manage its programs and activities within the levels appropriated. The Department should only submit reprogramming or transfer requests in the case of an unforeseeable emergency or situation that could not have been predicted when formulating the budget request for the current fiscal year. When the Department submits a reprogramming or transfer request to the Committees on Appropriations and does not receive identical responses from the House and Senate, it is the responsibility of the Department to reconcile the House and Senate differences before proceeding, and if reconciliation is not possible, to consider the reprogramming or transfer request not approved.

The Department is not to submit a reprogramming or transfer of funds after June 30 except in extraordinary circumstances, which imminently threaten the safety of human life or the protection of property. If a reprogramming or transfer is needed after June 30, the notice should contain sufficient documentation as to why it meets this statutory exception.

A new subsection (e), added in the fiscal year 2011 year-long continuing resolution, is also added to ensure funds that are deobligated by the Department are also subject to the reprogramming and transfer guidelines and requirements set forth in this section.

Section 504. The Committee continues a provision that prohibits funds appropriated or otherwise made available to the Department to make payment to the Department's Working Capital Fund, except for activities and amounts allowed in the President's fiscal year 2012 request. Funds provided to the WCF are available until expended. The Department can only charge components for direct usage of the WCF and these funds may be used only for the purposes consistent with the contributing component. Any funds paid in advance or reimbursed must reflect the full cost of each service. The WCF shall be subject to the requirements of section 503 of this Act.

Section 505. The Committee continues a provision providing that not to exceed 50 percent of unobligated balances remaining at the end of fiscal year 2012 from appropriations made for salaries and expenses shall remain available through fiscal year 2013 subject to section 503 reprogramming guidelines.

Section 506. The Committee continues a provision providing that funds for intelligence activities are deemed to be specifically authorized during fiscal year 2012 until the enactment of an Act authorizing intelligence activities for fiscal year 2012.

Section 507. The Committee continues and modifies a provision requiring notification of the Committees on Appropriations three days before grant allocations, grant awards, contract awards, other transactional agreements, letters of intent, or task or delivery orders on a multiple contract award totaling $1,000,000 or more, or a task order greater than $25,000,000 from multi-year funds, are announced by the Department, including contracts covered by the Federal Acquisition Regulation. The Department is required to brief the Committees on Appropriations five full business days prior to announcing the intention to make a grant under State and Local Programs. Notification shall include a description of the project or projects to be funded, including city, county, and State.

Section 508. The Committee continues a provision providing that no agency shall purchase, construct, or lease additional facilities for Federal law enforcement training without advance approval of the Committees on Appropriations.

Section 509. The Committee continues a provision providing that none of the funds may be used for any construction, repair, alteration, and acquisition project for which a prospectus, if required under chapter 33 of title 40, United States Code, has not been approved.

Section 510. The Committee continues and modifies a provision that consolidates by reference prior year statutory bill language into one provision. These provisions relate to contracting officer's technical representative training; sensitive security information; and the use of funds in conformance with section 303 of the Energy Policy Act of 1992.

Section 511. The Committee continues a provision that none of the funds may be used in contravention of the Buy American Act.

Section 512. The Committee continues and modifies a provision on reporting requirements of the Privacy Officer.

Section 513. The Committee continues a provision regarding the oath of allegiance required by section 337 of the Immigration and Nationality Act.

Section 514. The Committee continues a provision regarding the USCIS workforce.

Section 515. The Committee continues a provision requiring the Chief Financial Officer to submit monthly budget execution and staffing reports within 45 days after the close of each month.

Section 516. The Committee continues and modifies a provision that directs that any funds appropriated or transferred to TSA "Aviation Security", "Administration", and "Transportation Security Support" in fiscal years 2004, 2005, 2006, 2007, 2008, 2009, and 2010, which are recovered or deobligated, shall be available only for procurement and installation of explosive detection systems for air cargo, baggage, and checkpoint screening systems, subject to notifi-

cation. The Committee also requires quarterly reports on recovered or deobligated funds.

Section 517. The Committee continues a provision requiring any funds appropriated to the Coast Guard's 110–123 foot patrol boat conversion that are recovered, collected, or otherwise received as a result of negotiation, mediation, or litigation, shall be available until expended for the Fast Response Cutter program.

Section 518. The Committee continues a provision relating to undercover investigative operations authority of the United States Secret Service for fiscal year 2012.

Section 519. The Committee continues a provision classifying the functions of the instructor staff at the FLETC as inherently governmental for purposes of the Federal Activities Inventory Reform Act.

Section 520. The Committee continues a provision prohibiting the obligation of funds to the Office of the Secretary and Executive Management, the Office of the Under Secretary for Management, and the Office of the Chief Financial Officer for grants or contracts awarded by any means other than full and open competition. Certain exceptions apply, and this provision does not require new competitions of existing contracts during their current terms. The bill also requires the Inspector General to review Departmental contracts awarded noncompetitively and report on the results to the Committees.

Section 521. The Committee continues and modifies a provision that prohibits funding for any position designated as a Principal Federal Official during a Stafford Act declared disaster or emergency.

Section 522. The Committee continues a provision regarding the enforcement of Section 4025(1) of Public Law 108–458.

Section 523. The Committee continues a provision that precludes DHS from using funds in this Act to carry out reorganization authority. This prohibition is not intended to prevent the Department from carrying out routine or small reallocations of personnel or functions within components, subject to Section 503 of this Act. This language prevents large scale reorganization of the Department, which the Committee believes should be acted on statutorily by the relevant Congressional committees of jurisdiction.

Section 524. The Committee continues a provision prohibiting funding to grant an immigration benefit to any individual unless the results of background checks required in statute, to be completed prior to the grant of the benefit, have been received by DHS.

Section 525. The Committee continues a provision prohibiting use of funds to destroy or put out to pasture any horse or other equine belonging to the Federal government unless adoption has been offered first.

Section 526. The Committee continues and modifies a provision relating to other transactional authority of the DHS through fiscal year 2012.

Section 527. The Committee continues a provision that requires the Secretary to link all contracts that provide award fees to successful acquisition outcomes.

Section 528. The Committee continues a provision prohibiting the obligation of funds for the Office of Secretary and Executive Management for any new hires at DHS if they are not verified through the E-Verify program.

Section 529. The Committee continues a provision related to prescription drugs.

Section 530. The Committee continues a provision requiring the Secretary, in conjunction with the Secretary of Treasury, to notify the Committees of any proposed transfers from the Department of Treasury Forfeiture Fund to any agency within DHS. No funds may be obligated until the Subcommittees approve the proposed transfers.

Section 531. The Committee continues a provision prohibiting funds for planning, testing, piloting, or developing a national identification card.

Section 532. The Committee continues a provision requiring the Assistant Secretary of TSA to certify that no security risks will result if an airport does not participate in the E-Verify program.

Section 533. The Committee continues a provision that requires a report summarizing damage assessment information used to determine whether to declare a major disaster.

Section 534. The Committee continues and modifies a provision relating to the liquidation of Plum Island assets and how the proceeds from this sale may be applied to construction costs of the new National Bio and Agro-defense Facility.

Section 535. The Committee continues a provision directing that any official required by this Act to report or certify to the Committees on Appropriations may not delegate any authority unless expressly authorized to do so in this Act.

Section 536. The Committee continues and modifies a provision that extends the date of the chemical security program.

Section 537. The Committee continues and modifies a provision prohibiting the use of funds for the transfer or release of individuals detained at United States Naval Station, Guantanamo Bay, Cuba.

Section 538. The Committee continues a provision prohibiting funds in this Act to be used for first-class travel.

Section 539. The Committee continues a provision prohibiting funds in this Act to be used for adverse personnel actions for employees who use protective equipment or measures, including surgical masks, N95 respirators, gloves, or hand-sanitizers in the conduct of their official duties.

Section 540. The Committee continues a provision prohibiting funds to be used to employ illegal workers as described in Section 274A(h)(3) of the Immigration and Nationality Act.

Section 541. The Committee continues and modifies a provision on the proper disposal of personal information collected through the Registered Traveler program. A report on procedures and status is required to be submitted 90 days after the date of enactment of this Act.

Section 542. The Committee continues a provision prohibiting funds appropriated or otherwise made available by this Act to pay for award or incentive fees for contractors with below satisfactory performance or performance that fails to meet the basic requirements of the contract.

Section 543. The Committee includes a new provision that requires the Assistant Secretary of TSA to submit biannual reports on how the agency will meet the requirement to screen 100 percent of air cargo transportation on passenger aircraft arriving in the

United States. TSA has indicated they will not be able to meet the 9/11 Act deadline for this subset of air cargo.

Section 544. The Committee includes a new provision that requires any new processes developed to screen aviation passengers and crews for transportation or national security to consider privacy and civil liberties, consistent with applicable laws, regulations, and guidance.

Section 545. The Committee includes a new provision that extends the National Flood Insurance program until September 30, 2012.

Section 546. The Committee includes a new provision that makes deposits into the Immigration Examinations Fee Account available to USCIS for the purposes of immigrant integration grants, not to exceed $8,500,000, in fiscal year 2012.

Section 547. The Committee includes a new provision that provides guidelines, including controls and reporting requirements, for any transfer of funds from appropriations for fiscal years 2009, 2010, 2011, and 2012 to CBP, Border Security Fencing, Infrastructure, and Technology account for the purposes of environmental mitigation to the Department of Interior.

Section 548. The Committee includes a new provision that rescinds funds from ICE, Salaries and Expenses from Violent Crime Reduction Programs.

Section 549. The Committee includes a new provision that rescinds unobligated balances from ICE, Construction.

## TITLE VI—EMERGENCY SUPPLEMENTAL FUNDING FOR DISASTER RELIEF

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

Section 601. The Committee includes a new provision providing supplemental funding for disaster relief upon enactment of this Act and rescinding and transferring funds to offset the supplemental funding.

## TITLE VII—SPENDING REDUCTION ACCOUNT

Section 701. The Committee includes a new provision that prohibits new budget authority from exceeding budget allocation in fiscal year 2012.

### APPROPRIATIONS CAN BE USED ONLY FOR THE PURPOSES FOR WHICH MADE

Title 31 of the United States Code makes clear that appropriations can be used only for the purposes for which they were appropriated as follows:

Section 1301. Application.

(a) Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.

### HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives.

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 1

Date: May 24, 2011
Measure: Homeland Security Appropriations Bill, FY 2012
Motion by: Mr. Price
Description of Motion: An amendment to provide additional funds for State and Local Programs and Firefighter Assistance Grants
Results: Defeated 20 yeas to 27 nays.

*Members Voting Yea*
Mr. Bishop
Ms. DeLauro
Mr. Dicks
Mr. Farr
Mr. Fattah
Mr. Hinchey
Mr. Honda
Mr. Jackson
Ms. Kaptur
Mr. LaTourette
Ms. Lee
Mrs. Lowey
Ms. McCollum
Mr. Moran
Mr. Olver
Mr. Price
Ms. Roybal-Allard
Mr. Schiff
Mr. Serrano
Mr. Visclosky

*Members Voting Nay*
Mr. Aderholt
Mr. Alexander
Mr. Austria
Mr. Bonner
Mr. Calvert
Mr. Carter
Mr. Cole
Mr. Crenshaw
Mr. Culberson
Mr. Dent
Mr. Diaz-Balart
Mrs. Emerson
Mr. Flake
Ms. Granger
Mr. Graves
Mr. Kingston
Mr. Latham
Mr. Lewis
Mrs. Lummis
Mr. Nunnelee
Mr. Rehberg
Mr. Rogers
Mr. Simpson
Mr. Wolf
Mr. Womack
Mr. Yoder
Mr. Young

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 2

Date: May 24, 2011
Measure: Homeland Security Appropriations Bill, FY 2012
Motion by: Mr. Price
Description of Motion: An amendment to provide additional funds for Firefighter Assistance Grants and designate funds within Disaster Relief emergency.
Results: Defeated 21 yeas to 26 nays.

*Members Voting Yea*
Mr. Bishop
Ms. DeLauro
Mr. Dicks
Mr. Farr
Mr. Fattah
Mr. Hinchey
Mr. Honda
Mr. Jackson
Ms. Kaptur
Mr. LaTourette
Ms. Lee
Mrs. Lowey
Ms. McCollum
Mr. Moran
Mr. Olver
Mr. Price
Mr. Rehberg
Mr. Rothman
Mr. Schiff
Mr. Serrano
Mr. Visclosky

*Members Voting Nay*
Mr. Aderholt
Mr. Alexander
Mr. Austria
Mr. Bonner
Mr. Calvert
Mr. Carter
Mr. Cole
Mr. Crenshaw
Mr. Culberson
Mr. Dent
Mr. Diaz-Balart
Mrs. Emerson
Mr. Flake
Ms. Granger
Mr. Graves
Mr. Kingston
Mr. Latham
Mr. Lewis
Mrs. Lummis
Mr. Nunnelee
Mr. Rogers
Mr. Simpson
Mr. Wolf
Mr. Womack
Mr. Yoder
Mr. Young

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 3

Date: May 24, 2011
Measure: Homeland Security Appropriations Bill, FY 2012
Motion by: Mrs. Lowey
Description of Motion: An amendment to provide additional funds for State and Local Programs, Urban Area Security Initiative.
Results: Defeated 19 yeas to 27 nays.

*Members Voting Yea*
Mr. Bishop
Ms. DeLauro
Mr. Dicks
Mr. Farr
Mr. Fattah
Mr. Hinchey
Mr. Honda
Mr. Jackson
Ms. Kaptur
Ms. Lee
Mrs. Lowey
Mr. Moran
Mr. Olver
Mr. Price
Mr. Rothman
Ms. Roybal-Allard
Mr. Schiff
Mr. Serrano
Mr. Visclosky

*Members Voting Nay*
Mr. Aderholt
Mr. Alexander
Mr. Austria
Mr. Bonner
Mr. Calvert
Mr. Carter
Mr. Cole
Mr. Crenshaw
Mr. Culberson
Mr. Dent
Mrs. Emerson
Mr. Flake
Ms. Granger
Mr. Graves
Mr. Kingston
Mr. Latham
Mr. LaTourette
Mr. Lewis
Mrs. Lummis
Ms. McCollum
Mr. Nunnelee
Mr. Rehberg
Mr. Rogers
Mr. Simpson
Mr. Wolf
Mr. Womack
Mr. Yoder

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 4

Date: May 24, 2011
Measure: Homeland Security Appropriations Bill, FY 2012
Motion by: Mr. Young
Description of Motion: To report the Homeland Security Appropriations Bill, FY 2012
Results: Approved, 27 yeas to 20 nays.

| *Members Voting Yea* | *Members Voting Nay* |
|---|---|
| Mr. Aderholt | Mr. Bishop |
| Mr. Alexander | Ms. DeLauro |
| Mr. Austria | Mr. Dicks |
| Mr. Bonner | Mr. Farr |
| Mr. Calvert | Mr. Fattah |
| Mr. Carter | Mr. Flake |
| Mr. Cole | Mr. Hinchey |
| Mr. Crenshaw | Mr. Honda |
| Mr. Culberson | Ms. Kaptur |
| Mr. Dent | Ms. Lee |
| Mr. Diaz-Balart | Ms. Lowey |
| Mrs. Emerson | Ms. McCollum |
| Ms. Granger | Mr. Moran |
| Mr. Graves | Mr. Olver |
| Mr. Kingston | Mr. Price |
| Mr. Latham | Mr. Rothman |
| Mr. LaTourette | Ms. Roybal-Allard |
| Mr. Lewis | Mr. Schiff |
| Mrs. Lummis | Mr. Serrano |
| Mr. Nunnelee | Mr. Visclosky |
| Mrs. Rehberg | |
| Mr. Rogers | |
| Mr. Simpson | |
| Mr. Wolf | |
| Mr. Womack | |
| Mr. Yoder | |
| Mr. Young | |

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

RESCISSION OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following table is submitted describing the rescissions recommended in the accompanying bill:

| *Account/Activity* | *Rescissions* |
|---|---|
| ICE—Salaries and Expenses | $20,997,000 |
| Violent Crime Reduction Programs | $595,000 |
| ICE—Construction | $11,300,000 |
| Department of Energy, Section 129 of Public Law 110–329 | $500,000,000 |

TRANSFER OF FUNDS

Pursuant to clause 3(f)(2), rule XIII of the Rules of the House of Representatives, the following is submitted describing the transfer of funds provided in the accompanying bill.

The table shows, by title, department, and agency, the appropriations affected by such transfers:

APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL

| Account to which transfer is to be made | Amount | Account from which transfer is to be made | Amount |
|---|---|---|---|
| Office of Inspector General | $16,000,000 | FEMA—Disaster Relief Fund | $16,000,000 |
| FEMA—Management and Administration. | $100,000,000 | FEMA—State and Local Programs | $100,000,000 |
| FEMA—Management and Administration. | $105,600,000 | FEMA—Disaster Relief Fund | $105,600,000 |
| FEMA—Disaster Relief | $1,000,000,000 | Department of Energy, Section 129 of Public Law 110–329. | $1,000,000,000 |

## DISCLOSURE OF EARMARKS AND CONGRESSIONAL DIRECTED SPENDING ITEMS

Neither the bill nor the report contains any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

COMPLIANCE WITH RULE XIII, CL. 3(e) (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

## SECTION 1202 OF THE 2002 SUPPLEMENTAL APPROPRIATIONS ACT FOR FURTHER RECOVERY FROM AND RESPONSE TO TERRORIST ATTACKS ON THE UNITED STATES

(Public Law 107–206)

SEC. 1202. (a) The Federal Law Enforcement Training Center may, for a period ending not later than December 31, [2012] *2014*, appoint and maintain a cadre of up to 350 Federal annuitants: (1) without regard to any provision of title 5, United States Code, which might otherwise require the application of competitive hiring procedures; and (2) who shall not be subject to any reduction in pay (for annuity allocable to the period of actual employment) under the provisions of section 8344 or 8468 of such title 5 or similar provision of any other retirement system for employees. A reemployed Federal annuitant as to whom a waiver of reduction under paragraph (2) applies shall not, for any period during which such waiver is in effect, be considered an employee for purposes of subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or such other retirement system (referred to in paragraph (2)) as may apply.

* * * * * * *

---

## DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2007

(Public Law 109–295)

* * * * * * *

### TITLE V

### GENERAL PROVISIONS

* * * * * * *

SEC. 532. (a) UNITED STATES SECRET SERVICE USE OF PROCEEDS DERIVED FROM CRIMINAL INVESTIGATIONS.—During fiscal year [2010] *2012*, with respect to any undercover investigative operation of the United States Secret Service (hereafter referred to in this section as the "Secret Service") that is necessary for the detection and prosecution of crimes against the United States—

(1) * * *

* * * * * * *

SEC. 550. (a) * * *

(b) Interim regulations issued under this section shall apply until the effective date of interim or final regulations promulgated under other laws that establish requirements and standards referred to in subsection (a) and expressly supersede this section: *Provided,* That the authority provided by this section shall terminate on October 4, [2011] *2012*.

* * * * * * *

---

## SECTION 831 OF THE HOMELAND SECURITY ACT OF 2002

**SEC. 831. RESEARCH AND DEVELOPMENT PROJECTS.**

(a) AUTHORITY.—Until September 30, [2011] *2012*, and subject to subsection (d), the Secretary may carry out a pilot program under which the Secretary may exercise the following authorities:

(1) * * *

* * * * * * *

(d) ADDITIONAL REQUIREMENTS.—

(1) IN GENERAL.—The authority of the Secretary under this section shall terminate September 30, [2011] *2012*, unless before that date the Secretary—

(A) * * *

* * * * * * *

---

## NATIONAL FLOOD INSURANCE ACT OF 1968

### TITLE XIII—NATIONAL FLOOD INSURANCE

SHORT TITLE

SEC. 1301. This title may be cited as the "National Flood Insurance Act of 1968".

* * * * * * *

FINANCING

SEC. 1309. (a) All authority which was vested in the Housing and Home Finance Administrator by virtue of section 15(e) of the Federal Flood Insurance Act of 1956 (70 Stat. 1084) (pertaining to the issue of notes or other obligations or the Secretary of the Treasury), as amended by subsections (a) and (b) of section 1303 of this Act, shall be available to the Director for the purpose of carrying out the flood insurance program under this title; except that the total amount of notes and obligations which may be issued by the Director pursuant to such authority (1) without the approval of the President, may not exceed $500,000,000, and (2) with the approval of the President, may not exceed $1,500,000,000 through the date specified in section 1319, and $1,000,000,000 thereafter; except that, through September 30, [2011] *2012*, clause (2) of this sentence shall be applied by substituting "$20,725,000,000" for "$1,500,000,000". The Director shall report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at any time when he requests the approval of the President in accordance with the preceding sentence.

* * * * * * *

PROGRAM EXPIRATION

SEC. 1319. No new contract for flood insurance under this title shall be entered into after September 30, [2011] *2012*.

* * * * * * *

COMPLIANCE WITH RULE XIII, CLAUSE 3(F)(1)(A)

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the Committee has inserted at the appropriate place in the report a description of the effects of provisions proposed in the accompanying bill which may be considered, under certain circumstances, to change the application of existing law, either directly or indirectly.

The bill provides, in some instances, funding of agencies and activities where legislation has not yet been finalized. In addition, the bill carries language, in some instances, permitting activities not authorized by law. Additionally, the Committee includes a number of general provisions.

## TITLE I—DEPARTMENT MANAGEMENT AND OPERATIONS

### OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

The Committee includes language providing funds for the Office of the Secretary and Executive Management offices, including funds for official reception and representation expenses. The Committee also limits the funds available until certain actions have been taken.

### OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

The Committee includes language providing funds for reception and representation expenses; for costs necessary to consolidate headquarters operations, including tenant improvements and relocation costs; and for the human resources information technology program.

### OFFICE OF THE CHIEF FINANCIAL OFFICER

The Committee includes language providing funds for the Chief Financial Officer.

### OFFICE OF THE CHIEF INFORMATION OFFICER

The Committee includes language providing funds for the Chief Information Officer and for the development and acquisition of information technology equipment, software, services, and related activities. The Committee also requires submission of an expenditure plan as well as a multi-year investment and management plan for projects and activities funded in this account.

### ANALYSIS AND OPERATIONS

The Committee includes language providing funds for information analysis and operations coordination activities, including funding for official representation expenses.

### OFFICE OF INSPECTOR GENERAL

The Committee includes language providing funds for the Office of Inspector General as well as certain confidential operational expenses, including the payment of informants.

# TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS

## U.S. CUSTOMS AND BORDER PROTECTION

### SALARIES AND EXPENSES

The Committee includes language making funds available for border security, immigration, customs, and agricultural inspections and regulatory activities; purchase or lease of vehicles; contracting with individuals for personal services; Harbor Maintenance Fee collections; official reception and representation expenses; Customs User Fee collections; payment of rental space in connection with pre-clearance operations; and compensation of informants. The Committee includes language regarding overtime compensation. The Committee also requires submission of a multi-year investment and management plan for Inspection and Detection Technology.

### AUTOMATION MODERNIZATION

The Committee includes language making funds available for automated systems. The Committee requires submission of an expenditure plan for the Automated Commercial Environment and a multi-year investment and management plan for projects and activities funded in this account.

### BORDER SECURITY FENCING, INFRASTRUCTURE, AND TECHNOLOGY

The Committee includes language making funds available for border security fencing, infrastructure, and technology and includes language limiting the funds available until a detailed expenditure plan is submitted. In addition, the Committee requires submission of a multi-year investment and management plan for funds provided in this account.

### AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

The Committee includes language making funds available for the operations, maintenance, and procurement of marine vessels, aircraft, unmanned aircraft systems, and other equipment; travel; and assistance to other law enforcement agencies and humanitarian efforts. The Committee includes language prohibiting the transfer of aircraft and related equipment out of Customs and Border Protection unless certain conditions are met. In addition, the Committee requires submission of an updated five-year strategic plan for air and marine operations.

### CONSTRUCTION AND FACILITIES MANAGEMENT

The Committee includes language making funds available for the planning, acquisition, construction, renovating, equipping, and maintaining of buildings and facilities. In addition, language is included requiring an expenditure plan, as well as a real property inventory and construction plan.

## U.S. Immigration and Customs Enforcement

### SALARIES AND EXPENSES

The Committee includes language making funds available to conduct investigations of criminal violations of Federal law relating to border security, customs and trade, immigration and naturalization, and travel and transportation; and for the civil enforcement of the immigration and customs laws, including the detention and removal of immigration status violators; special operations; official reception and representation expenses; compensation to informants; and reimbursement of other Federal agencies for certain costs. The Committee includes language regarding overtime compensation and forced child labor laws, as well as a minimum number of detention bed spaces that must be maintained. The Committee also includes language that requires the Secretary to identify illegal aliens who have been convicted of a crime or who pose a serious risk to public safety or national security who are eligible for removal. The Committee prohibits the delegation of law enforcement authority for the 287(g) program if terms of the agreement have been violated. The Committee prohibits funds to continue any contract for detention services if two recent evaluations are less than adequate.

### AUTOMATION MODERNIZATION

The Committee includes language making funds available for automated systems. The Committee requires submission of a multi-year investment and management plan for projects and activities funded in this account.

## Transportation Security Administration

### AVIATION SECURITY

The Committee includes language making funds available for civil aviation security and establishes conditions under which security fees are collected and credited. The Committee also includes language providing funds for reception and representation expenses. The Committee limits staffing to 46,000 full-time equivalent screeners, not including part-time hires, and requires a report on advanced technology and staffing deployment. Finally, the bill includes language clarifying a variety of people are not exempt from screening.

### SURFACE TRANSPORTATION SECURITY

The Committee includes language providing funds for surface transportation security programs of the Transportation Security Administration.

### TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING

The Committee includes language providing funds for screening programs.

### TRANSPORTATION SECURITY SUPPORT

The Committee includes language providing funds for TSA's transportation security support and intelligence programs. The

Committee includes language requiring the submission of detailed expenditure plans for air cargo, checkpoint support systems, and explosive detection systems refurbishment, procurement, and installation.

### FEDERAL AIR MARSHALS

The Committee includes language providing funds for the Federal Air Marshals.

## COAST GUARD

### OPERATING EXPENSES

The Committee includes a provision regarding passenger motor vehicles, small boats, repairs and service life-replacements, minor shore construction projects, recreation and welfare, and the Oil Spill Liability Trust Fund. The Committee also includes language on reception and representation expenses and on reporting sexual assaults. The Committee withholds funding for the Headquarters Directorate until certain conditions have been met.

### ENVIRONMENTAL COMPLIANCE AND RESTORATION

The Committee includes language providing funds for environmental compliance and restoration of the Coast Guard and directs the inclusion of costs associated with backlogged projects be included in the annual budget submission.

### RESERVE TRAINING

The Committee includes language providing funds for the Coast Guard reserve, including maintenance and operation of the reserve program, personnel and training costs, and equipment and services.

### ACQUISITIONS, CONSTRUCTION AND IMPROVEMENTS

The Committee includes language providing for funds for the Coast Guard acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, housing, vessels, and aircraft as well as for maintenance, rehabilitation, lease, and operations of facilities and equipment. The Committee includes a provision requiring a capital investment plan for future appropriations years with certain conditions.

### RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

The Committee includes language providing funds for applied scientific research, development, test, and evaluation; and for maintenance, rehabilitation, lease, and operation of facilities and equipment. The Committee includes language allowing funds to remain available until expended; authorizing funds to be derived from the Oil Spill Liability Trust Fund; and authorizing funds received from State and local governments, other public authorities, private sources, and foreign countries to be credited to this account and used for certain purposes. The Committee includes a provision requiring a detailed spend plan be submitted with the annual budget submission.

#### RETIRED PAY

The Committee includes language providing funds for retired pay and medical care for the Coast Guard's retired personnel and their dependents and makes these funds available until expended.

### UNITED STATES SECRET SERVICE

#### SALARIES AND EXPENSES

The Committee includes language that provides funds for the purchase and replacement of vehicles; the hire of aircraft; purchase of motorcycles; services of expert witnesses as may be necessary; rental of certain buildings; improvements to buildings as may be necessary for protective missions; per diem and subsistence allowances; firearms matches; presentation of awards; protective travel; research and development; grants for behavioral research; official reception and representation expenses; technical assistance and equipment to foreign law enforcement organizations; advance payment for commercial accommodations; and uniforms. The Committee provides for two-year availability of funds for protective travel. The Committee authorizes the obligation of funds in anticipation of reimbursements for training, under certain conditions. The Committee also restricts the obligation of funds to compensate employees for overtime in an annual amount in excess of $35,000 except under certain conditions. Finally the Committee prohibits funds to be available for the protection of the head of a Federal agency other than the Secretary of Homeland Security unless the Secret Service has entered into a reimbursable agreement.

#### ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The Committee includes language providing funds for the acquisition, construction, improvement, and related expenses of Secret Service facilities.

## TITLE III—PREPAREDNESS AND RECOVERY

### NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

#### MANAGEMENT AND ADMINISTRATION

The Committee includes language providing funds for the Office of the Under Secretary for National Protection and Programs Directorate as well as to support business operations, information technology, and risk management. The Committee also includes language providing funds for official reception and representation expenses.

#### INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

The Committee includes language making funds available until September 30, 2012. The Committee limits the amount of funds available for obligation for cyber security activities and infrastructure protection until an expenditure plan is provided. In addition, the Committee includes language requiring a multi-year investment and management plan.

### FEDERAL PROTECTIVE SERVICE

The Committee includes language making funds available until expended for the operations of the Federal Protective Service.

### UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR TECHNOLOGY

The Committee includes language making funds available for the US–VISIT program and includes language requiring the submission of an expenditure plan as well as a multi-year investment and management plan.

## OFFICE OF HEALTH AFFAIRS

The Committee includes language making funds available for health affairs, biosurveillance, BioWatch, medical readiness planning, and chemical response. The Committee also includes language providing funds for official reception and representation expenses. In addition, the Committee includes language requiring the submission of an expenditure plan.

## FEDERAL EMERGENCY MANAGEMENT AGENCY

### MANAGEMENT AND ADMINISTRATION

The Committee includes language that provides funds for management and administration. The Committee also includes a provision providing funds for reception and representation expenses, a provision limiting administrative costs for Urban Search and Rescue Teams, funding for the Office of the National Capital Region Coordinator and Mount Weather, a provision directing the budget be detailed by office, a provision that the Governors of the State of West Virginia and the Commonwealth of Pennsylvania be incorporated into the efforts to integrate the activities within the National Capital Region, and a provision that requires an expenditure plan be submitted.

### STATE AND LOCAL PROGRAMS

The Committee includes language that provides funds for grants, contracts, cooperative agreements, other activities, including grants to State and local governments for terrorism prevention. The Committee also includes a provision identifying the amount of funds available for Operation Stonegarden and for National Programs. The Committee includes language specifying the conditions under which both applications and grants are made to certain grants made in the Act. The Committee also includes language specifying the conditions for distribution of certain grants. The Committee includes a provision that limits the distribution of urban area grants to the top 10, highest-risk urban areas, a provision allowing for a transfer to FEMA Management and Administration, a provision providing for the submission of an expenditure plan, and a provision directing the submission of a plan to expend all unexpended balances.

FIREFIGHTER ASSISTANCE GRANTS

The Committee includes language that not to exceed 10 percent of the total is available for program administration and requires an expenditure plan for program administration.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

The Committee includes language providing that 10 percent of the total appropriation is available for program administration.

RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

The Committee includes a provision regarding charges assessed for the radiological emergency preparedness program, including conditions and methodology for the assessment and collection of fees.

UNITED STATES FIRE ADMINISTRATION

The Committee includes language that provides funds for expenses of the U.S. Fire Administration.

DISASTER RELIEF

The Committee includes language making funds available until expended and requires a variety of reporting requirements.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

The Committee includes a provision limiting gross obligations for direct loans; includes a provision regarding the cost of modifying loans; and provides for administrative expenses of the direct loan program.

FLOOD HAZARD MAPPING AND RISK ANALYSIS

The Committee includes provisions regarding non-Federal sums for cost-shared mapping activities and limiting total administrative costs to three percent of the total appropriation. The Committee also includes language making funds available until expended.

NATIONAL FLOOD INSURANCE FUND

The Committee includes language limiting funds available for salaries and expenses and language making funds available for flood hazard mitigation floodplain management available until September 30, 2012. The Committee includes provisions limiting operating expenses; for interest on Treasury borrowings; for agents' commissions and taxes; for fees collected and available for floodplain management; and for flood mitigation activities associated with sections of the National Flood Insurance Act of 1968. The Committee includes language permitting additional fees collected be credited as an offsetting collection and available for floodplain management. The Committee includes language providing that not to exceed four percent of the total appropriation is available for administrative costs.

NATIONAL PREDISASTER MITIGATION FUND

The Committee includes language authorizing grant awards to be available until expended. The Committee includes a provision lim-

iting total administrative costs to three percent of the total appropriation.

EMERGENCY FOOD AND SHELTER

The Committee includes language making funds available until expended and limiting total administrative costs to 3.5 percent of the total appropriation.

## TITLE IV—RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES

### UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

The Committee includes language making funds available for citizenship and immigration services, specifically for the E-Verify program and Systematic Alien Verification for Entitlements, as well as permitting replacement of vehicles.

### FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

The Committee includes language making funds available for official representation expenses; purchase of police-type pursuit vehicles; student athletic and related recreational activities; conducting and participating in firearms matches; public awareness and community support; marketing; room and board; services; services authorized by 5 U.S.C. 3109; law enforcement accreditation; and reimbursements for certain mobile phone expenses. The Committee includes language authorizing the training of certain law enforcement personnel, authorizing the use of appropriations and reimbursements for such training, and establishing a cap on total obligations. The Committee also includes language authorizing funds for the compensation of accreditation costs for participating agencies, authorizing the hiring of retired Federal employees until 2012, and on the scheduling of basic or advanced law enforcement training.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS AND RELATED EXPENSES

The Committee includes language making funds available for real property and facilities and authorizes reimbursement from government agencies requesting construction of special use facilities.

### SCIENCE AND TECHNOLOGY

MANAGEMENT AND ADMINISTRATION

The Committee includes language providing funds for management and administration as well as official reception and representation expenses.

RESEARCH, DEVELOPMENT, ACQUISITION AND OPERATIONS

The Committee includes language making funds available for research, development, test and evaluation; acquisition; operations, and for the purchase or lease of vehicles.

## DOMESTIC NUCLEAR DETECTION OFFICE

### MANAGEMENT AND ADMINISTRATION

The Committee includes language that provides funds for management and administration. The Committee also includes a provision providing funds for reception and representation expenses.

### RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

The Committee includes language making funds available for nuclear detection research, development, testing, and evaluation.

### SYSTEMS ACQUISITION

The Committee includes language making funds available for the purchase and deployment of radiation detection equipment. The Committee limits the full-scale procurement of certain types of these systems until the Secretary certifies a significant increase in operational effectiveness among other requirements.

## TITLE V—GENERAL PROVISIONS

Language limiting the availability of any appropriation for obligation beyond the current year unless expressly provided.

Language permitting unexpended balances of prior appropriations to be merged with new appropriation accounts and used for the same purpose, subject to reprogramming guidelines.

Language providing reprogramming authority for funds within an account and limiting the percent that can be transferred between appropriations accounts with the requirement for a 15-day advance Congressional notification. A detailed funding table identifying each Congressional control level for reprogramming purposes is included at the end of this Report. These reprogramming guidelines shall be complied with by all agencies funded by the Department of Homeland Security Appropriations Act, 2012, for obligation and deobligation of funds.

Language prohibiting funds appropriated or otherwise made available to the Department to make payment to the Working Capital Fund (WCF), except for activities and amounts allowed in the President's fiscal year 2012 request. Funds provided to the WCF are available until expended. The Department can only charge components for direct usage of the WCF and these funds may be used only for the purposes consistent with the contributing component. Any funds paid in advance or reimbursed must reflect the full cost of each service. The WCF shall be subject to the requirements of section 503 of this Act.

Language providing that not to exceed 50 percent of unobligated balances remaining at the end of fiscal year 2011 from appropriations made for salaries and expenses remain available through fiscal year 2012 subject to reprogramming guidelines.

Language providing that funds for intelligence activities are deemed to be specifically authorized during fiscal year 2012 until the enactment of an Act authorizing intelligence activities for fiscal year 2012.

Language requiring notification of the Committees on Appropriations three days before grant allocations, grant awards, contract awards, other transactional agreements, letter of intents, or task or

delivery order on a multiple contract award totaling $1,000,000 or more, or a task order greater than $25,000,000 from multi-year funds, is announced by the Department, including contracts covered by the Federal Acquisition Regulation. The Department is required to brief the Committees on Appropriations five full day business days prior to announcing the intention to make a grant under State and Local Programs. Notification shall include a description of the project or projects to be funded, including city, county, and State.

Language prohibiting any agency from purchasing, constructing, or leasing additional facilities for Federal law enforcement training without advance approval of the Committees on Appropriations.

Language prohibiting funds to be used for any construction, repair, alteration, and acquisition project for which a prospectus, if required under chapter 33 of title 40, United States Code, has not been approved.

Language consolidating, by reference, prior year statutory bill language into one provision. These provisions relate to contracting officer's technical representative training; sensitive security information; and the use of funds in conformance with Section 303 of the Energy Policy Act of 1992.

Language prohibiting funds being used in contravention of the Buy American Act.

Language on reporting requirements for the DHS Privacy Officer.

Language maintaining the use of the current oath of allegiance required by Section 337 of the Immigration and Nationality Act.

Language addressing the USCIS workforce.

Language directing TSA to work with air carriers and airports to ensure the screening of cargo carried on passenger aircraft, as required by the 9/11 Act, increases incrementally each quarter, and the submission of an air cargo inspection statistics report detailing how incremental progress is being made to the Committees within 45 days of the end of each quarter of the fiscal year.

Language requiring the Chief Financial Officer to submit monthly budget execution and staffing reports within 45 days after the close of each month.

Language directing that any funds appropriated or transferred to TSA "Aviation Security", "Administration", and "Transportation Security Support" in fiscal years 2004, 2005, 2006, 2007, 2008, and 2009, which are recovered or deobligated, shall be available only for procurement and installation of explosive detection systems for air cargo, baggage, and checkpoint screening systems, subject to notification. The Committee also requires quarterly reports on recovered or deobligated funds.

Language requiring any funds appropriated to the Coast Guard's 110–123 foot patrol boat conversion that are recovered, collected, or otherwise received as a result of negotiation, mediation, or litigation, be available until expended for the Fast Response Cutter program.

Language relating to undercover investigative operations authority of the Secret Service for fiscal year 2012.

Language classifying the functions of the instructor staff at FLETC as inherently governmental for purposes of the Federal Activities Inventory Reform Act.

Language prohibiting the obligation of funds to the Office of the Secretary and Executive Management, the Office of the Under Secretary for Management, and the Office of the Chief Financial Officer for grants or contracts awarded by any means other than full and open competition. Certain exceptions apply. This provision does not require new competitions of existing contracts during their current terms. The bill also requires the Inspector General to review Departmental contracts awarded noncompetitively and report on the results to the Committees.

Language prohibiting funding for any position designated as a Principal Federal Official during a Stafford Act declared disaster or emergency.

Language regarding the enforcement of Section 4025(1) of Public Law 108–458 pertaining to butane lighters.

Language precluding DHS from using funds in this Act to carry out reorganization authority.

Language prohibiting funding to grant an immigration benefit to any individual unless the results of background checks required in statute be completed prior to the grant of the benefit have been received by DHS.

Language prohibiting use of funds to destroy or put out to pasture any horse or other equine belonging to the Federal government unless adoption has been offered first.

Language relating the use of other transactional authority by DHS through fiscal year 2012.

Language requiring the Secretary to link all contracts that provide award fees to successful acquisition outcomes.

Language prohibiting the obligation of funds for the Office of Secretary and Executive Management for any new hires at DHS if they are not verified through E-Verify.

Language related to prescription drugs.

Language requiring the Secretary, in conjunction with the Secretary of Treasury, to notify the Committees of any proposed transfers from the Department of Treasury Forfeiture Fund to any agency within DHS. No funds may be obligated until the Subcommittees approve the proposed transfers.

Language prohibiting funds for the planning, testing, piloting, or developing a national identification card.

Language requiring the Assistant Secretary of TSA to certify that no security risks will result if an airport does not participate in the E-Verify program.

Language requiring a report summarizing damage assessment information used to determine whether to declare a major disaster.

Language relating to the liquidation of Plum Island assets and how the proceeds from this sale may be applied to construction costs of the new National Bio and Agro-defense Facility.

Language directing that any official required by this Act to report or certify to the Committees on Appropriations may not delegate any authority unless expressly authorized to do so in this Act.

Language extending the date of the chemical security program.

Language prohibiting the use of funds for the transfer or release of individuals detained at United States Naval Station, Guantanamo Bay, Cuba.

Language prohibiting funds in this Act to be used for first-class travel.

Language prohibiting funds in this Act to be used for adverse personnel actions for employees who use protective equipment or measures, including surgical masks, N95 respirators, gloves, or hand-sanitizers in the conduct of their official duties.

Language prohibiting funds to be used to employ illegal workers as described in Section 274A(h)(3) of the Immigration and Nationality Act.

Language on the proper disposal of personal information collected through the Registered Traveler program. A report on procedures and status is required to be submitted 90 days after the date of enactment of this Act.

Language prohibiting funds appropriated or otherwise made available by this Act to pay for award or incentive fees for contractors with below satisfactory performance or performance that fails to meet the basic requirements of the contract.

Language requiring the Assistant Secretary of TSA to submit biannual reports on how the agency will meet the requirement to screen 100 percent of air cargo transportation on passenger aircraft arriving in the United States since TSA has indicated that they will not be able to meet the 9/11 Act deadline for this subset of air cargo.

Language requiring any new processes developed to screen aviation passengers and crews for transportation or national security to consider privacy and civil liberties, consistent with applicable laws, regulations, and guidance.

Language extending the National Flood Insurance program until September 30, 2012.

Language making immigration examination fee collections explicitly available for immigrant integration grants, not to exceed $8,500,000, in fiscal year 2012.

Language permitting funds in the Border Security Fencing, Infrastructure, and Technology account to be transferred for the purposes of environmental mitigation to the Department of the Interior, under strict controls and with reporting requirements.

Language rescinding unobligated balances from ICE Salaries and Expenses and from Violent Crime Reduction programs.

Language rescinding unobligated balances from ICE Construction.

## TITLE VI—EMERGENCY SUPPLEMENTAL FUNDING FOR DISASTER RELIEF

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

Language providing supplemental funding for disaster relief upon enactment of this Act and rescinding and transferring funds to offset the supplemental funding.

## TITLE VII—SPENDING REDUCTION ACCOUNT

Language prohibiting new budget authority from exceeding the budget allocation in fiscal year 2012.

## APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f)(1) of rule XIII of the House of Representatives, the following table lists the appropriations in the accompanying bill that are not authorized by law:

Department of Homeland Security

FY 2012 Schedule of Unauthorized Appropriations

(Dollars in thousands)

| Agency/Program | Last Year of Authorization | Authorized Level | Appropriation in Last Year of Authorization | Appropriations in this Bill |
|---|---|---|---|---|
| Customs and Border Protection, Salaries and Expenses | 2004 | $3,083,259[1] | $4,396,350[2] | $8,769,518 |
| Customs and Border Protection, Automation Modernization | N/A | N/A | N/A | $334,275 |
| Customs and Border Protection, Border Security, Fencing, Infrastructure and Technology, Tactical Communications[3] | N/A | N/A | N/A | $500,000 |
| Customs and Border Protection, Air and Marine Interdiction, Operations, Maintenance, and Procurement | N/A | N/A | N/A | $499,966 |
| Customs and Border Protection, Construction and Facilities Management | N/A | N/A | N/A | $234,096 |
| Immigration and Customs Enforcement, Salaries and Expenses | 2003[4] / 2004[6] | N/A[4] / $1,399,592.43 | $3,032,094[5]; N/A[7] | $5,522,474 |
| Immigration and Customs Enforcement, Automation Modernization | 2003[4] | N/A | $380,000 | $23,860 |
| Transportation Security Administration, Aviation Security | 2011 | N/A | $5,219,546 | $5,224,556 |
| Transportation Security Administration, Surface Transportation Security | 2011 | N/A | $105,961 | $129,748 |
| Transportation Security Administration, Transportation Threat Assessment and Credentialing | 2005 | Such sums | $54,919 | $183,954 |
| Transportation Security Administration, Transportation Security Support | N/A | N/A | N/A | $1,032,790 |
| Transportation Security Administration, Federal Air Marshall Service | 2011 | Such sums | $929,802 | $961,375 |
| United States Coast Guard, Operating Expenses | 2011 | $6,970,681 | $6,907,338 | $7,071,061 |
| United States Coast Guard, Environmental Compliance and Restoration | 2011 | $13,329 | $13,198 | $10,198 |
| United States Coast Guard, Reserve Training | 2011 | $135,675 | $133,632 | $131,778 |
| United States Coast Guard, Acquisition Construction, and Improvements | 2011 | $1,640,000 | $1,519,783 | $1,151,673 |

[1] For FY 2004, P.L. 107-210, section 311(b)(1) authorized $1,683,667,050 for Commercial Activities and section 311(a)(2) authorized $1,399,592,400 for non-Commercial Activities; in FY 2002 "Such Sums" were authorized for Agriculture, Plant and Health Inspection Service, which received $730,710,000 in appropriations; and in FY 2003 $2,739,695,000 was authorized for Immigration and Naturalization Service – inspection, investigations, Border Patrol, detention and deportation only; and $3,195,094 was appropriated as follows: $2,862,094,000 for FY 2003 INS Salaries and Expenses appropriation, and $333,000,000 for FY 2003 Wartime Supplemental Appropriations Act, P.L. 108-11. P.L. 109-347, for FY 2010: section 203(g)(3) $37,485,000 for "Automated Targeting System", and section 205(m) (3) $153,300,000 for the Container Security Initiative. P.L. 109-347, for FY 2011, section 223(b)(5) $20,000,000 for Customs-Trade Partnership Against Terrorism; and 19 U.S.C. 2075, as amended, section 301(h)(3)(D) for up to 1000 additional Customs and Border Protection Officers, $165,000,000.

[2] Total for Salaries and Expenses, including for unauthorized activities such as immigration inspection and enforcement, Border Patrol, air and marine enforcement operations, and agriculture inspections.

[3] CBP/BSFIT only authorized for "improvement of barriers at the border."

[4] Immigration and Naturalization Service--inspection, investigations, Border Patrol, detention and deportation only (8 U.S.C. 1101, note; Immigration and Nationality Act, section 404(a)).

| Agency/Program | Last Year of Authorization | Authorized Level | Appropriation in Last Year of Authorization | Appropriations in this Bill |
|---|---|---|---|---|
| United States Coast Guard, Research Development Test and Evaluation | 2011 | $28,034 | $24,745 | $12,779 |
| United States Coast Guard, Retired Pay | 2011 | $1,400,700 | $1,400,700 | $1,440,157 |
| United States Secret Service, Acquisition, Construction, Improvements and Related Expenses | N/A | N/A | N/A | $6,780 |
| United States Secret Service, Salaries and Expenses[8] | 2010 | N/A | N/A | N/A |
| Office of Health Affairs[9] | N/A | N/A | N/A | $165,949 |
| FEMA Management and Administration: Urban Search and Rescue Response System | 2008 | $45,000 | $32,500 | $32,500 |
| FEMA, State and Local Programs: Operation Stonegarden | N/A | N/A | N/A | $55,000 |
| FEMA, State and Local Programs: Citizen Corps Program | N/A | N/A | N/A | N/A |
| FEMA, State and Local Programs: Metropolitan Medical Response System | 2008 | $63,885 | $41,000 | N/A |
| FEMA, State and Local Programs: Driver's License Security Program | 2009 | Such sums | $50,000 | N/A |
| FEMA, State and Local Programs: Buffer Zone Protection Program Grants | N/A | N/A | N/A | $50,000 |
| FEMA, Assistance for Firefighters grants (Equipment) | 2009 | $1,000,000 | $405,000 | $200,000 |
| FEMA, Assistance for Firefighters grants | 2010 | $1,194,000 | $150,000 | $150,000 |
| FEMA, State and Local Programs: Public Transportation Security Assistance | 2011 | $1,100,000 | $300,000 | N/A |
| FEMA, State and Local Programs: Over-the-Road Bus Security Assistance | 2011 | $25,000 | N/A | N/A |
| FEMA, State and Local Programs: Port Security Grants | 2011 | $400,000 | $300,000 | N/A |
| FEMA, Flood Map Modernization Fund | 2011 | N/A | $182,000 | $102,712 |
| FEMA, National Predisaster Mitigation Fund | 2011 | $180,000 | $50,000 | $40,000 |
| FEMA, Emergency Food and Shelter | 1994 | $187,560 | $130,000 | $120,000 |
| United States Citizenship and Immigration Services | 2002 | $631,745 | $707,392 | $132,361 |
| Federal Law Enforcement Training Center, Salaries & Expenses | N/A | N/A | N/A | $238,957 |
| Federal Law Enforcement Training Center, Acquisition Construction and Improvements Related Expenses | N/A | N/A | N/A | $35,456 |

[5]Includes $2,862,094,000 from the FY 2003 INS Salaries and Expenses appropriations, and $170,000,000 included in the FY 2003 Wartime Supplemental Appropriations Act, Pl. 108-11.
[6] Customs Service, including the investigations function (19 U.S.C. 2075(b)(1)).
[7] No 2004 appropriation for the U.S. Customs Service.
[8] 2010 law authorizes appropriations for Uniformed Division.
[9]The Chief Medical Officer is authorized in P.L. 109-295and the National Biosurveillance Integration Center is authorized in P.L. 110-053, Section 1101.

## COMPARISON WITH BUDGET RESOLUTION

Section 308(a)(1)(A) of the Congressional Budget Act requires the report accompanying a bill providing new budget authority to contain a statement comparing the levels in the bill to the suballocations submitted under section 302(b) of the Act for the most recently agreed to concurrent resolution on the budget for the applicable fiscal year. That information is provided in the table headed "Comparison of Reported Bill to Section 302(b) Suballocation."

### BUDGETARY IMPACT

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

| | 302(b) allocation | | This bill [1] | |
|---|---|---|---|---|
| | Budget authority | Outlays | Buget authority | Outlays |
| Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Department of Homeland Security Appropriations Act, 2012 | | | | |
| General purpose discretionary | 40,592 | 45,107 | 40,592 | [1] 45,107 |
| Global war on terrorism | 258 | 206 | 258 | 206 |
| Mandatory | 1,440 | 1,402 | 1,440 | 1,402 |

[1] Includes outlays from prior year budget authority

## FIVE YEAR OUTLAY PROJECTIONS

In compliance with section 308(a)(1)(B) of the Congressional Budget Act of 1974 (Public Law 93–344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

[In millions of dollars]

| | |
|---|---|
| Projection of outlays associated with the recommendation: | |
| 2012 | [2] 26,896 |
| 2013 | 7,648 |
| 2014 | 3,717 |
| 2015 | 1,263 |
| 2016 and future years | 1,256 |

[2] Excludes outlays from prior year budget authority.

## ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93–344), as amended, the financial assistance to state and local governments is as follows:

[In millions of dollars]

| | |
|---|---|
| Budget Authority | 2,593 |
| Outlays | [3] 197 |

[3] Excludes outlays from prior year budget authority.

## CONSTITUTIONAL AUTHORITY

Pursuant to section 6(e) of the rules of the Committee on Appropriations, the following statement is submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill.

The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law . . ." In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: "The Congress shall have the Power . . . . to pay the Debts and provide for the common Defence and general welfare of the United States . . ." Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability and to set forth terms and conditions governing their use.

DETAILED EXPLANATIONS IN REPORT

The following table contains detailed funding recommendations at the program, project, and activity (PPA) level. Public Law 112–10 (signed into law on April 15, 2011) required the Department to submit a detailed fiscal year 2011 expenditure plan by program, project, and activity no later than May 9, 2011. Because the Department and the Committee continued to reconcile discrepancies on this expenditure plan days before both the Subcommittee and Full Committee markups of this fiscal year 2012 bill, the following table does not include fiscal year 2011 enacted funding per PPA. Subsequent technical adjustments to funding comparisons between the recommended and enacted funding levels may be required. Furthermore, it should be emphasized again that a more detailed statement describing the effect of the above provisions inserted by the Committee that directly or indirectly change the application of existing law may be found at the appropriate place in this report.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| TITLE I - DEPARTMENTAL MANAGEMENT AND OPERATIONS | | | |
| Departmental Operations | | | |
| Office of the Secretary and Executive Management: | | | |
| Immediate Office of the Secretary | 5,164 | 4,641 | -523 |
| Immediate Office of the Deputy Secretary | 1,918 | 1,918 | --- |
| Office of the Chief of Staff | 2,802 | 2,000 | -802 |
| Office of Counternarcotics Enforcement | 3,814 | 3,200 | -614 |
| Executive Secretary | 8,402 | 8,200 | -202 |
| Office of Policy | 42,423 | 34,000 | -8,423 |
| Office of Public Affairs | 6,419 | 5,800 | -619 |
| Office of Legislative Affairs | 6,341 | 6,000 | -341 |
| Office of Intergovernmental Affairs | 2,908 | 2,750 | -158 |
| Office of General Counsel | 22,422 | 22,400 | -22 |
| Office for Civil Rights and Civil Liberties | 24,613 | 21,100 | -3,513 |
| Citizenship and Immigration Services Ombudsman | 6,336 | 6,200 | -136 |
| Privacy Officer | 8,971 | 8,491 | -480 |
| Subtotal | 142,533 | 126,700 | -15,833 |
| Office of the Under Secretary for Management: | | | |
| Immediate Office of the Under Secretary for Management | 7,558 | 2,550 | -5,008 |
| Office of Security | 71,236 | 70,200 | -1,036 |
| Office of the Chief Procurement Officer | 78,771 | 75,150 | -3,621 |
| Subtotal | 157,565 | 147,900 | -9,665 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Office of the Chief Human Capital Officer: | | | |
| Salaries and expenses | 28,161 | 25,660 | -2,501 |
| Human resources | 16,686 | 15,680 | -1,006 |
| Subtotal | 44,847 | 41,340 | -3,507 |
| Office of the Chief Administrative Officer: | | | |
| Salaries and expenses | 41,248 | 40,700 | -548 |
| Nebraska Avenue Complex (NAC) | 5,398 | 5,000 | -398 |
| Subtotal | 46,646 | 45,700 | -946 |
| Subtotal, Office of the Under Secretary for Management | 249,058 | 234,940 | -14,118 |
| DHS HQ Consolidation: | | | |
| Mission support | 55,630 | --- | -55,630 |
| St. Elizabeths | 159,643 | --- | -159,643 |
| Subtotal | 215,273 | --- | -215,273 |
| Office of the Chief Financial Officer | 62,395 | 50,860 | -11,535 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Office of the Chief Information Officer: | | | |
| Salaries and expenses | 105,578 | 105,500 | -78 |
| Information technology services | 38,800 | 38,800 | --- |
| Infrastructure and security activities | 89,525 | 73,000 | -16,525 |
| National security systems | 44,069 | 44,000 | -69 |
| Subtotal | 277,972 | 261,300 | -16,672 |
| Analysis and Operations | 355,368 | 344,368 | -11,000 |
| Total, Departmental Operations | 1,302,599 | 1,018,168 | -284,431 |
| Office of Inspector General | | | |
| Operating expenses | 144,318 | 124,000 | -20,318 |
| Transfer from Disaster Relief | --- | (16,000) | (+16,000) |
| Total, Office of Inspector General | 144,318 | 140,000 | -4,318 |
| Total, title I, Departmental Management and Operations | 1,446,917 | 1,142,168 | -304,749 |
| (by transfer) | --- | (16,000) | (+16,000) |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| TITLE II - SECURITY, ENFORCEMENT, AND INVESTIGATIONS | | | |
| U.S. Customs and Border Protection | | | |
| Salaries and expenses: | | | |
| Headquarters, Management, and Administration: | | | |
| Management and administration, border security inspections and trade facilitation | 688,878 | 670,494 | -18,384 |
| Management and administration, border security and control between ports of entry | 738,462 | 720,009 | -18,453 |
| Rent | 483,749 | 483,749 | --- |
| Subtotal | 1,911,089 | 1,874,252 | -36,837 |
| Border security inspections and trade facilitation: | | | |
| Inspections, trade, and travel facilitation at ports of entry | 2,507,235 | 2,562,235 | +55,000 |
| Harbor maintenance fee collection (trust fund) | 3,274 | 3,274 | --- |
| International cargo screening | 68,757 | 79,557 | +10,800 |
| Other international programs | 10,684 | 10,684 | --- |
| Customs-Trade Partnership Against Terrorism (C-TPAT) | 44,979 | 44,979 | --- |
| Trusted Traveler programs | 6,311 | 6,311 | --- |
| Inspection and detection technology investments | 149,537 | 149,537 | --- |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Automated targeting systems | 31,400 | 46,400 | +15,000 |
| National Targeting Center | 46,950 | 46,950 | --- |
| Training | 37,834 | 37,834 | --- |
| Subtotal | 2,906,961 | 2,987,761 | +80,800 |
| Border security and control between ports of entry: | | | |
| Border security and control | 3,530,994 | 3,530,994 | --- |
| Training | 88,610 | 88,610 | --- |
| Subtotal | 3,619,604 | 3,619,604 | --- |
| Air and Marine Operations | 287,901 | 287,901 | --- |
| Subtotal, Salaries and expenses | 8,725,555 | 8,769,518 | +43,963 |
| Appropriations | (8,722,281) | (8,766,244) | (+43,963) |
| Harbor maintenance trust fund | (3,274) | (3,274) | --- |
| Automation modernization: | | | |
| Automated Commercial Environment/International Trade Data System | 169,755 | 140,000 | -29,755 |
| Current operations protection and processing support (COPPS) | 194,275 | 194,275 | --- |
| Subtotal | 364,030 | 334,275 | -29,755 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Border security fencing, infrastructure, and technology (BSFIT): | | | |
| Development and deployment | 337,000 | 312,377 | -24,623 |
| Operations and maintenance | 133,248 | 133,248 | --- |
| Program management | 57,375 | 54,375 | -3,000 |
| Subtotal | 527,623 | 500,000 | -27,623 |
| Air and Marine Interdiction, Operations, Maintenance, and Procurement: | | | |
| Operations and maintenance | 361,087 | 361,087 | --- |
| Procurement | 109,479 | 138,879 | +29,400 |
| Subtotal | 470,566 | 499,966 | +29,400 |
| Construction and facilities management: | | | |
| Facility construction and sustainment | 226,726 | 180,000 | -46,726 |
| Program oversight and management | 57,096 | 54,096 | -3,000 |
| Subtotal | 283,822 | 234,096 | -49,726 |
| Total, U.S. Customs and Border Protection direct appropriations | 10,371,596 | 10,337,855 | -33,741 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Fee accounts: | | | |
| Immigration inspection user fee | (527,629) | (527,629) | --- |
| Immigration enforcement fines | (1,041) | (1,041) | --- |
| ESTA | (44,524) | (44,524) | --- |
| Land border inspection fee | (28,909) | (28,909) | --- |
| COBRA passenger inspection fee | (440,521) | (385,521) | (-55,000) |
| APHIS inspection fee | (323,000) | (323,000) | --- |
| Global Entry user fee | (2,615) | (2,615) | --- |
| Puerto Rico collections | (91,779) | (91,779) | --- |
| Small airport user fee | (8,167) | (8,167) | --- |
| Subtotal, fee accounts | (1,468,185) | (1,413,185) | (-55,000) |
| Total, U.S. Customs and Border Protection | (11,839,781) | (11,751,040) | (-88,741) |
| Appropriations | (10,371,596) | (10,337,855) | (-33,741) |
| Fee accounts | (1,468,185) | (1,413,185) | (-55,000) |

U.S. Immigration and Customs Enforcement

| | | | |
|---|---|---|---|
| Salaries and expenses: | | | |
| Headquarters management and administration (non-detention and removal operations): | | | |
| Personnel compensation and benefits, services and other costs | 237,842 | 234,251 | -3,591 |
| Headquarters managed IT investment | 194,727 | 184,227 | -10,500 |
| Subtotal | 432,569 | 418,478 | -14,091 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Legal proceedings | 215,935 | 215,935 | --- |
| Investigations: | | | |
| Domestic | 1,714,234 | 1,714,234 | --- |
| International investigations: | | | |
| International operations | 114,928 | 114,928 | --- |
| Visa Security Program | 29,489 | 32,489 | +3,000 |
| Subtotal | 144,417 | 147,417 | +3,000 |
| Subtotal, Investigations | 1,858,651 | 1,861,651 | +3,000 |
| Intelligence | 81,503 | 81,503 | --- |
| Detention and removal operations: | | | |
| Custody operations | 2,023,827 | 2,050,545 | +26,718 |
| Fugitive operations | 154,597 | 154,597 | --- |
| Criminal alien program | 196,696 | 196,696 | --- |
| Alternatives to detention | 72,373 | 72,373 | --- |
| Transportation and removal program | 276,632 | 276,632 | --- |
| Subtotal | 2,724,125 | 2,750,843 | +26,718 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Comprehensive identification and removal of criminal aliens | 184,064 | 194,064 | +10,000 |
| Subtotal, Salaries and expenses | 5,496,847 | 5,522,474 | +25,627 |
| Automation modernization | 13,860 | 23,860 | +10,000 |
| Construction | --- | --- | --- |
| Rescission of unobligated balances | -16,300 | --- | +16,300 |
| Total, U.S. Immigration and Customs Enforcement direct appropriations | 5,494,407 | 5,546,334 | +51,927 |
| Fee accounts: | | | |
| Immigration inspection user fee | (116,869) | (116,869) | --- |
| Breached bond/detention fund | (75,000) | (75,000) | --- |
| Student exchange and visitor fee | (120,000) | (120,000) | --- |
| Subtotal | (311,869) | (311,869) | --- |
| Total, U.S. Immigration and Customs Enforcement | (5,806,276) | (5,858,203) | (+51,927) |
| Appropriations | (5,510,707) | (5,546,334) | (+35,627) |
| Fee accounts | (311,869) | (311,869) | --- |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Transportation Security Administration | | | |
| Aviation security: | | | |
| Screening operations: | | | |
| Screener workforce: | | | |
| Privatized screening | 144,193 | 144,193 | --- |
| Screener personnel, compensation, and benefits | 3,060,493 | 3,030,167 | -30,326 |
| Subtotal | 3,204,686 | 3,174,360 | -30,326 |
| Screener training and other | 252,526 | 245,165 | -7,361 |
| Checkpoint support | 254,093 | 181,285 | -72,808 |
| EDS/ETD Systems: | | | |
| EDS procurement and installation | 272,738 | 222,738 | -50,000 |
| Screening technology maintenance, utilities | 332,265 | 332,265 | --- |
| Subtotal | 605,003 | 555,003 | -50,000 |
| Subtotal, Screening operations | 4,316,308 | 4,155,813 | -160,495 |
| Aviation security direction and enforcement: | | | |
| Aviation regulation and other enforcement | 373,239 | 354,294 | -18,945 |
| Airport management and support | 571,503 | 568,334 | -3,169 |
| FFDO and flight crew training | 25,461 | 25,461 | --- |
| Air cargo | 114,654 | 120,654 | +6,000 |
| Subtotal | 1,084,857 | 1,068,743 | -16,114 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Aviation security capital fund (mandatory)..... | (250,000) | (250,000) | --- |
| Total, Aviation security (gross)..... | 5,401,165 | 5,224,556 | -176,609 |
| Offsetting fee collections..... | -2,030,000 | -2,030,000 | --- |
| Aviation passenger security fee..... | -280,000 | --- | +280,000 |
| Total, Aviation security (net, discretionary)... | 3,091,165 | 3,194,556 | +103,391 |
| Surface transportation security: | | | |
| Staffing and operations..... | 38,514 | 38,514 | --- |
| Surface transportation security inspectors and canines..... | 96,234 | 91,234 | -5,000 |
| Subtotal..... | 134,748 | 129,748 | -5,000 |
| Transportation Threat Assessment and Credentialing: | | | |
| Secure Flight..... | 92,414 | 92,414 | --- |
| Crew and other vetting programs..... | 91,540 | 91,540 | --- |
| TWIC fees..... | (8,300) | (8,300) | --- |
| Hazardous materials fees..... | (12,000) | (12,000) | --- |
| Alien Flight School fees (by transfer from DOJ)... | (4,000) | (4,000) | --- |
| Certified cargo screening program..... | (5,200) | (5,200) | --- |
| Large aircraft security program..... | (1,200) | (1,200) | --- |
| Secure identification display area checks..... | (8,000) | (8,000) | --- |
| Other security threat assessments..... | (100) | (100) | --- |
| General aviation at DCA..... | (100) | (100) | --- |
| Indirect air cargo..... | (1,400) | (1,400) | --- |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Sensitive security information (SSI) fees | (20) | (20) | --- |
| Subtotal | 224,274 | 224,274 | --- |
| Direct appropriations | (183,954) | (183,954) | --- |
| Fee funded programs | (40,320) | (40,320) | --- |
| Transportation security support: | | | |
| Headquarters administration | 320,794 | 289,798 | -30,996 |
| Information technology | 485,612 | 450,000 | -35,612 |
| Human capital services | 264,299 | 250,000 | -14,299 |
| Intelligence | 42,992 | 42,992 | --- |
| Subtotal | 1,113,697 | 1,032,790 | -80,907 |
| Federal Air Marshals: | | | |
| Management and administration | 860,260 | 845,260 | -15,000 |
| Travel and training | 131,115 | 116,115 | -15,000 |
| Subtotal | 991,375 | 961,375 | -30,000 |
| Total, Transportation Security Administration | 8,115,259 | 7,822,743 | -292,516 |
| Offsetting fee collections | (-2,310,000) | (-2,030,000) | (+280,000) |
| Aviation security capital fund | (250,000) | (250,000) | --- |
| Fee funded programs | (40,320) | (40,320) | --- |
| Total, Transportation Security Administration (net) | 5,514,939 | 5,502,423 | -12,516 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Coast Guard | | | |
| Operating expenses: | | | |
| Military pay and allowances | 3,447,753 | 3,434,872 | -12,881 |
| Civilian pay and benefits | 780,556 | 775,063 | -5,493 |
| Training and recruiting | 213,282 | 213,282 | --- |
| Operating funds and unit level maintenance | 1,109,323 | 1,109,450 | +127 |
| Centrally managed accounts | 351,478 | 343,348 | -8,130 |
| Intermediate and depot level maintenance | 917,113 | 936,768 | +19,655 |
| (Defense) | (340,000) | (340,000) | --- |
| (Nondefense) | (6,479,505) | (6,472,783) | (-6,722) |
| Global war on terror | --- | 258,278 | +258,278 |
| Subtotal | 6,819,505 | 7,071,061 | +251,556 |
| Appropriations | (6,819,505) | (6,812,783) | (-6,722) |
| Global war on terror (GWOT) | --- | (258,278) | (+258,278) |
| Environmental compliance and restoration | 16,699 | 10,198 | -6,501 |
| Reserve training | 136,778 | 131,778 | -5,000 |
| Acquisition, construction, and improvements: | | | |
| Vessels: | | | |
| Cutter small boats | 5,000 | 5,000 | --- |
| Fast response cutter (FRC) | 358,000 | 240,000 | -118,000 |
| In-service cutters sustainment | 14,000 | 14,000 | --- |
| Medium endurance cutter (MEC) sustainment | 47,000 | 47,000 | --- |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| National security cutter (NSC) | 77,000 | --- | -77,000 |
| Offshore patrol cutter (OPC) | 25,000 | 25,000 | --- |
| Response boat-medium | 110,000 | 90,691 | -19,309 |
| Survey and design-vessels and boats | 6,000 | 6,000 | --- |
| Subtotal | 642,000 | 427,691 | -214,309 |
| Aircraft: | | | |
| Long range surveillance aircraft | 62,000 | 62,000 | --- |
| HH-60 acquisition/conversion/sustainment | 74,400 | 74,400 | --- |
| HH-65 acquisition/conversion/sustainment | 24,000 | 61,000 | +37,000 |
| Maritime patrol aircraft (MPA) | 129,500 | 129,500 | --- |
| Unmanned aerial systems (UAS) | --- | 2,000 | +2,000 |
| Subtotal | 289,900 | 328,900 | +39,000 |
| Other Equipment: | | | |
| C4ISR | 34,500 | 44,500 | +10,000 |
| Government program management | 35,000 | 30,000 | -5,000 |
| Interagency operational centers | 3,000 | 3,000 | --- |
| Nationwide automatic identification system | 5,000 | 5,000 | --- |
| CG-LIMS | 6,500 | 6,500 | --- |
| Rescue 21 | 65,000 | 65,000 | --- |
| System engineering and integration | 17,140 | 17,140 | --- |
| Subtotal | 166,140 | 171,140 | +5,000 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Shore Facilities and Aids to Navigation: | | | |
| Major/minor construction; Housing; ATON; and Survey and design | 99,192 | 50,000 | -49,192 |
| Major acquisition systems infrastructure | 94,500 | 66,000 | -28,500 |
| Subtotal | 193,692 | 116,000 | -77,692 |
| Military housing | 20,000 | --- | -20,000 |
| Personnel and related support: | | | |
| Direct personnel costs | 109,592 | 107,342 | -2,250 |
| AC&I core | 600 | 600 | --- |
| Subtotal | 110,192 | 107,942 | -2,250 |
| Subtotal, Acquisition, construction, and improvements | 1,421,924 | 1,151,673 | -270,251 |
| Research, development, test, and evaluation | 19,779 | 12,779 | -7,000 |
| Health care fund contribution (permanent indefinite discretionary) | 261,871 | 261,871 | --- |
| Retired pay (mandatory) | 1,440,157 | 1,440,157 | --- |
| Total, Coast Guard | 10,116,713 | 10,079,517 | -37,196 |
| Appropriations | (10,116,713) | (9,821,239) | (-295,474) |
| Global war on terror (GWOT) | --- | (258,278) | (+258,278) |
| (mandatory) | (1,440,157) | (1,440,157) | --- |
| (discretionary) | (8,676,556) | (8,639,360) | (-37,196) |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| United States Secret Service | | | |
| Salaries and expenses: | | | |
| Protection: | | | |
| Protection of persons and facilities | 847,963 | 847,963 | --- |
| Protective intelligence activities | 68,125 | 68,125 | --- |
| National special security event fund | 19,307 | 12,307 | -7,000 |
| Presidential candidate nominee protection | 113,462 | 113,462 | --- |
| White House mail screening | 24,315 | 24,315 | --- |
| Subtotal | 1,073,172 | 1,066,172 | -7,000 |
| Investigations: | | | |
| Domestic field operations | 223,991 | 223,991 | --- |
| International field office administration, operations and training | 30,971 | 30,971 | --- |
| Electronic crimes special agent program and electronic crimes task forces | 53,051 | 53,051 | --- |
| Support for missing and exploited children | 8,366 | 8,366 | --- |
| Subtotal | 316,379 | 316,379 | --- |
| Headquarters, management and administration | 246,602 | 228,302 | -18,300 |
| Rowley training center | 55,598 | 55,598 | --- |
| Subtotal, Salaries and expenses | 1,691,751 | 1,666,451 | -25,300 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Acquisition, construction, improvements, and related expenses | 6,780 | 6,780 | --- |
| Total, United States Secret Service | 1,698,531 | 1,673,231 | -25,300 |
| Total, title II, Security, Enforcement, and Investigations | 33,196,186 | 33,139,360 | -56,826 |
| Appropriations | (33,212,486) | (32,881,082) | (-331,404) |
| Global war on terror (GWOT) | --- | (258,278) | (+258,278) |
| Rescissions | (-16,300) | --- | (+16,300) |
| (Fee Accounts) | (1,820,374) | (1,765,374) | (-55,000) |
| TITLE III - PROTECTION, PREPAREDNESS, RESPONSE, AND RECOVERY | | | |
| National Protection and Programs Directorate | | | |
| Management and administration: | | | |
| Administrative activities | 45,634 | 33,634 | -12,000 |
| Risk management and analysis | 9,522 | 8,877 | -645 |
| Subtotal | 55,156 | 42,511 | -12,645 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Infrastructure Protection and Information Security: | | | |
| Infrastructure protection: | | | |
| Identification and analysis | 83,948 | --- | -83,948 |
| Coordination and information sharing | 48,354 | --- | -48,354 |
| Mitigation programs | 189,977 | --- | -189,977 |
| Infrastructure analysis and planning: | | | |
| Vulnerability assessments | --- | 21,268 | +21,268 |
| Infrastructure sector analysis | --- | 26,693 | +26,693 |
| Bombing prevention | --- | 13,551 | +13,551 |
| Incident planning and exercises | --- | 10,006 | +10,006 |
| Subtotal | --- | 71,518 | +71,518 |
| Sector management and governance: | | | |
| NIPP management | --- | 10,334 | +10,334 |
| SSA management | --- | 22,732 | +22,732 |
| Management, planning and administration | --- | 7,326 | +7,326 |
| MPA facilities | --- | 10,666 | +10,666 |
| Critical infrastructure technology and architecture | --- | 30,487 | +30,487 |
| Subtotal | --- | 81,545 | +81,545 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Regional field operations: | | | |
| National infrastructure coordinating center (NICC) | --- | 13,341 | +13,341 |
| Protective security advisors | --- | 25,499 | +25,499 |
| Partnerships and information sharing | --- | 18,527 | +18,527 |
| Subtotal | --- | 57,367 | +57,367 |
| Infrastructure security compliance | --- | 91,848 | +91,848 |
| Subtotal, Infrastructure protection | 322,279 | 302,278 | -20,001 |
| National Computer Security Division: | | | |
| US Computer Emergency Response Team (US-CERT) | 391,406 | --- | -391,406 |
| Strategic initiatives | 65,339 | --- | -65,339 |
| Outreach and programs | 7,096 | --- | -7,096 |
| Cybersecurity coordination | --- | 4,000 | +4,000 |
| US-CERT Operations: | | | |
| Mission management | --- | 23,612 | +23,612 |
| Business, performance and planning | --- | 3,980 | +3,980 |
| Analysis | --- | 27,175 | +27,175 |
| Cyber mission integration | --- | 1,253 | +1,253 |
| Detection | --- | 23,096 | +23,096 |
| Subtotal | --- | 79,116 | +79,116 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Federal Network Security: | | | |
| Requirement and acquisition support | --- | 3,021 | +3,021 |
| Network and infrastructure security | --- | 6,036 | +6,036 |
| Compliance and assurance | --- | 14,668 | +14,668 |
| Security management | --- | 1,542 | +1,542 |
| FISMA enterprise performance | --- | 3,657 | +3,657 |
| Subtotal | --- | 28,924 | +28,924 |
| Network Security Deployment: | | | |
| Systems engineering and integration | --- | 24,932 | +24,932 |
| Deployment, logistics and sustainment | --- | 138,677 | +138,677 |
| Program management and acquisition | --- | 37,792 | +37,792 |
| Business, investment and budget | --- | 27,700 | +27,700 |
| Subtotal | --- | 229,101 | +229,101 |
| Global Cyber Security Management: | | | |
| Cyber education | --- | 14,876 | +14,876 |
| Software assurance | --- | 2,147 | +2,147 |
| Research and standards integration | --- | 2,225 | +2,225 |
| Supply chain risk management | --- | 5,279 | +5,279 |
| Subtotal | --- | 24,527 | +24,527 |
| Critical Infrastructure Cyber Protection and Awareness: | | | |
| Control systems security | --- | 28,927 | +28,927 |
| CIP-cyber security | --- | 12,901 | +12,901 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Outreach and awareness | --- | 8,012 | +8,012 |
| Cyber exercises | --- | 11,524 | +11,524 |
| Subtotal | --- | 61,364 | +61,364 |
| Business Operations: | | | |
| Business operations | --- | 5,467 | +5,467 |
| Facilities | --- | 6,101 | +6,101 |
| Subtotal | --- | 11,568 | +11,568 |
| Subtotal, National Computer Security Division | 463,841 | 438,600 | -25,241 |
| Office of Emergency Communications | 43,495 | 43,495 | --- |
| National Security/Emergency Preparedness Telecommunications: | | | |
| Priority telecommunications services | 56,824 | 56,824 | --- |
| Next generation networks | 25,253 | 25,253 | --- |
| Programs to study and enhance telecommunications | 13,441 | 13,441 | --- |
| Critical infrastructure protection programs | 11,352 | 11,352 | --- |
| Subtotal | 106,870 | 106,870 | --- |
| Subtotal, Infrastructure Protection and Information Security | 936,485 | 891,243 | -45,242 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Federal Protective Service: | | | |
| Basic security | 247,478 | 247,478 | --- |
| Building-specific security | 501,039 | 501,039 | --- |
| Reimbursable Security Fees (contract guard services) | 513,020 | 513,020 | --- |
| Subtotal, Federal Protective Service | 1,261,537 | 1,261,537 | --- |
| Offsetting collections | -1,261,537 | -1,261,537 | --- |
| U.S. Visitor and Immigrant Status Indicator Technology | 302,271 | 297,402 | -4,869 |
| Rescission | -25,642 | --- | +25,642 |
| Subtotal | 276,629 | 297,402 | +20,773 |
| Total, National Protection and Programs Directorate | 1,268,270 | 1,231,156 | -37,114 |
| Appropriations | (2,555,449) | (2,492,693) | (-62,756) |
| Rescissions | (-25,642) | --- | (+25,642) |
| Offsetting collections | (-1,261,537) | (-1,261,537) | --- |
| **Office of Health Affairs** | | | |
| BioWatch | 115,164 | 115,164 | --- |
| National biosurveillence integration system | 7,013 | 12,013 | +5,000 |
| Rapidly deployable chemical detection system | 2,439 | 2,439 | --- |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Planning and coordination | 6,162 | 6,162 | --- |
| Salaries and expenses | 30,171 | 30,171 | --- |
| Total, Office of Health Affairs | 160,949 | 165,949 | +5,000 |
| **Federal Emergency Management Agency** | | | |
| Management and administration: | | | |
| Operating activities | 681,393 | 567,456 | -113,937 |
| Defense function | 99,099 | 99,099 | --- |
| Urban search and rescue response system | 29,114 | 35,250 | +6,136 |
| Office of National Capital Region Coordination | 5,493 | 5,493 | --- |
| Subtotal | 815,099 | 707,298 | -107,801 |
| (Defense) | (99,099) | (99,099) | --- |
| (Nondefense) | (716,000) | (608,199) | (-107,801) |
| (Transfer from Disaster relief) | --- | (105,600) | (+105,600) |
| (Transfer from state and local programs) | (185,000) | (100,000) | (-85,000) |
| (Transfer from firefighter assistance grants) | --- | (35,000) | (+35,000) |
| (Transfer from emergency mgmnt performance grants) | --- | (35,000) | (+35,000) |
| Subtotal, Management and administration | 1,000,099 | 982,898 | -17,201 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Grants and Training: | | | |
| State and local programs: | | | |
| State Homeland Security Grant Program | 1,063,000 | 807,337 | -255,663 |
| Operation Stonegarden | (50,000) | (55,000) | (+5,000) |
| Citizen Corps | (13,000) | --- | (-13,000) |
| Urban area security initiative | 920,000 | --- | -920,000 |
| Public transportation security assistance and railroad security assistance | 300,000 | --- | -300,000 |
| Port security grants | 300,000 | --- | -300,000 |
| Buffer Zone Protection Program grants | 50,000 | --- | -50,000 |
| National Programs: | | | |
| National Domestic Preparedness Consortium | 44,500 | 44,500 | --- |
| Center for Domestic Preparedness | 62,500 | 62,500 | --- |
| National exercise program | 40,000 | 40,000 | --- |
| Technical assistance | 10,000 | 10,000 | --- |
| Continuing training grants | 20,663 | 25,663 | +5,000 |
| Evaluations and assessments | 14,000 | 10,000 | -4,000 |
| Subtotal | 191,663 | 192,663 | +1,000 |
| Subtotal, State and Local Programs | 2,824,663 | 1,000,000 | -1,824,663 |
| (transfer to Management and administration) | (-185,000) | (-100,000) | (+85,000) |
| Subtotal, State and Local Programs (net) | 2,639,663 | 900,000 | -1,739,663 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Firefighter assistance grants: | | | |
| Fire grants | 265,000 | 200,000 | -65,000 |
| Staffing for Adequate Fire and Emergency Response (SAFER) Act grants | 405,000 | 150,000 | -255,000 |
| Subtotal | 670,000 | 350,000 | -320,000 |
| (transfer to Management and administration) | --- | (-35,000) | (-35,000) |
| Subtotal, Firefighter assistance grants | 670,000 | 315,000 | -355,000 |
| Emergency management performance grants | 350,000 | 350,000 | --- |
| (transfer to Management and administration) | --- | (-35,000) | (-35,000) |
| Subtotal | 350,000 | 315,000 | -35,000 |
| Subtotal, Grants and training | 3,844,663 | 1,700,000 | -2,144,663 |
| Radiological Emergency Preparedness Program | -896 | -896 | --- |
| United States Fire Administration | 42,538 | 42,538 | --- |
| Disaster relief | 1,800,000 | 2,650,000 | +850,000 |
| (transfer to Management and Administration) | --- | (-105,600) | (-105,600) |
| (transfer to Inspector General) | --- | (-16,000) | (-16,000) |
| Subtotal | 1,800,000 | 2,528,400 | +728,400 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Disaster assistance direct loan program account: | | | |
| (Limitation on direct loans) | (25,000) | (25,000) | --- |
| Direct loan subsidy | 295 | 296 | +1 |
| Flood hazard mapping and risk analysis | 102,712 | 102,712 | --- |
| National flood insurance fund: | | | |
| Salaries and expenses | 22,000 | 22,000 | --- |
| Flood plain management and mapping | 149,000 | 149,000 | --- |
| Subtotal | 171,000 | 171,000 | --- |
| Offsetting fee collections | -171,000 | -171,000 | --- |
| National predisaster mitigation fund | 84,937 | 40,000 | -44,937 |
| Emergency food and shelter | 100,000 | 120,000 | +20,000 |
| Total, Federal Emergency Management Agency | 6,789,348 | 5,361,948 | -1,427,400 |
| Total, title III, Protection, Preparedness, Response and Recovery Directorate | 8,218,567 | 6,759,053 | -1,459,514 |
| Appropriations | (8,244,209) | (6,759,053) | (-1,485,156) |
| Rescissions | (-25,642) | --- | (+25,642) |
| By transfer | (185,000) | (275,600) | (+90,600) |
| Transfer out | (-185,000) | (-291,600) | (-106,600) |
| (Limitation on direct loans) | (25,000) | (25,000) | --- |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| TITLE IV - RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES | | | |
| United States Citizenship and Immigration Services | | | |
| Appropriations: | | | |
| Pay and benefits | 1,467 | --- | -1,467 |
| Data center consolidation | 12,500 | --- | -12,500 |
| Systematic Alien Verification for Entitlements | 29,937 | 29,937 | --- |
| E-Verify program | 102,424 | 102,424 | --- |
| Immigrant integration programs | 19,749 | --- | -19,749 |
| Asylum and refugee services | 203,400 | --- | -203,400 |
| Subtotal | 369,477 | 132,361 | -237,116 |
| Immigration Examinations Fee Account: | | | |
| Adjudication services: | | | |
| District operations | (1,132,630) | (1,132,630) | --- |
| Service center operations | (494,333) | (494,333) | --- |
| Asylum, refugee and international operations | (86,978) | (293,978) | (+207,000) |
| International operations | --- | --- | --- |
| Records operations | (103,902) | (103,902) | --- |
| Business transformation | (234,400) | (234,400) | --- |
| (Digitization program) | --- | (29,000) | (+29,000) |
| Subtotal | 2,052,243 | 2,259,243 | +207,000 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Information and customer services: | | | |
| Operating expenses | (85,773) | (85,773) | --- |
| Administration: | | | |
| Operating expenses | (348,295) | (348,295) | --- |
| Subtotal, Immigration Examinations Fee Acct | 2,486,311 | 2,693,311 | +207,000 |
| H1-B Visa Fee Account: | | | |
| Adjudication services: | | | |
| Service center operations | (13,000) | (13,000) | --- |
| H1-B and L Fraud Prevention Fee Account: | | | |
| Adjudication services: | | | |
| District operations | (24,507) | (24,507) | --- |
| Asylum and refugee operating expenses | (1,386) | (1,386) | --- |
| Service center operations | (12,185) | (12,185) | --- |
| Subtotal | 38,078 | 38,078 | --- |
| Total, United States Citizenship and Immigration Services | (2,906,866) | (2,876,750) | (-30,116) |
| Appropriations | (369,477) | (132,361) | (-237,116) |
| Fee accounts | (2,537,389) | (2,744,389) | (+207,000) |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Federal Law Enforcement Training Center | | | |
| Salaries and expenses: | | | |
| Law enforcement training | 207,937 | 207,937 | --- |
| Management and administration | 29,716 | 29,716 | --- |
| Accreditation | 1,304 | 1,304 | --- |
| Subtotal, Salaries and expenses | 238,957 | 238,957 | --- |
| Acquisitions, construction, improvements, and related expenses: direct appropriation | 37,456 | 35,456 | -2,000 |
| Total, Federal Law Enforcement Training Center | 276,413 | 274,413 | -2,000 |
| Science and Technology | | | |
| Management and administration | 149,365 | 140,565 | -8,800 |
| Research, development, acquisition, and operations: | | | |
| Innovation | 659,850 | 106,500 | -553,350 |
| Laboratory facilities | 276,500 | 201,500 | -75,000 |
| Acquisition and operations support | 54,154 | 53,650 | -504 |
| University programs | 36,563 | 36,563 | --- |
| Subtotal | 1,027,067 | 398,213 | -628,854 |
| Total, Science and Technology | 1,176,432 | 538,778 | -637,654 |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| Domestic Nuclear Detection Office | | | |
| Management and administration | 41,120 | 40,000 | -1,120 |
| Research, development, and operations: | | | |
| Systems engineering and architecture | 31,857 | 30,000 | -1,857 |
| Systems development | 69,689 | 69,000 | -689 |
| Transformational research and development | --- | 45,000 | +45,000 |
| Assessments | 43,104 | 40,000 | -3,104 |
| Operations support | 36,837 | 36,424 | -413 |
| National Technical Nuclear Forensics Center | 24,770 | 24,770 | --- |
| Subtotal | 206,257 | 245,194 | +38,937 |
| Systems acquisition: | | | |
| RPM/ASP program | 37,361 | 20,000 | -17,361 |
| Securing the Cities | 27,000 | 22,000 | -5,000 |
| HPRDS program | 20,000 | 10,000 | -10,000 |
| Subtotal | 84,361 | 52,000 | -32,361 |
| Total, Domestic Nuclear Detection Office | 331,738 | 337,194 | +5,456 |
| Total, title IV, Research and Development, Training, and Services | 2,154,060 | 1,282,746 | -871,314 |
| (Fee Accounts) | (2,537,389) | (2,744,389) | (+207,000) |

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR
BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012
(Amounts in thousands)

| | FY 2012 Request | Bill | Bill vs. Request |
|---|---|---|---|
| TITLE V - GENERAL PROVISIONS | | | |
| Sec. 550: | | | |
| ICE Salaries and expenses (rescission) | --- | -20,997 | -20,997 |
| Violent crime reduction programs (rescission) | --- | -595 | -595 |
| Sec. 551: ICE construction (rescission) | --- | -11,300 | -11,300 |
| Total, title V, General Provisions | --- | -32,892 | -32,892 |
| Grand total | 45,015,730 | 42,290,435 | -2,725,295 |
| Mandatory | (1,440,157) | (1,440,157) | --- |
| General purpose discretionary | (43,575,573) | (40,850,278) | (-2,725,295) |
| Appropriations | (43,617,515) | (40,624,892) | (-2,992,623) |
| Global war on terror (GWOT) | --- | (258,278) | (+258,278) |
| Rescission/cancellation | (-41,942) | (-32,892) | (+9,050) |
| (Fee funded programs) | (4,357,763) | (4,509,763) | (+152,000) |
| (Limitation on direct loans) | (25,000) | (25,000) | --- |
| (by transfer) | (185,000) | (291,600) | (+106,600) |
| (transfer out) | (-185,000) | (-291,600) | (-106,600) |

## MINORITY VIEWS

As we approach the ten-year anniversary of the September 11th terrorist attack, there is no doubt that America is better prepared than before to counter and respond to a terrorist attack. Yet, it is equally clear that this threat has not diminished. Over the past 18 months, we have seen numerous attempts to attack our homeland, including efforts from homegrown terrorists as well as from persons who would not have been flagged for further scrutiny before being permitted to come to the United States. The Christmas Day, 2009, bombing attempt of a Northwest Airlines flight over Detroit, the Times Square bombing attempt in May 2010, and the Yemen air cargo plot are notable examples of this persistent threat. Additionally, after the death of Osama bin Laden, media sources reported that Al Qaeda may have been attempting a major attack on U.S. rail systems. Each of these threats must be dealt with by the programs and activities funded in this bill. Unfortunately, the funding levels contained herein do not adequately address these threats.

### CONCERNS WITH THE BILL: BUDGET ALLOCATION

For the second year in a row, overall funding for the Department of Homeland Security (DHS) will drop. With a 302(b) allocation for DHS in FY 2012 of $40.592 billion, the Republican majority is essentially returning DHS discretionary funding to the 2009 level.

The bill adopted by the Full Committee is 2.6 percent, or $1.071 billion, below the 2011 enacted level of $41.661 billion, which is already below the fiscal year 2010 enacted level. And the bill is 6.8 percent, or $1.984 billion, below the President's budget request of $43.576 billion. While this bill provides adequate funding for the front line employees of the Department of Homeland Security to continue to conduct critical operations along our borders, protect our nation's airports and seaports, and respond to the spate of natural disasters our country has experienced this spring, it severely shortchanges our State and local partners who will be the first responders to terrorist attacks, natural disasters, and other major emergencies. It also decimates the Department's research efforts on cyber security and other developing threats.

Beginning with the 2011 Appropriation, which included reduced funding levels to many key State and Local programs, and now continuing with this 2012 bill, which cuts funding for State and Local grants and Firefighter Assistance grants by more than half from 2011, this compounded reduction in funding breaks faith with our responder community. These reductions come for two reasons: a paltry 302(b) allocation for the homeland security bill resulting from an entirely inadequate discretionary spending cap established in the Republican Budget Resolution, and the decision to increase funding for the Disaster Relief Fund by $850 million without emergency designation, which was not requested, even though the Administration is well aware of at least $6 billion in disaster commitments it must pay out shortly. (These Disaster Relief commitments do not reflect the new disaster costs incurred with the tornados and flooding this spring.) Traditionally, a Disaster Relief shortfall has been met through emergency supplemental appropriations, as shown when the Full Committee adopted a $1 billion dollar emer-

gency supplemental for disaster costs anticipated for the remainder of 2011. Chairman Rogers has indicated that he expects to pass another supplemental later this year to deal with the costs that will be incurred in 2012 from these same disasters. Yet even with a $1 billion increase for 2011 needs and an impending supplemental disaster appropriation for 2012, this bill still includes funding for Disaster Relief at a higher than requested level. This requires deeper cuts to critical programs than would be required by the paltry allocation itself. Unfortunately, state and local first responder grants received the brunt of this blow, taking a fifty percent reduction overall. Not only does this adversely impact efforts at the state and local level to improve preparedness for natural disasters and terrorist attacks, but it does so at a time when state and local budgets are already contracting, making this funding all the more vital.

BREAKING FAITH WITH THE FIRST RESPONDERS

The bill adopted by the Full Committee cuts FEMA State and Local programs by a staggering 55 percent below the enacted level and 70 percent below fiscal year 2010. Similarly, the bill cuts 57 percent from Firefighter Assistance as grants compared to 2010 and 2011. With the threat of terrorism still looming large and with the seemingly incessant onslaught of natural disasters across the country, these cuts break faith with the states and localities that depend on us as partners to secure our communities. Similarly, the cuts to firefighters ignore key investments needed to maintain the basic response capacity in our communities. According to the International Association of Firefighters, 1,600 firefighters will lose their jobs if the cuts in this bill are enacted. These cuts will be doubly disruptive as many of our states and municipalities are being forced to slash their own budgets as the effects of the recession linger.

Further the bill provides a total of $1 billion for *all* State and Local Grants, making all-hazard, formula-based State Homeland Security grants compete against terrorism-based security grants for high threat, high-risk urban areas, ports, and transit. But this $1 billion allocation is misleading. After excluding the statutory set-asides for Operation Stonegarden of $55,000,000 and for National Programs of $192,663,000 as well as the 10 percent for administrative costs, the actual funding that the Secretary can allocate is $677,103,300. This figure is below what the urban area security grant program alone received in fiscal year 2011. At this level, if the Secretary were to provide funding for State Homeland Security grants, which requires each state and territory to receive a minimum amount of funding (defined in statute) as well as a 25 percent requirement for law enforcement terrorism prevention grants, DHS estimates that states and territories would receive at least 53.2 percent less than they will receive in fiscal year 2011. Some states, such as California and New York, could receive over a 90 percent reduction if the Secretary did not increase state funding above the minimums for risk, vulnerability, and consequence.

Plainly put, these decisions are shortsighted, and we cannot conceive of any defensible argument for cuts of this magnitude. Chairmen Rogers and Aderholt explained at the Full Committee markup of this bill that one of the main reasons for the cut to State and Local grant programs is because the agency has allowed large pots

of money to remain "unspent." While we concur that the Department has struggled to get those entities who receive grants to expend the dollars quickly, many of these funds are tied to longer term construction and acquisition projects that require multiple stages of review before construction can begin or reimbursement can occur. We should also be clear that, by and large, these funds are already obligated for specific and approved projects, but the money has not left the Treasury because final receipts for completed work have not been turned in by the states and localities. Again, this is largely due to the fact that these efforts to build local preparedness capacity are long term endeavors and that the various financial accountability and legal requirements on the grantees extend the reimbursement schedule longer than would be ideal. But it is not the case that States and localities are inundated with federal preparedness funding and that continued funding is unnecessary, as has been suggested. On the contrary, vital preparedness efforts will be delayed, stalled or abandoned in the absence of sufficient follow-on grant funding combined with shrinking state and local budgets.

Since the Subcommittee markup of this bill, we have heard repeatedly from numerous entities about the damaging nature of this decision to only provide $1 billion, in one lump sum, for all State and Local grants. For example,

- Transit agencies will not have funding to hire additional law enforcement officers, acquire bomb sniffing dogs, or install explosive screening devices at a time when open source media reports indicate that Al Qaeda may be attempting a major attack on the U.S. rail system.
- State and localities will receive greatly reduced funding (or be denied funding entirely) to harden tunnels and bridges or install surveillance systems at high-risk areas.
- Ports will not have funds for vessels to protect Harbor waterways from a terrorist threat or for maritime training of law enforcement personnel at the ports.
- According to the National Association of Counties, a reduction in grant programs and the combining of funding will result in communities of all sizes not being able to enhance their level of preparedness to deal with all hazards, including potential nuclear, chemical, and biological attacks.
- Cuts of this magnitude will cost jobs and harm the economy.

We cannot support this diminution in preparedness and so offered three amendments to restore funding for these critical grant programs, which were defeated almost exclusively along party lines. We maintain that more can and should be done to support our first responders, and we will continue to voice our support for funding enhancements as the bill progresses to the floor and in conference with the Senate.

## DISASTER RELIEF REPORTING REQUIREMENTS

We expressed strong concerns in Full Committee over a disturbing, precedent-setting provision in this bill. It would require the President to submit a budget amendment for additional disaster relief funding *three months before* the balance of available funds reaches $800 million. And it would require those additional funds to be fully offset from discretionary budget accounts. Cer-

tainly, Democrats as well as Republicans would like to see less reliance on supplemental appropriations to fund disaster relief. But when disasters strike, victims need help, and they need help quickly. We should not risk delaying disaster relief because of partisan battles over proposed offsets. Nor should we create a mechanism that could tie up the relief process because a disaster did not do us the courtesy of providing three months notice.

EXTREME FUNDING REDUCTIONS TO RESEARCH AND DEVELOPMENT ACTIVITIES

Another highly troubling decision is this bill is reducing the level of funding for research and development activities within the Science and Technology Directorate by more than half. The bill approved by the Full Committee provides $398.2 million for Science and Technology's Research, Development, Acquisition and Operations, 61 percent below the request and 42 percent below 2011. And to complicate matters further, over half of the appropriated funding is to maintain or construct laboratory facilities, not even for research activities.

At this level for 2012, S&T would first fund programs at centers that require an extended time to shutdown, programs required by law, and work conducted for other Federal agencies. After meeting these mandatory obligations, the Directorate would only have $110.4 million remaining for high-priority Research and Development activities. S&T has informed us that it would concentrate its remaining resources on aviation security and explosives detection technologies and on two Apex projects that S&T has committed to deliver to DHS components in signed charters. This means that funding for many other critical research efforts under way on cyber security, disaster resiliency, and detection of chemical and biological threats, could not be funded in 2012.

IMMIGRATION

While we appreciate the willingness of the Chairman to continue statutory language on the deportation of criminal aliens, continued oversight of 287(g) agreements, and funding increases for both the Secure Communities and Alternatives to Detention programs, we have serious reservations about other immigration provisions included in this bill or the accompanying report.

We strongly oppose inclusion of statutory language mandating ICE maintain a level of not less than 34,000 detention beds through September 30, 2012, which is 600 more beds than the budget request included. This language may obstruct ICE' s ability to satisfy its stated enforcement priorities and accomplish detention reform. ICE Assistant Secretary John Morton has stated that he interprets this language as mandating not only that he maintain 34,000 beds but that he also fill those beds with detainees on a daily basis. We have no problem funding the capacity for 33,400 beds, as requested in the budget ($2,023,827,000); but the use of those beds should be determined by the enforcement actions of ICE and the judgment of ICE on whether detention is required for particular detainees based upon flight risk and danger posed to the public. Mandating government spending on a pre-set number of detention spaces is contrary to the government's interest in reforming

the detention system and targeting its use for only those individuals who require it. And in an environment of fiscal restraint, Congress should not be telling a federal agency that it is not permitted to spend less than a certain amount if the same objective can be achieved at a savings to the taxpayer. For example, ICE could make greater use of Alternatives to Detention, where warranted by the circumstances of the detainee, resulting in significant daily cost savings. Finally, we are unaware of any other law enforcement agency that has a requirement to detain no less than a certain number of individuals in its custody on a daily basis. Normally, detention level is a consequence of enforcement activity.

We also oppose report language that supports the argument that Alternatives to Detention (ATD) program costs more than detention per individual. As ICE's own data shows, ATD is a very economical alternative to holding a low-risk individual in detention. Estimates of ATD enrollment have been as low as $7 per day while detention costs on average $122 per day. Also, ATD has proven to be an effective and low-cost way of ensuring attendance at immigration hearings without the high cost of detention. While we are pleased that the bill supports the requested increase for the ATD program, allowing for 2,500 new participants, the bill continues to favor the expansion of penal detention, for which funding has increased by 140 percent, from $842.3 million since 2006, to $2.24 billion in this bill, thereby reducing the likelihood that ICE will take full advantage of the cost-saving potential of prison alternatives.

### CITIZENSHIP

The bill provides no funding for asylum and refugee processing and immigrant integration grants, two areas that had received appropriated funds in the past. This reverses course on a 2010 decision to fund the processing of asylum seekers and refuges out of general funds, rather than asking other immigrant petitioners to pay for a service that they do not receive through fees. This bill also reverses a policy in recent years of appropriating funds for immigrant integration grants. Now, if the Secretary decides to continue this worthwhile program to promote the integration of new citizens into the American social fabric, these funds must now be carved out of the fees paid by persons and businesses applying for immigration benefits. These grants are used to support citizenship preparation services for permanent residents; strengthen citizenship preparation programs that provide direct services in communities across the country; and increase the capacity of members or affiliates of national, regional, or statewide organizations to offer citizenship services in underserved communities.

### OTHER REDUCTIONS TO CONSTRUCTION, INFORMATION TECHNOLOGY AND AUTOMATION PROJECTS

In total, the bill reduces $504,036,000 from the budget request for construction, information technology, and automation programs throughout the Department. This includes no funding to migrate all DHS component resources to two consolidated data centers, a project that has been under way for a few years and will reduce the risk of locating all of the Department's data at one facility or at aging, non-DHS facilities that are already overloaded. The bill

also makes significant reductions in CBP and Coast Guard facilities construction, CBP automation and DHS headquarters. These are shortsighted reductions that eventually could weaken frontline operations and will cost taxpayers more money in the future.

Of particular concern is the decision to provide no funding for the new DHS headquarters or for the consolidation of leased property, a penny-wise and pound-foolish decision. Already, based on the delay in finalizing the 2011 bill and the reduced resources provided in that bill for DHS headquarters construction activities, the cost of the headquarters project has grown by $200 million, from a total cost of $3.4 billion to $3.6 billion. The decision to deny an additional $159,643,000 in 2012 to finalize construction of the first phase of the new headquarters project and begin construction on the second phase will result in higher costs in the out years and will delay, by at least one year, when the Coast Guard can move into its new headquarters facility (phase one), which is already under construction.

Similarly, the bill does not provide the $55,630,000 requested for lease consolidation activities. Last year, this Subcommittee held a very informative hearing with DHS and the General Services Administration on this activity and heard testimony about the significant financial benefits of reducing the number of leases DHS has from 70 buildings across 46 locations in the greater Washington DC area to 6–8 buildings. Witnesses testified that the massive footprint disrupts the effectiveness and cohesiveness of Departmental operations and adds needless layers of cost and complexity to facilities management. Additionally, the leases will consume an increasingly larger share of the Department's budget through overhead costs in the coming years. In a time of fiscal constraint, the Department will not have extra dollars to pay for all of these lease increases without shortchanging front line and mission essential programs. At a time when real estate prices continue to be low in the greater Washington, DC area and construction and materials costs are relative low as well, this is the time to make this type of investment. Funding this activity would save taxpayers money for years to come.

The country deserves better than this bill. For the aforementioned reasons, we oppose this bill and urge our colleagues to do likewise.

NORMAN D. DICKS.
DAVID E. PRICE.

○